

Council meeting: Wednesday 21 February 2024

Notice is hereby given that a meeting of Warwick District Council will be held at Shire Hall, Market Place, Warwick on Wednesday 21 February 2023 at **6.00pm**.

Agenda

1. Apologies for Absence

2. Declarations of Interest

Members to declare the existence and nature of interests in items on the agenda in accordance with the adopted Code of Conduct. Declarations should be disclosed during this item. However, the existence and nature of any interest that subsequently becomes apparent during the course of the meeting must be disclosed immediately. If the interest is not registered, Members must notify the Monitoring Officer of the interest within 28 days.

Members are also reminded of the need to declare predetermination on any matter.

If Members are unsure about whether or not they have an interest, or about its nature, they are strongly advised to seek advice from officers prior to the meeting.

3. Minutes

To confirm the minutes of the meetings of the Council held on 10 January 2024.
(Pages 1 to 12)

4. Communications and Announcements

5. Petitions

6. Notices of Motion

7. Leader and Portfolio Holders' Statements

8. Questions to the Leader of the Council & Portfolio Holders

9. Setting of the Council Tax 2024/25

To consider:

- (a) the recommendations from the meeting of the Cabinet held on 8 February 2024 in Minute Number 84 and **(To follow)**
- (b) the report of the Responsible Financial Officer. **(To follow)**

10. Housing Revenue Account (HRA) Budget 2024/25 and Housing Rents Setting Report

To consider the recommendations from the meeting of the Cabinet held on 8

11. Cabinet Report

To consider an excerpt from the Cabinet meeting of 8 February 2024 in respect of Air Quality Management Area (AQMA) Revocations. **(To follow)**

12. Appointments to Committee

To make the following appointments

- (1) To appoint Councillor Falp to Warwick District Conservation Forum in place of Councillor Luckhurst;
- (2) To appoint Councillor Claire Wightman as a Member of the Overview & Scrutiny Committee in place of the Labour Group vacancy.

13. Common Seal

To authorise the affixing of the Common Seal of the Council to such deeds and documents as may be required for implementing decisions of the Council arrived at this day.



Chief Executive
Published Tuesday 13 February 2024

For enquiries about this meeting please contact Warwick District Council, Town Hall, Parade, Royal Leamington Spa, CV32 4AT

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WARWICK DISTRICT COUNCIL

Minutes of the meeting of Warwick District Council held at Shire Hall, Warwick, on Wednesday 10 January 2024, at 6.00pm.

PRESENT: Councillor Syson (Chairman); Councillors Aizlewood, Armstrong, Barton, Billiald, Boad, Browne, Chilvers, Collins, Cron, Davison, Day, K Dickson, R Dickson, Falp, B Gifford, C Gifford, Gorman, Hales, D Harrison, Kennedy, King, Kohler, Luckhurst, Margrave, Matecki, Milton, Noonan, Payne, Phillips, Redford, Roberts, Rosu, Russell, Sinnott, Tangri, Williams, Wightman and Yellapragada.

63. **Apologies for Absence**

Apologies for absence were received from Councillors Dray, J Harrison, Hunt, and Sullivan.

64. **Declarations of Interest**

There were no declarations of interest made.

65. **Minutes**

The minutes of the Council meetings held on 26 September 2023, 15 November 2023 and 6 December 2023 were taken as read and signed by the Chairman as a correct record.

66. **Communications & Announcements**

The Chairman thanked all District Council officers who helped respond to the flooding within Warwick District in early January and the monitoring work undertaken over the Christmas period.

The Chairman highlighted to Council that Helping Hands in Leamington Spa, Warwickshire Search and Rescue, Graham Fulford Charitable Trust and Veterans Contact Point Chairty who received the Kings award for voluntary service.

The Chairman stated that in November, Raj Kang resigned as a District Councillor and wished to offer him thanks for his work on this Council and remind Councillors that on 18 January there would be a by-election for his replacement.

The Chairman confirmed that she had no business on the agenda under Item 5 Petitions or Item 6 Notice of Motion.

67. **Leader and Portfolio Holders' Statements**

The Portfolio Holder for Climate Change, Councillor Kennedy, updated Council on the Council's proposed Net Zero DPD. On the 13 December the Government started a consultation on "the future homes standard for 2025" and on 19 December published its response to the Levelling Up and Regeneration Bill with reforms to the National Planning Policy consultation. It was understood the Net Zero DPD Inspector might want to consult on if, as a result of these documents, any changes were required in the DPD, thus the DPD could be further delayed.

The Portfolio Holder for Housing & Assets, Councillor Wightman, provided a detailed update in writing to all Councillors, as set out at Appendix 1 to the minutes. He also informed the Council that in respect of the Asset Compliance work, the Council awaited the decision from the Social Housing Regulator. The Council had held its first Compliance Board and first Compliance Committee in December with the agreed Action Plan in progress.

The Portfolio Holder for Neighbourhood Services, Councillor Roberts, informed Council that:

- (1) the Christmas waste collection had run smoothly and with normal collections resumed;
- (2) the first Fixed Penalty Notice for commercial bins stored on a highway had been issued and paid;
- (3) Biffa were collecting Christmas trees, without charge, up to 19 January 2024;
- (4) the 2024/25 garden waste permits would go sale from 16 January 2024; and
- (5) that on 15 January there was a presentation for District Councillors on the Biodiversity action plan.

The Portfolio Holder for Place, Councillor King, informed Council that:

- (1) he was working with officers to provide clarity in energy efficiency in old and listed buildings in respect of planning consents;
- (2) training had been provided for officers on the Net Zero DPD and training would be made available to all Councillors.
- (3) the Governments future home standards from 2025 would complement the building regulations but the anticipated gas boiler ban, for new homes, from 2025 had changed to views being sought within the consultation;
- (4) Both Warwick and Stratford were unhappy with the housing requirements for the South Warwickshire Local Plan HEDNA and therefore the appointed consultants had been asked to undertake additional work to review alternative models to the standard method and HEDNA used by other authorities; look at the new draft of NPPF published on 19 December to identify if this changed any calculations of housing need; review the HEDNA five and 20 years housing need projection including the underpinning data; and look at justification for WDC or SDC to take a different approach to the standard method and HEDNA of housing need.

The Portfolio Holder for Resources, Councillor Chilvers, reminded Council that it was due to set the Budget at its next meeting on 21 February 2024. He explained he was working with officers to make the report clearer for all to understand and including showing how the Business Rate Volatility Reserve provided support to the General Fund. The government settlement had not grown in line with inflation and this meant that there would be increased pressures for Councillors to consider. He thanked those who had attended the briefing on 8 January 2024 and highlighted the budget report would be considered by Cabinet on 8 February 2024.

Councillor Davison presented an update, set out at Appendix 2 to the minutes, on behalf of Portfolio Holder for Transformation, who had given apologies for the meeting. In addition to this, he reported that Levels 3 and 4 of Riverside House were now closed that would result in reduced business rate costs to the Council but that the full savings from Riverside House could not be realised until the sale to Homes England was completed which was subject to conditions including that planning permission for the site was granted.

The Leader and Portfolio Holder for Strategic Leadership, Councillor Davison, informed Council that:

1. he welcomed the initiative with Masters students from UCL using public information on how the Council reduce carbon emissions while improving sustainable well-being;
2. he had circulated to all Councillors, Appendix 3 to the minutes, the Response from Department of Energy Security and Net Zero in response to his letter to the Prime Minister regarding net zero pledge by the Government; and
3. the list of formal Council projects and Portfolio Holders for them would be circulated by the end of the following week.

68. Questions to the Leader of the Council & Portfolio Holders

Councillor Barton asked the Portfolio Holder for Neighbourhood Services if he could provide more detail about commercial waste being stored on council land without permission.

In response, Councillor Roberts explained that the penalty notice had been issued to a company using highway bins for commercial waste.

Councillor Barton asked the Portfolio Holder for Housing & Assets if he could explain what the Council was waiting for the regulator to come back to the Council on.

With the permission of the Chairman, the Deputy Chief Executive explained that the Council was waiting for judgement based on the evidence submitted, but the Council was not waiting for them before implementing action plan. A follow up meeting was due with the regulator on 16 January. Following this meeting the regulator could seek more information but once the decision had been made by the regulator, Councillors would be informed.

Councillor Barton asked the Portfolio Holder for Safer Communities, Leisure and Environment for update on the fly infestation in Whitnash.

In response, Councillor Sinnott explained that this was now an odour and noise issue in addition to the fly infestation. An update meeting with residents had taken place but the final source was not confirmed. The Environment Agency were the lead agency, and they had two sources in mind.

Councillor Falp asked the Portfolio Holder for Housing & Assets how much of the action plan was in the public domain.

In response, Councillor Wightman explained that the report from Penningtons was in public domain and the Council had written to all tenants to make them aware of the initial non-compliance. The action plan was on website as part of agenda for Asset Compliance Committee.

Councillor Falp asked the Portfolio Holder for Safer Communities, Leisure and Environment if the Council would be having a briefing from the Director of Public Health, on their Annual Report, which this year focussed on Breaking the Silence on Domestic Abuse; and also briefings on the Joint Strategic Needs Assessment (JSNA) on aging population; and the new Lillington health hub.

In response, Councillor Sinnott agreed to invite the Director of Public Health to arrange a briefing and would look to get the information shared on JSNA and Health Hub.

Councillor Redford asked the Portfolio Holder for Safer Communities, Leisure and Environment if they could pass on thanks of the Council to team behind the flooding response; and if the District Council could look at holding a stock of sandbags that could be deployed to Parish/Town Councils as required during flood events.

In response, Councillor Sinnott explained that he would pass on the thanks for the Council. In respect of sandbags, including in response to a supplementary question, explained that there were a number of challenges with using these and District Council did not hold a stock but he was willing to have a discussion on the support that could be provided.

Councillor Redford asked the Portfolio Holder for Place, if he could explain what 20-minute neighbourhood design was, and what was the intention of protecting the existing identities of communities how will you do this.

In response Councillor King explained that 15 or 20 minute neighbourhoods were where all main services, for example shopping and other local facilities, were within 15 or 20 minute walk from housing, to help people engage in active travel rather than having to drive all the time.

In response to supplementary question on this point he explained that Kings Hill was under current local plan and not the future local plan, so it would be hard to make this requirement. However, going forward the aim was to do as much as possible.

In response to the question regarding retaining the identity of existing communities, Councillor King, explained this was about retaining current communities' identity, rather than merging them into urban sprawl.

Councillor Redford asked the Leader if the Covent Garden car park was one of the potential sleeper projects, and what the long-term plan was for the site.

In response, Councillor Davison explained that this site was at feasibility study stage and would come to Cabinet in due course. Covent Garden was not within the possible sleeper category because work needed to be done with its links to the transformation programme for Leamington Town Centre. An example of a possible sleeper project could be the proposed bridge over River Leam by the Pump Rooms to Spencer Yard but this was also subject to feasibility study.

Councillor Payne asked the Portfolio Holder for Resources if he could provide an update on the plans within the proposed budget to provide cost of living support for residents within Warwick District?

In response Councillor Chilvers explained there were three components in cost of living within the budget last year:

- (1) the Council tax reduction scheme, which was subject to public consultation, was proposed to remain;
- (2) the discretionary housing payment top up, that was previously included as a one off, had been brought forward in November as a recurring feature in the budget; and
- (3) then there were the one-off cost of living additional support grants. The Council supported community centres and hubs, as well as CAB, with a one-off grant to food bank. This one-off grant would need to be considered against the other competing priorities for the finance available.

Councillor K Dickson asked the Portfolio Holder for Neighbourhood Services, if the contract with Biffa allowed for collection of sharps from pharmacies, because pharmacies in Kenilworth no longer accepted used sharps boxes?

In response, Councillor Roberts explained that the Council had contacted pharmacies to understand the position. They had responded to say they were not providing the service to customers, but contractors were ready on request and available to all pharmacies.

Councillor K Dickson asked the Portfolio Holder for Housing & Assets if he was aware that hotels in district were housing asylum seekers and that one was rumoured to be closing next week?

In response Councillor Wightman explained he was not aware and would investigate.

Councillor Boad asked the Portfolio Holder for Place that, with the changes to the NPPF including that if granted on appeal, when members have gone against officers recommendation, a sanction could be issued against councillors, was there going to be training for all Councillors on this?

Councillor King was not aware of the sanction, but officers were assessing the updates and assured he would follow this point up.

Councillor Boad asked the Portfolio Holder for Housing & Assets for how many sheltered housing units the Council had, and what Christmas entertainment provision was available there.

In response, Councillor Wightman did not have exact figure for the number of sheltered accommodation units, and would look into the details of entertainment provided.

Councillor Milton asked the Portfolio Holder for Place if he could provide an update on the marketing of the employment land allocated in east of Kenilworth development.

In response, Councillor King explained that the employment land was being marketed by the developer's land agents Savills. This Council and Warwickshire County Council were working with them to actively market site. The Council was aware offers had been made for the site and discussions were ongoing. In response to a supplementary Councillor King agreed to look into providing assurance that the employment allocated land could not be reallocated to use for housing.

Councillor Matecki asked the Portfolio Holder for Resources if he would like to revise his position from the previous Council and Budget Review Group because it was clear that WCC instigated conversation on parking fees and not WDC.

In response Councillor Chilvers stated it was important to work together on parking issues, and he was keen to facilitate these discussions. Councillor Chilvers recognised the efforts of WCC and its relevant Portfolio Holder, and that Councillor Roberts was looking to review parking costs and he looked forward to working as close as possible with WCC.

In response to a supplementary question, he explained he had tried to facilitate contact and this had not got as far as he would have liked.

Councillor Tangri asked the Portfolio Holder for Safer Communities, Leisure and Environment, if they could provide a brief overview of the WDC response to the flood event earlier this year; explain if the existing plans, including communications, were effective; if any changes need to be made to the plans; and if any additional money was required.

In response Councillor Sinnott explained the current plans were effective and this came through continual refinement and testing. He provided an outline of the formal response to the emergency explain the Council was now working on the clear up, including street cleaning and gully cleaning, working with partners. For those properties that were reported as flooded, WDC were taking away bulky objects to aid in the recovery process. There would be a formal post incident debrief for lessons to be learned. There was additional expenditure but because there were over 50 properties confirmed flooded in Warwickshire, there would be some grant funding available to contribute towards the costs.

Councillor Cron asked the Portfolio Holder Housing & Assets, that in respect of Leyes Lane and Rouncil Lane housing developments, to inform Council if the houses on either these sites would include dwellings to be passivhaus standard and what percentage of these would be affordable. If not, how could the Council achieve the aims within its Corporate Strategy?

In response Councillor Wightman explained that the Cabinet were yet to determine the development approach for both Leyes Lane and Rouncil Lane sites. The Council was very ambitious with its Corporate Strategy in making new houses an exemplar of sustainable building and looking to increase affordable houses. These were two competing areas of Housing and Climate Emergencies. The administration was working on defining what an exemplar meant, and passivhaus was one of a number of models.

Councillor Day asked the Leader how the Council would look to address mitigation for climate change within the resources the Council had within the climate emergency fund.

In response, the Leader explained that in respect of adaptation, using flooding as an example, where no single body had responsibility for flooding, was one of the bits the biodiversity action plan being in place could support. For example, how the Council could support meadows and other similar habitats. There was good work that households and businesses could do to help mitigate flooding and he agreed to look at publicising this. The Leader also explained he was looking at holding a public engagement session around climate change or biodiversity in the next 12 months.

Councillor Noonan asked the Portfolio Holder for Neighbourhood if there was the potential for a temporary bridge to replace the closed bridge over the River Leam at Newbold Comyn.

In response, Councillor Roberts explained that the potential for a temporary bridge was not being progressed as this would require the same permissions to work in the river as a permanent solution. The Council was waiting for the Environment Agency to grant permission for works on a permanent solution, at the same time plans were at a design and planning stage.

Councillor Phillips asked the Leader why the WDC cyber audit was not completed and what action had he taken on this matter.

In response, the Leader explained he had received assurance by the Portfolio Holder that the audit would be completed by the next meeting of the Audit & Standards Committee and this would be more than just a tick box exercise with a briefing for Councillors. In response to a supplementary question, he provided assurance he would follow this audit up.

Councillor Phillips asked the Portfolio Holder for Place if he could confirm that consultation with Parish Councils would take place before the Council selected the preferred sites options for the Local Plan.

In response Councillor King explained he understood this was pencilled in and provided assurance the Council would consult with them.

69. **Cabinet Report**

It was proposed by Councillor Chilvers and seconded by Councillor Davison that the recommendations from the Cabinet, of 6 December 2023 in respect of the Quarter 2 Budget Update 2023/24. be approved.

Resolved that the recommendation from the Cabinet of 6 December 2023 be approved.

70. **Appointments to Committee & Outside Bodies**

It was proposed by Councillor Davison, seconded by Councillor King and

Resolved that Councillor Yellapragada be appointed to the Asset Compliance Committee.

71. **Public & Press**

The Chairman proposed, it was seconded by Councillor Davison and

Resolved that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following item by reason of the likely disclosure of exempt information within paragraph 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

72. **Confidential Cabinet Report**

The Council considered the Confidential recommendation from the Cabinet meeting on 6 December 2023, that sought approval for the associated costs to enable the Purchase of Eighty Two Dwellings at The Asps, Banbury Road, Warwick.

The recommendation was proposed by Councillor Wightman, Seconded by Councillor Kennedy and

Resolved that the confidential Cabinet report of 6 December 2023, be approved.

73. **Common Seal**

It was proposed by the Chairman, seconded by Councillor Davison, and

Resolved that the Common Seal of Warwick District Council be affixed to such documents as it may be required for implementing decisions of the Council arrived at this day.

(The meeting ended at 7.55pm)

CHAIRMAN
21 February 2024

Statement from the Portfolio Holder for Housing & Assets

Sheltered Schemes over the Christmas period

In the run up to Christmas the Lifeline Team Leaders along with the Sheltered Living Officers embarked on a weekly timetable of events for our sheltered schemes, one sheltered scheme is currently under refurbishment, so the residents were catered for and entertained by the contractor Seddons. On each scheme a 3-week programme was drawn up including a Fish and Chip lunch, Sandwiches and a raffle and a full Christmas dinner provided by Warwick District Council and the team who support the residents all year round to live independently. The residents enjoyed the variety of food and entertainment provided. The Team Leaders were the hostesses with the mostess assisting the Sheltered Living Officers serving the meals and running the raffle. Tenants enjoyed the meals and entertainment provided, some of the comments received were:

- 'Thank you so much, it was lovely to have a nice meal surrounded by people as it does get lonely on my own'.
- 'Could have done with a glass of wine but apart from that I have thoroughly enjoyed myself'.
- 'Food was lovely and the servers were even lovelier' (our own Lifeline Team Leaders)

A great job was done by the team to provide the meals, service, entertainment and the organisation in the background to provide our tenants with hopefully a lovely run up to the Christmas period. Each event was on average attended by 20 tenants from the scheme, so everyone was welcomed and included if they wanted to be.

Lifeline over Christmas period.

Lifeline continued going over the Christmas period whilst the Council as a whole was taking a well-earned break. Lifeline dealt with 1559 calls over the period answering 98% of them within 60 seconds whilst the council was closed, this includes calls from other council's out of hours services as well, so no mean feat.

Luckily Warwick District Council reopened before the flooding so that relevant departments were in place to deal with the flooding issues, however the team were on hand should they receive any calls. Lifeline continued to respond to emergencies and events as they happened over the period and in one afternoon one member of the team had to visit 3 emergency response calls including to assist the officer driving of one of our cars which was stuck in the mud, so he could attend to one of our customers. Luckily, we had the AA on hand to go and rescue him!

Lifeline do this work, day in and day out and our HEROS service is becoming more and more of a service that is a Unique Selling Point for our Lifeline control centre as we can go assist with low level interventions with customers or our own tenants within 1 hours drive of our offices at Acorn Court. This can sometimes save a call to the ambulance service for a fall with an uninjured customer or where we can simply provide reassurance and assistance saving calls to our control room and friends/family and comfort them whilst an ambulance has been called.

Lifeline is there 24 hours a day week in and week out to look after not only the most vulnerable in society but also to look after our own tenants and residents in other council areas out of hours and is very proud to do so.

SWEP

The Severe Weather Emergency Protocol (SWEP) has been activated on three separate occasions since the weather turned colder towards the end of November 2023. The temperatures are monitored twice daily and if the temperature is forecast to drop to zero degrees or less the SWEP is activated. When determining if SWEP is activated, we also

take into account the wind chill factor which even if the actual temperature remains above zero degrees, but the wind chill factor takes it below, the SWEP is activated. Once it is agreed to activate the SWEP, notification is sent to partners, agencies and relevant colleagues including the Out Of Hours service (lifeline), should someone present later in the evening.

The SWEP was activated on:
24th November to 3rd December – 6 nights
5th December 2023 - 1 night
5th January 2023 – on going.

Any approaches during SWEP are placed in B&B accommodation with providers we work with on a regular basis, so they understand the needs of this client group. In addition, the Night Shelter is open on Friday and Saturday nights where some Rough Sleepers will present.

We also work closely with P3 outreach service who do undertake visits to known locations of Rough Sleepers once SWEP is activated to ensure they are aware of the availability of accommodation.

In addition, a Winter Plan leaflet was put together. This contains extensive information on the support available from different organisations and was distributed to the agencies before the Christmas period.

Temporary Accommodation.

During the week leading up to the Christmas break 10 households were placed in TA of which 7 were single households and 3 were families. All families were placed in WDC stock, and the use of B&B accommodation was avoided.

Over the Christmas period there were 10 family households in Temporary Accommodation with a total of 12 children. Nine families were in WDC stock, and one family was placed in a self-contained furnished apartment. Again, no family households spent time in a B&B or hotel over the Christmas period.

For the period leading up to the Christmas break we were successful in moving seven family households out of temporary accommodation into more suitable accommodation.

Those clients housed in TA receive support from the Housing Support Workers based within the dedicated Temporary Accommodation team. They will normally visit on a weekly basis to support the clients, make referrals to other support agencies where needed and help to prepare the clients to move on to more appropriate accommodation.

Some of the comments received by the team:

"your officer has been so supportive, and I don't know how I would have got through this without her."

" We really appreciate all the support you have provided; we are very grateful for your help."

"Thank you for being there when things have been very difficult. We are so excited to be moving to our own home."

Statement from the Portfolio Holder for Transformation

1) Microsoft ESA

Following approval by cabinet, the procurement of a replacement agreement commenced as planned, using Crown Commercial Services eProcurement portal.

This involved an open competition where any provider on the framework capable of meeting the council's needs could bid – it's as close as possible to an open market tender, within the protections of a Crown Commercial Services framework.

We did have alternative direct award options available (which was utilised in 2020), but we believed the open competition was significant to ensuring we secured value for money on what is ICT's most expensive contract.

Bids we're evaluated on the basis of cost, technical capability and social value; the latter covering subjects such as tackling economic inequality, equality and diversity and environmental sustainability – all in line with the council's own objectives.

Responses were received and ICT have already evaluated these. We will shortly be notifying the companies involved who the winner is so at this point we can't disclose the name or price (an update will be provided in due course).

The winning provider does have the capability to meet all our needs and the procurement is within the budget envelope previously approved by cabinet. The contract will be fully operational before the existing agreement comes to an end, securing all services for the Council, as planned.

2) ICT Migration to SF1

Before Christmas, ICT successfully kitted out SF1 with workstations for staff and migrated most of our production server environment away from Riverside House. This resulted in zero downtime during the move, and no disruption to services for the public.

Levels three and four of RSH have also been completely cleared of ICT kit, allowing the Council to claim business rates relief on the unused part of the site.

There are still three significant projects for ICT to complete before RSH can be shutdown entirely:

a) The migration of Telephony

This is well underway and proceeding exactly as planned. It is expected that our telephone lines will migrate to the cloud within the next month, and on a day-to-day basis, staff and customers will see no difference.

Initially, staff will continue to use Jabber for telephone calls, but in time, after RSH has been closed, this will switch to Teams. The Council's contact centre telephony system is also being migrated to the Cloud and will be completed by the end of February.

The Council's legacy telephony hardware has already been migrated to SF1 as a contingency. This will ensure that no matter what happens, our telephony will not delay the full closure of RSH.

b) Physical Server Moves

There are a very small number of servers which are still at RSH and need to move to SF1. These are physical boxes that could not be moved without causing some form of disruption. Plans are in place to move them over a weekend in late January, so as not to delay the closure of RSH.

c) Strip Out

This cannot be entirely completed until after Customer Services move to the Pump Rooms. However, plans are already in place to ensure a swift and efficient strip out of all remaining ICT kit at RSH, as soon as the building is no longer needed.

3) Pump Rooms

Work at the Pump Rooms is progressing well. Our contractors have completely stripped out the old shop and work is underway on the refurbishment.

A week of delay was introduced to the programme whilst the outcomes of an asbestos survey were completed, but our contractors have tried to pull some of this time back by recommencing work after Christmas sooner than originally planned. The flooding around the Pump Rooms did impact on operations slightly but it is expected that the time lost will be recovered. Overall, we are still on track for completion in March.

The space has been completely boarded up by the contractors to keep the site safe and information hoardings have been prepared to ensure people know what is happening. The boarding has not significantly impacted on light levels within the Main Pump Rooms reception, as most of the illumination came from the artificial sources present.

The next major activity is to order the furniture for the centre, and work toward this is currently underway. We have made a small number of changes to the design to improve accessibility and flow, which ultimately will be of benefit to family groups or customers with accessibility issues. These include the creation of a semi-private meeting space and larger meeting pods which can accommodate more people and are more accessible.

We remain within the allocated budget for the project (without using the contingency) and there are no significant issues to report.

4) Customer Services at RSH

Customer Services remain at Riverside House following the move of most services to Saltisford. They are accompanied by a small number of staff from Housing, Human Resources and Assets.

The team are using this time to further develop and test their operating procedures as the situation they are experiencing is very similar to what they will see at the Pump Rooms. To date there have been no significant issues, but the absence has already highlighted a small number of operational tweaks that need to be made.

Cabinet

Excerpt of the Minutes of the meeting held on Thursday 8 February 2024 in Shire Hall, Warwick at 6.00pm.

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

Also Present: Councillors: Boad (Liberal Democrat Group Observer), Hales (Conservative Group Observer), and Falp (Whitnash Residents Association Group Observer).

81. **Declarations of Interest**

There were no declarations of interest made in respect of the Part 1 items.

Part 1

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

84. **General Fund Revenue and Capital Budget 2024/25**

The Cabinet considered a report from Finance which set out the General Fund Budget for Warwick District Council, including proposals for growth, plus the Medium-Term Forecasts up to 2027/28. It would be presented to Council alongside a separate report recommending the overall 2024/25 Council Tax Charges for Warwick District Council.

The report presented a balanced budget for 2024/25, which the Council had achieved through a significant use of available reserves. The Council continued to use non-recurrent funding from the Core Finance Settlement, including the Funding Guarantee and New Homes Bonus to support non-recurrent additional activity and replenishing reserve balances, and not to support ongoing core revenue spending.

In advance of the report to approve the 2024/25 Council Tax Charges going to Council, a 2.99% increase had been recommended by officers, in line with the Medium Term Financial Strategy (MTFS) last approved in February 2023.

By law, the Council needed to set a balanced budget before the start of the financial year. As part of this process, it needed to levy a Council Tax from its local taxpayers to contribute to financing General Fund expenditure.

It was prudent to consider the medium term rather than just the current and next financial year in the context of strategic planning and decision making, to align with the Corporate Strategy. Hence, Members received a five-year Medium Term Financial Strategy (MTFS) detailing the Council's financial plans, Capital Programme and Reserves Schedule, covering the period 2023/24 to 2027/28.

The Local Government Act 2004, Section 3, stated that the Council needed to set an authorised borrowing limit. The CIPFA Code for Capital Finance in Local Authorities stated the Council should annually approve Prudential

Indicators. These would be included in the Annual Treasury Management Strategy report to Cabinet and Council in March 2024.

The Chief Financial Officer was required to report on the robustness of the estimates made and the adequacy of the proposed financial reserves. This statement was provided as Appendix 1 to the report.

This report was structured to build up and present a holistic view of the Council's finances for Members to assist them in considering the Budget and Council Tax proposals and associated matters.

In preparing the 2024/25 Base Budget the overriding principle was to budget for the continuation of services at the existing level. The following adjustments needed to be made to the 2023/24 Original Budget:

- Removal of any non-recurrent (one-off) and temporary items.
- Addition of inflation.
- Addition of unavoidable pressures.
- Addition of agreed Growth items.
- Inclusion of any identified savings.

Core inflation of 4% had been included in the proposed 2024/25 Budget for staff pay, subject to pay award negotiations.

The following unavoidable cost uplifts had been included in the Budget:

- Known increases on major contracts already in place with agreed uplifts. These included the waste contract, repairs and maintenance, cleaning, and ground maintenance contracts.
- Increased cost of utilities agreed as part of the Council's commercial contracts, covering gas, electricity, and water.
- IT systems used to support services as Housing, Benefits, Council Tax, Business rates and Finance.

As part of agreeing the 2023/24 Budget last year, a series of Budget savings were included. These had continued to be monitored throughout the year and reported to Members as necessary.

The 2024/25 budget showed a deficit of £4.475m. The key drivers of the 2024/25 forecast deficit, compared to when the MTFs was last presented to Members in the December 2023 Quarter 2 (Q2) Budget report included:

- Request for recurrent Growth items £0.821m.
- Increase in revenue borrowing costs driven by new projects agreed in-year.
Offset by:
 - Increase to investment income driven by higher than forecast interest rates.
 - The inclusion of business rates growth aligned with expected completions in-year.
 - The inclusion of change programme delivery targets from 2024/25.
 - The delay to the introduction of the second homes premium Council Tax charge.

An additional £0.045m Cost of Living Support budget had also been included from 2024 for three years.

To present a balanced budget, it was proposed to use funding from the General Fund Volatility Reserve.

Appendix 2b to the report included details of the breakdown of the Budget over the Council's individual services.

The Chancellor announced the 2023 Autumn Statement on 22 November 2023, which was followed by the Secretary of State giving an update on local government funding in advance of the provisional local government finance settlement 2024-25 on 5 December through a pre-settlement policy statement.

This followed a similar approach to 2023/24, when for the first time a pre-settlement policy statement was published. This outlined the key decisions for the 2023/24 settlement and also for the 2024/25 settlement.

Most of those key decisions remained unchanged from those outlined in 2023/24.

The Provisional Local Government Finance Settlement was then released on 18 December.

The recent announcements and provisional settlement were once again a holding position, designed to offer some stability based on a uniform roll-over of the core elements of the settlement. However, this was the third year in succession that the Government had only provided local authorities with a single-year settlement. The hoped for multi-year settlement had again not been forthcoming, and this continued to make financial planning very difficult for local authorities. The settlement was due to be confirmed by the Government in February 2024, ahead of local authorities confirming their budgets for 2024/25.

The Council Tax principles of the Finance Settlement were set out in section 1.5 in the report.

Cap compensation would be paid to mitigate for lost income arising from the decision to freeze the small business rating multiplier in 2024/25. The Services Grant introduced in 2022/23 would be retained again in 2024/25, but further reduced to £0.022m.

For some years the future of the New Homes Bonus (NHB) had been subject to review, adding uncertainty over its continuation.

However, as part of the stability, this had included NHB allocations for 2024/25 of £0.902m. There were no legacy payments attached to these new allocations.

In addition, to bridge the gap and to ensure that all Councils saw a minimum 3% increase in their core spending power (before taking into consideration any local decisions on Council Tax), a further one-off Funding Guarantee allocation of £2.289m would be received. It was noted that the Council had received a provisional increase in core spending

power of 4.8% as part of this settlement.

On Wednesday 24 January 2024, the Government announced additional measures for local authorities in England, worth £600 million. This included £500 million of new funding for Councils with responsibility for adults' and children's social care, distributed through the Social Care Grant. Further details on the exceptional provision of this funding would be set out at the upcoming Budget.

In addition, an increase in the funding guarantee so that all local authorities would see a minimum 4% increase in their Core Spending Power, before taking any local decisions on raising Council Tax. It was expected that this would be worth £0.176m to Warwick District Council. However, due to the timing of the announcement, this had not been included in the budget to date. Its inclusion, and how it would be used by the Council, would form part of the Council Tax Report going to Council later in February.

The Council would continue to use NHB and now the Funding Guarantee to fund one-off items, or to support the top-up of reserve balances. This was in view of the uncertainty over future allocations, so it had been prudent not to use this funding to support core revenue expenditure, with this revenue only factored into the Medium-Term Financial Strategy once it had been agreed for each year. The proposal for their use was outlined in section 1.10 in the report and Appendix 8 to the report. Funding reforms and changes in funding distribution, including the Fair Funding Review and Business Rates baseline reset, would not be implemented until after the General Election, and therefore 2025/26 at the earliest.

Under the current Business Rate Retention scheme, 50% of rates collected were retained within local government (40% to Warwick District Council / 10% to Warwickshire County Council), with a series of tariffs and top-ups to redistribute the revenue between local authorities to reflect the individual "needs" of authorities, and to distribute revenue to non-billing authorities. For some years, the Government had been planning a move to a 75% scheme to give local authorities more incentive to encourage local businesses on the basis that the local Councils would get to retain a greater proportion of the tax revenue.

The other planned change to the Business Rate Retention system was for there to be a "Re-set" of the Baselines. Under the system, each authority had a Baseline, and got to retain a proportion of the additional tax revenues above this. Authorities such as Warwick had benefitted from this since the scheme began and operated well above Baseline. If there was a re-set to the Baseline, this would reduce the business rates that the Council retained substantially. For the fourth consecutive year the re-set had been delayed, with it now expected to be from 2025/26 at the earliest, with this year being the first following the next expected General Election. Therefore, any delay in changing the baselines was seen to be of benefit to the Council. However, the MTFS did account for a steep decrease in the Council's forecast Business Rate income from 2025/26, where it was expected that District Councils would be impacted the most from any change.

While the details of any reform remained unknown, typically there would be some form of transitional funding available to Councils that were negatively affected. However, for prudence, the MTFS assumed for a 'worst-case' scenario, with this position subject to continual review as and when more information became available.

The Business Rate Retention scheme was very complex, with many components and parameters which drove the funding, and the timing of that funding that Councils received. The Council's Business Rate Retention projections were based on figures provided by Local Government Futures, a specialist consultancy that many local authorities subscribed to. This information was supplemented with local knowledge from being part of a Business Rates Pool with other Councils across Coventry and Warwickshire. The Council was part of the Coventry and Warwickshire business rates pool.

This had meant that any tariff payable was made through the pool to central Government, along with the other Warwickshire Councils (including the County Council) and Coventry City Council. The operation of the Coventry and Warwickshire pool had meant that the tariff payments made by the Council were reduced and more business rates income could be kept locally. The members of the pool had once again agreed to remain within the pool going forward into 2024/25.

Given the large fluctuations in the business rates, and the difficulty in projecting the revenue, it was important that the Council continued to retain a "Volatility Reserve". Any business rates income received in the year above the agreed baseline was allocated to the reserve. In future years, it might be necessary to fund any shortfall to the baseline from the reserve. As the Council currently was operating above the baseline, it had been able to use the overperformance income from prior years to balance the current year budgets, with the 2024/25 being no exception.

As part of the Finance Settlement (section 1.6) the Government had confirmed that for District Councils, their element of Council Tax could increase by the higher of 2.99% or £5 for 2024/25. As 2.99% was higher than £5 for the Council, this was the maximum increase in Council Tax for 2024/25 that was allowed for. Any increase above this level would require a local referendum.

Increasing the Council Tax by the maximum would protect the Council's tax base and maximise Council Tax revenue. If the Council agreed a lesser increase than 2.99% (or no increase), this would erode the tax revenue of Warwick District Council from 2024/25 in perpetuity. A 2.99% increase would generate an additional £0.308m in 2024/25. If Council Tax was not increased, the Council's revenue income for all future years would be suppressed by at least this amount. With the Council having to find further revenue savings in future years, the savings to be found would be that much greater. If savings in service provision were not found, it would be necessary to make reductions in services to enable the Council to be able to agree a balanced Budget in future years.

The Tax Base for 2024/25 had now been agreed at 58,280 Band D dwellings, representing an increase of 611 from the prior year's tax base, and above the forecast used by the government in setting the Local

Finance settlement. However, this figure represented a decrease of 520 from what had been allowed for within the Council’s 2023/24 Medium Term Financial Strategy. The decrease reflected the number of new properties across the District now coming forward, following a slowdown in the construction of new properties from the second half of 2023/24 due to the current economic conditions, with inflation and interest rates being higher than what was forecast when the budget was set last year. The figures also reflected the actual impact on the changes to the Local Council Tax Reduction Scheme introduced in 2023/24.

The 2023/24 estimated Council Tax balance in respect of Council Tax income for the current year had recently been reviewed. This gave a total estimated deficit balance of £1.001m as at 31 March 2024. This balance had to be shared with the major preceptors in 2024/25, with the Council’s element being £0.100m. Estimating the tax base was invariably very difficult, and frequently resulted in a deficit or surplus balance which would need to be financed subsequently. The current economic conditions, and the actual impact on the changes to the Local Council Tax Reduction Scheme introduced in 2023/24 had increased the challenge of estimating the tax base with increased levels of certainty. The model used to forecast the tax base was continually revised to take into consideration current economic and sector conditions, with the forecast on new properties being reduced for 2024/25 as a result of the continued challenging market conditions.

The Medium-Term Financial Strategy assumed Council Tax increases for future years of 2.99% per annum from 2024/25. Any departure from this would increase the level of the future deficit, and the values required to be achieved within the change programme.

Therefore, the Officer recommendation within the report was for District Council’s element of Council Tax for 2024/25 should be increased by 2.99%. On this basis, the 2024/25 Council Tax for each band would be as follows:

	£
Band A	121.43
Band B	141.67
Band C	161.91
Band D	182.15
Band E	222.63
Band F	263.11
Band G	303.58
Band H	364.30

Members needed to bear in mind their fiduciary duty to the Council Taxpayers of Warwick District Council. Members had a duty to seek to ensure that the Council acted lawfully. They were under an obligation to produce a balanced budget and must not knowingly budget for a deficit. Members must not come to a decision that no reasonable authority could come to, balancing the nature, quality and level of services that they considered should be provided, against the costs of providing such

services. By increasing the Council Tax by the maximum amount permitted, Members were ensuring the Council was limiting where possible the size of the financial deficit, and that it was maximising the amount of Council Tax it could receive in-year to support continued delivery of agreed services.

For some years the future of New Homes Bonus (NHB) had been subject to review, adding to uncertainty to its continuation.

It was expected that NHB payments would end in 2022/23. However, due to the 'holding' nature of the Finance Settlement, NHB allocations had once again been included, with £0.902m to be received in 2024/25. There were no legacy payments attached to these new allocations.

In addition, to bridge the gap and to ensure that all Councils saw a minimum 4% increase in their core spending power (before taking into consideration any local decisions on Council Tax), a further one-off funding guarantee allocation of £2.465m would be received.

However, due to the reasons covered in sections 1.3.12-1.3.13 in the report, the previously communicated allocation of £2.289m had been included in the budget to date.

The Council would continue to use NHB and now the Funding Guarantee to fund one-off items, or to support reserves. This was in view of the uncertainty over future allocations, so it had been prudent not to use this funding to support core recurrent revenue expenditure, with this revenue only factored into the Medium-Term Financial Strategy once it had been agreed for each year. The proposal for their use was outlined in section 1.10 in the report and Appendix 8 to the report.

The MTFs was last formally reported to Members in December as part of the Q2 Budget report, with the profile for future years being as follows:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Deficit-Savings Req(+)/Surplus (-) future years	0.600	4.334	2.476	1.525	1.501

Once the changes outlined 2024/25 through the Budget Setting process had been incorporated into the Strategy, the position of the MTFs was now as follows:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Deficit-Savings Req(+)/Surplus (-) future years	0.759	4.475	2.434	-0.250	-0.903

Section 1.10.3 in the report proposed how the deficit would be covered through the use of reserves. The below table showed the MTFS once this had been actioned:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Deficit-Savings Req(+)/Surplus (-) future years	0.0	0.0	2.434	-0.250	-0.903

As part of the MTFS position above, a number of key assumptions had been included, including:

- A 2.99% Council Tax increase per annum.
- A 2% tax base increase per annum.
- A 10% increase per annum on authority controlled and agreed fees and charges.
- Inflation of 4% to 2025/26, and 3% thereafter.
- Revenue expenditure costs associated with additional forecast borrowing.
- Business rates growth based on known developments (taking into consideration the assumed business rates reset from 2025/26).
- Delivery of the Change Programme.

Regarding the Change Programme, the Council's Corporate Strategy made a clear commitment to ensure continued financial sustainability. To contribute this priority and the Council's medium-term financial strategy, there would be an organisational change programme, which would set out the approach and timeframe to achieve financial efficiencies needed. The Change Programme business case - the case for change, would be presented to Cabinet in March for approval. The Change Programme would have senior Cabinet and officer sponsorship and oversight.

The Council was also maximising returns from its investments, through the Local Housing Company and by ensuring reserves were invested when not required. In addition, agreed borrowing was only taken upon need, and where possible, 'internal borrowing' from reserve balances was used to minimise the associated revenue cost. This would be discussed in greater detail as part of the updated Treasury Management Strategy, which would be presented to Cabinet in March, with current performance having last been reported to the Audit and Standards Committee in January 2024.

Members had previously agreed that £1.5m should be the minimum level for the core General Fund Balance. This balance supported the Council for future unforeseen demands upon its resources. In order to consider a reasonable level of general reserves, a risk assessment had been completed (Appendix 4 to the report). This showed the requirement for maintaining this minimum balance to mitigate against the risks that had been identified, where other funding was not available.

The unallocated General Fund Balance was currently forecast to be £1.5m, and therefore was in line with the agreed minimum level.

The Business Rate Retention Volatility Reserve (BRRVR) was used over prior years to deliver a balanced budget. However, to ensure this reserve remained available for its primary purpose of smoothing business rate receipts, any overperformance above a £2m balance had been reallocated to the General Fund Volatility Reserve. Business rates were discussed in section 1.4 in the report, including the expected changes to Business Rate Retention which had been delayed over the last few years. With the result of the expected changes in mind, it was essential that the Council moved away from its reliance on overperformance receipts to balance the budget in future years, with the Change Programme in March due to outline how the Council planned to address the ongoing deficit position.

A change programme delivery reserve had been established from 2024/25, funded with £0.500m from the Services Transformation Reserve. This would be used on an 'invest to save' basis to enable delivery of schemes within the change programme that might require an initial investment in order to deliver recurrent savings.

The Head of Finance had delegated authority to enable drawdown from the Equipment Renewal Reserve within the agreed schedule. Any further requests or requests above the agreed schedule would require Member approval.

The tables in 1.8.6 in the report showed a summary of the key reserve balances available for use by the Council before additional commitments.

The full reserve projections were included within Appendix 5 to the report, alongside an explanation for each reserve. Some of the reserves would have additional commitments not reflected in the schedule, which would reduce the projected balances. It was also noted that some reserves were potentially over-committed, which would either require further funds being allocated in a future year, or a reduction in funded activity. Section 1.10 covered in more detail some of these reserves.

In accordance with the Council's Code of Financial Practice, all new and future capital schemes needed to be in line with the Council's corporate priorities, including its capital strategy. A report supported by the necessary Business Case needed to be prepared for review and approval by Cabinet, identifying the means of funding and, where appropriate, demonstrating an options appraisal exercise had been carried out. Should there be any additional revenue costs arising from schemes, the proposed means of financing such must also have been included in the report and Business Plan.

The Capital Programme had been updated throughout the year as new and amended projects had been approved. Appendix 7 to the report, consisting of five parts, detailed both the General Fund and Housing Investment Programme (HIP) Capital programmes, along with their associated funding. Appendix 6 to the report detailed the variations to the capital programme as new schemes had been approved and projects had been updated.

Slippage and savings on existing schemes were also detailed within Appendix 6 to the report.

The HIP and associated funding were included within Appendix 7 parts 2 and 4. Additional borrowing was the primary source of funding for new construction and acquisition projects. The HIP would be presented again as part of the HRA Business Plan report due in March.

Appendix 7 Part 5 to the report showed the General Fund unallocated capital resources. These totalled £3.320m in 2023/24. The Capital Investment Reserve represented the largest share of this at just under £1.5m, for which the Council had agreed the minimum balance should be £1m. Whilst the Council did hold other reserves to fund capital projects, it was noted that these were limited and had been reserved for specific purposes. In addition to the resources shown, "Any Purposes Capital Receipts" currently totalled £9.728m (see section 1.10.8 of the report).

The Council did have some balances and funding which it was able to use to fund specific projects and service demands. The sums available could be used to fund 'one-off' items only. Any initiatives that would result in a recurring cost to the Council needed to be accommodated within the revenue budget. The proposed usage of these funds and balances were detailed below.

For 2024/25, it was proposed that funding from the General Fund Volatility Reserve should be used to cover the £4.475m General Fund Deficit to enable a balanced budget to be presented.

A General Fund Volatility Reserve (GFVR) had been established during the 2024/25 Budget Setting Process to enable the Medium Term Financial Strategy to be balanced over future years, until the forecast surplus position was achieved from 2026/27.

This was done by repurposing funds from the Business Rate Retention Volatility Reserve (BRRVR) above a balance of £2m. Based on latest projections, £2m was now deemed an appropriate amount for the BRRVR, to now only be used to 'smooth' receipt of business rate income.

Overperformance to date had enabled this reserve to be topped up annually, but given the forecast business rate reset from 2025/26, it might be required to bridge any gaps from underperformance against a potentially higher baseline.

The GFVR currently had a balance of £3.853m (after the 2024/25 budget is balanced) and would be used to cover the forecast 2025/26 deficit of £2.434m.

The Council's policy was for the General Fund Reserve Balance to be maintained at a minimum level of £1.5m. Following the release of £1m last year from the reserve, the balance was currently £1.5m.

The Service Transformation Reserve was to be used to support one-off costs associated with the change in delivery of services. As of 31 March 2024, the forecast balance was £0.982m, with an annual top up of £0.400m to the reserve from 2025/26 from forecast core-settlement

allocations.

The Change Programme Delivery Reserve was a new reserve set up to support the implementation of schemes aligned to the change programme, with the expectation that these should bring recurrent benefit to the Council, either through increased income or service efficiency. It had been allocated £0.500m in 2024/25 from the Service Transformation Fund.

As outlined in section 1.6 in the report, the Council would receive £3.191m in 2024/25 as part of the Local Finance Settlement, made up of New Homes Bonus (£0.902m) and a Funding Guarantee payment (£2.289m).

Appendix 8 to the report outlined how this funding was to be used, primarily to support non-recurrent funding requirements or reserve top-ups.

As of 31 March 2023, the Council held £9.728m in useable Right to Buy Capital Receipts. £3.416m of this balance had been agreed to be used towards a number of projects, with £3m of this value currently planned to be used towards the Kenilworth Leisure Centre projects at Abbey Fields and Castle Farm.

The proposed PPM budget would enable the Council to proactively maintain all existing corporate assets (i.e. all assets owned by the Council other than its Housing Revenue Account homes, shops, garages and land) in a suitable condition unless or until any future decisions were made in respect of individual assets through a Corporate Asset Management Strategy.

The proposed budget allocation for 2024/25 was based on a review of the current PPM data by officers within the Assets Team, in consultation with building managers from other services which held or operated specific assets. The Proposed Corporate Property & Planned Preventative Maintenance (PPM) Programme works 2023/24 was set out at Appendix 11 to the report.

For 2024/25, the total PPM budget was £2.073m. This would be funded using £0.413m from the Annual Revenue PPM budget and a £1.660m drawdown from the Corporate Assets Reserve. The Council made a significant top up to the Corporate Asset Reserve in 2023/24 of £3m, and a top-up from the core settlement in 2024/25 of £0.686m, leaving sufficient capacity in the reserve to address emerging issues. Further detail on the PPM schedule and funding was set out in Appendix 9 to the report.

In the Levelling Up and Regeneration Bill, there was a section relating to Council Tax and changes in the way that Local Authorities (LAs) could apply the Long-Term Empty Property Premium and the opportunity to introduce a premium for furnished second homes. The Levelling-Up and Regeneration Bill, introduced in the House of Commons on 11 May 2022, received Royal Assent on Thursday 26 October 2023.

Section 11b of the Local Government Act 1992 had been updated to allow
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a local authority to amend how they charged the empty property premium. Currently at Warwick District Council, this was applied at an additional 100% for properties empty over two years, 200% for those empty over five years and 300% for those empty over 10 years. From 1 April 2024, the Bill allowed a local authority to charge the additional 100% after a property had been empty for one year instead of two, with the other bands remaining unchanged.

The second change was that LAs would be able to charge up to an additional 100% premium on all furnished second homes in the District. These were essentially homes not occupied but kept furnished as 'second homes' by their owners, not rented out, just used by the owners as holiday homes etc.

The recommendation was that Warwick District Council should adopt these new measures, with the empty property premium to be introduced from 1 April 2024.

For the second homes premium, a billing authority's first determination under this section needed to be made at least one year before the beginning of the financial year to which it related. Therefore, the recommendation was that Warwick District Council should adopt the new measures, giving notification as part of the 2024/25 Council Tax notice to be published following resolution at Council, expected to take place on 21 February 2024. The policy would then come into force from 1 April 2025.

It should have been noted that approval for their introduction was agreed as part of the 2023/24 Budget Setting Report in February 2023, on the expectation that Royal Assent would have taken place in time for their implementation from 1 April 2023 and 1 April 2024 respectively. As this did not take place until October 2023, the timelines had been updated accordingly.

The MTFs had been updated to reflect the delay to their introduction and was expected to increase the Council Tax received by Warwick District Council as the collecting authority by a forecast £1.3m, which would be distributed amongst the preceptors in the normal way. If implemented, this would equate to a forecast £0.150m per annum from the 2024/25 financial year.

One of the key impacts of the COVID-19 pandemic was how the workflow of the finance service changed to meet the needs of service delivery and additional reporting requirements to central Government, particularly to gain access to available grant funding such as the Income Compensation Scheme.

Consequently, the budget setting process was streamlined into one report that went to Cabinet in February, and this was the process that remained in place currently.

Previously, a draft base budget report was approved by Cabinet in December, before the final report (which included growth, core settlement funding with allocations and some final proposals) went to Cabinet in February.

It was proposed that the process reverted to its original format from the 2025/26 budget cycle. The benefit of this approach was that it would give Senior officers and Cabinet more time to review additional budget requirements, in particular growth requests, before they were put forward for approval.

The revised timetable would be shared with Cabinet in April, which would also include the scheduling for the Statement of Accounts, Quarterly budget monitoring and fees and charges processes.

The Council did not have an alternative to setting a Budget for the forthcoming year. Members could, however, decide to amend the way in which the budget was broken down or not to amend the current year's Budget. However, the proposed 2024/25 budget sought to reflect the decisions made by Members and make appropriate recommendations. Any changes to the proposed budgets would need to be fully considered to ensure all implications (financial or otherwise) were addressed. If any Member was considering suggesting changes to the proposed Budget, these proposals should be discussed (in confidence) with the Head of Finance beforehand to ensure all implications were considered, including funding. If appropriate, alternate Budget papers could be prepared for consideration by Council.

An addendum circulated prior to the meeting advised of an additional recommendation to the report to read:

"that Cabinet recommends to Council to approve the recommendations set out in Appendix 10: CIL Projects List 2024/24 & 2024/25".

The addendum also advised of further documents which had been circulated relating to the Community Infrastructure Levy (CIL).

The Budget Review Group thanked officers for their hard work in putting together the report.

The Group explored the Medium-Term Financial Strategy and the impact on reserves. They were keen to see the upcoming change management strategy and the assumptions underpinning it.

Members requested that communications material be made available detailing all of the grants that the Council had access to, and information be provided so that residents could see what was being delivered with those grant funds.

Councillor Chilvers proposed the report as laid out.

Recommended to Council that

- (1) the proposed 2024/25 revenue budget as detailed in section 1.2 in the report, be approved, and the shortfall on the year of £4.475m is addressed using the General Fund Volatility Reserve, be noted;

- (2) the Council Tax charges for Warwick District Council for 2024/25 before the addition of Parish/Town Councils, Warwickshire County Council and Warwickshire Police and Crime Commissioner precepts, for each band with an increase at band D of 2.99%;

	£
Band A	121.43
Band B	141.67
Band C	161.91
Band D	182.15
Band E	222.63
Band F	263.11
Band G	303.58
Band H	364.30

- (3) the reserve projections and allocations to and from the individual reserves as detailed in Section 1.8 in the report, including the ICT Replacement, Equipment Renewal and Pre-Planned Maintenance (PPM) Schedules, be approved;
- (4) the General Fund Capital and Housing Investment Programmes as detailed in section 1.9 of the report, and Appendices 7 parts 1 and 2, together with the funding of both programmes as detailed in Appendices 7 parts 3 and 4, be approved. Changes to the programme are outlined in Appendix 6 to the report;
- (5) the allocation of project funding outlined in Section 1.10 in the report and summarised in Appendix 8 to the report, be approved;
- (6) the 2024/25 Corporate Property Repair and Planned & Preventative Maintenance (PPM) Programme totalling £2.071m as outlined in Appendix 9 and section 1.12, funded from a drawdown from the Corporate Asset Reserve of up to £1.660m, be approved. Members should also note the 5-year programme presented in the appendix, and how this programme can be accommodated by the Corporate Asset Reserve; and
- (7) the recommendations set out in Appendix 10 to the report, CIL Projects List 2024/24 & 2024/25, be approved.

- (1) the impact on the Medium-Term Financial Strategy (MTFS) due to changes detailed within the report, how these changes are expected to be accommodated through the delivery of an organisational change programme, due to be presented to Cabinet in March, be noted;
- (2) the introduction of the empty property premium charge with effect from 1 April 2024, and the second homes premium charge relating with effect from 1 April 2025, be noted. Both charges relate to Council Tax, and are outlined in section 1.12 in the report; and
- (3) the budget setting timetable for 2025/26 will be shared with Cabinet in April, as outlined in section 1.13 in the report, be noted.

(The Portfolio Holder for this item was Councillor Chilvers).
Forward Plan Reference 1,427

85. **Housing Revenue Account (HRA) Budget 2024/25 and Housing Rents Setting Report**

The Cabinet considered a report from the Head of Housing which informed Members on the Council's financial position for the Housing Revenue Account, bringing together the latest and original Budgets for 2023/24 and 2024/25. The report presented a balanced budget for 2024/25 and made recommendations to Members in respect of Council tenant housing rents, garage rents and other HRA charges for 2024/25.

From April 2020, a new National Rent Policy came into effect, which included the ability for Councils to increase rents annually by up to (CPI+1%) at September per annum. The Council would increase rents for Social Rent dwellings by (CPI+1%) at the September 2023 rate of 6.7% + 1%, meaning a total rent increase of 7.7% from April 2024.

After a short consultation, in the Autumn Statement on 17th November 2022 the Chancellor of the Exchequer announced that a one year 7% Rent Cap would be applied in the place of the National Rent Policy, using a Direction to the Regulator of Social Housing and advised this would support people in Social & Affordable Housing in England with the cost of living crisis by limiting the increase in their rents. However, on 4 January 2024, it was announced this would revert to the National Rent Policy (CPI+1%) as detailed above.

Details of current rents and those proposed because of these recommendations were set out in Appendix 1 to the report. It was noted that from April 2016, Target Formula rents were applied when a dwelling became void and re-let, existing tenancies prior to this policy change, continued under the historic rent regime with inflation linked in line with national rent policy. Appendix 1 to the report contained the average rents for both Target Formula Rent and Historic Rent policy dwellings.

A comparison of the Council's proposed 2024/25 rents to Local Market Rents, National Formula Rent Caps and Local Housing Allowance Rents was set out in Appendix 2 to the report. The Council's Social Rents were 42% lower than the Local Average Weekly Market Rent. This meant that the Council's housing service reduced the cost of living for tenants, allowing more money to be spent in the wider economy and reducing the social welfare costs of helping lower income tenants afford their rent.

From April 2016, landlords were permitted to set the base rent as the Target Social Rent (also known as Target Formula Rent) for new Social Tenancies. These tenancies were subject to agreed rental policy to comply with the Welfare Reform and Work Act 2016.

The Council adopted the policy to introduce Target Formula Social Rents on new tenancies issued upon a dwelling becoming void and re-let. This phased approach equated to approximately 400 dwellings per year transferring from the prior social rent policy to Target Formula Rents. Existing tenancies commencing prior to April 2016 would remain on the prior rent policy, with rents being inflated by 7.7% (CPI+1%) for 2024/25, in line with Target Social Rents Dwellings.

New Affordable Housing tenancies within the HRA would continue to have their rents set in line with the National Affordable Housing Rate which was 80% of the Local Market Rent, in line with planning permission and grant approvals from Homes England.

Prior to 2020, existing Affordable Housing tenancies were set at a special 'Warwick Affordable Rent' which was a mid-point between Social and Affordable rent. Any existing historic tenancies would continue to pay 'Warwick Affordable' rents for the remainder of their tenancy to ensure there were no negative financial implications for existing tenants.

Affordable rents and 'Warwick Affordable' rents would be inflated in line with national rent policy at (CPI+1%) at September, meaning total rent increasing to 7.7% from April 2024.

Shared Owners purchased a percentage of the property from the Council and were required to pay rent on the proportion of their home which they did not own.

Shared Ownership rents were currently increased once a year by the Retail Prices Index (RPI+0.5%), meaning the total rent increase from April 2024 would be 5.8%. However, the government recognised that RPI was now an outdated measure of inflation, and was committed to phasing out of usage by the end of the decade.

On 12 October 2023, it was announced that rents for new Shared Owners could instead be increased once a year by no more than the Consumer Prices Index (CPI+1%), meaning a total increase of 7.7% from April 2024. This reform brought Shared Ownership rents into line with the limit that normally applied to annual rent increases in other forms of social housing.

The Council would continue to use lease agreements based on the Homes England template lease for all new shared ownership tenancies which

would be increased annually by (CPI+1%), existing Shared Ownerships would remain at (RPI+0.5%).

Garage Rent increases were not governed by National Guidance. In 2020/21 as part of the HRA Rent Setting Report, Cabinet approved Garage Rents to be increased by 10% per year over a five-year period, with following years being inflated by CPI. The Council did not have a formal policy for the setting of rents for garages, but the points below contributed to the decision to increase the rents.

Two different rent charges applied to garages, depending upon whether the renter was an existing WDC tenant or not. There were also parking spaces and cycle sheds which were charged for.

Market Research showed that in the private sector, garages were being marketed in the District with rents ranging from £80-£105 per month, depending on quality and location (local market valuations last reviewed January 2024). The average monthly rent for a Council garage was currently £55.19.

The HRA owned a number of dwellings that were sub-leased to the Council's General Fund to be used as Temporary Accommodation. The reason for the dwellings being sub-let was that Homelessness was a General Fund function and had to be financed separately from the HRA Ringfence, which meant the HRA could not cross subsidise General Fund costs and vice versa, in line with legislation.

The way Lease Financing worked was that the HRA charged the General Fund an annual lease based on the weekly rent that would be charged for a Temporary Accommodation Dwelling. The General Fund Temporary Accommodation team allocated the Temporary Accommodation tenants and charged them rent, which was then collected and paid into the General Fund. At year end, an internal transfer of this rent was made by the Accountancy Team to enable the General Fund to transfer enough Rent to the HRA to pay for the annual lease charge.

Most of the Temporary Accommodation rent was funded by tenants claiming Housing Benefit due to the nature of the service.

During the 2021/22 Social Housing Rent Regulator's inspection of the HRA Rents, it became apparent that the HRA dwellings being sublet to the General Fund as Temporary Accommodation were deemed to have low rents. Although Temporary Accommodation fell outside of the Social Rent Regulators Remit, it was stated that it was good practice to have an annual rent review in place and a firm inflation policy adopted where the HRA owned the stock being sub-let to the General Fund.

There was no official National Rent Policy where Temporary Accommodation was concerned as providers varied greatly across the sector from B&Bs, hotels, private landlords, Local Authorities and Housing Associations, so one flat rate of rental inflation had not been legislatively applied to this sector.

It was proposed that during the 2023/24 financial year, a full review of the HRA Temporary Accommodation Rents was completed, to comply with the

Social Rents Regulator’s suggestions, a consultation took place in January 2024 with the Local Benefits Office, where it was discovered rents were significantly undercharged and should be increased to £117.69 for a one-bed property, £147.69 for a two-bed property and £173.08 for a three-bed property.

The lease agreements between the HRA and General Fund would be updated to factor in these new revised rents and an annual agreed inflation policy would be implemented.

In determining the 2024/25 Base Budget, the overriding principle was to budget for the continuation of services at the agreed level. The following adjustments needed to be made from the 2023/24 budgets.

- removal of any non-recurrent (one-off) and temporary items;
- addition of inflation (contractual services and pay only);
- addition of previously agreed growth items;
- addition of unavoidable growth items; and
- inclusion of any identified savings.

The table summarised the figures in Appendix 3 to the report and showed how the 2024/25 HRA base budget had been calculated.

	£
Original Approved Net HRA Surplus 2023/24	(4,031,100)
Net Increase in Expenditure	900,800
Net increase in Interest on Borrowing	843,400
Net Increase in Income	(2,561,400)
Original Net HRA Surplus 2024/25	(4,848,300)

Key drivers of the change in budgets included:

- a. Expenditure - the increase in expenditure of £900,800 included the following:
 - increased salary costs in-year, including the Working for Warwick pay award, inflation, offset against an increased vacancy factor.
 - increase on contract inflation on existing contracts. This increase is based on individual contract inflation as per contract;
 - increase income as part of the Fees & Charges revive. The increased fees and charges related to Warwick Response;
 - decrease in the budget required for utility costs. Although utility cost was increasing in the new year, last year’s estimate budget was high compared to actual charges in year. A full reconciliation of costs had been completed as part of budget setting, including the inflation charges set by the supplier, which had then reduced the budget to expected cost in the year.

- increase in Depreciation for Equipment, Council Dwellings and other HRA Properties;
 - interest on Balances Costs represented the increasing revenue cost borrowing to support the HRA's capital programme year-on-year. The amount of interest that was to be credited or debited to the Housing Revenue Account would vary depending on how the net balances and cashflow of the HRA changed. As the HRA's capital programme had begun to rely on external borrowing in recent financial years, due to interest rates and the Council's overall level of investments (of reserves and balances), this borrowing had been deferred, and the HRA had used 'internal borrowing', for which the interest was paid to the General Fund for that fund's share of the investments foregone. As underlying interest rates had risen since the Original Budget 2023/24 was set, the cost to the HRA had risen. However, given how high long-term PWLB (and other borrowing) rates were, this was still cheaper overall to the HRA than replacing the internal borrowing by external debt. When external borrowing was done by the Council on behalf of the HRA, there would be the external interest costs charged to the HRA, and the 'interest on balances' paid to the General Fund would be reduced by a corresponding amount, depending on interest rate differentials.
- b. Income - an increase of Gross Income of £2,561,400 included the following:
- HRA Dwelling Rents Income increasing by £2,278,200 in line with 7.7% increase as per Rent Policy;
 - garage rents income increasing £74,200 by 10% as above;
 - an increase in Shared Ownership of £13,800 in line with the new policy for new Shared Ownership of (CPI+1);
 - an increase of £171,700 in Service Charges in relation to heating, lighting and water cost increases; and
 - an increase of £83,000 on Legal Fee income in relation to Right to Buy properties.

A number of assumptions had been made in setting the budgets for 2024/25, including the following:

Inflation had been applied in line with specific guidance for each expenditure type. For instance, the Gas and Electricity inflation had been advised by ESPO the Commercial Energy Broker that the Council bought its energy from. The war between Russia and Ukraine had caused utility costs to increase by huge and unexpected amounts. Price Caps were implemented by central government to protect consumers and businesses from these extreme price rises, but because ESPO Broker provided affordable contracts for the Council, the Caps were a lot higher than the actual usage, so could not be applied.

Other inflation factors such as for the major works had been inflated at between 10-14% depending on the contract, staff costs had been inflated in line with the National Local Government annual pay agreement.

Rents - The base rent budget in the report was a baseline calculated from the 7.7% (CPI+1%) as at September 2023 rate. In 23/24, a rent cap of 7% was applied to social and affordable housing and shared ownership for a period of one year, which meant that the increase in income did not cover the costs of the increased inflation on other operation costs. As mentioned previously, the rent cap had now been lifted, allowing WDC to inflate rents by the National Rent Policy rates of (CPI+1%) for Social and Affordable Housing, (RPI+0.5%) for existing Shared Ownership in 2024/25.

Growth/Income Reductions from unavoidable and previously committed growth had been included in the Base Budget.

In terms of the HRA Capital Investment Reserve, any HRA operational surplus above the amount required to maintain the appropriate HRA working balance of £1.5m was transferred into the HRA Capital Investment Reserve (CIR) to be used on future HRA capital projects. If the costs increased to the point that there was a requirement to draw money out of the CIR, then this was noted in the same place in the Budget Appendix 3.

While the current balance of the HRA CIR was £18.032m as at 1 April 2024, there were numerous demands on this reserve, particularly from new build development schemes, Climate Change and Fire Safety works. The CIR was also being used to support the Major Repairs Reserve as that had been used in full in recent years to support the ongoing improvement works on the Council's housing stock. The full impact of having to drawdown from the HRA CIR would be documented in the forthcoming HRA Business Plan Report being presented to Cabinet at its meeting in March, but in future years, budgets would need to be adjusted to ensure that there were sufficient surpluses to enable the HRA CIR to continue to be topped up.

In terms of Sheltered Housing Heating, Water and Lighting recharges for 2024/25, the costs for electricity, gas, water, and laundry facilities were provided at some sheltered housing schemes and were recovered as a weekly charge. These utility charges were not eligible for Housing Benefit. Tenants were notified of these charges at the same time as the annual rent increase. Appendix 4 to the report contained the charges for 2024/25 which would commence on the 1 April 2024.

A policy of full cost recovery was adopted in the report to Cabinet "Heating, Lighting and Water Charges 2018/19 – Council Tenants" on 7 February 2018. Recharges were levied to recover costs of electricity, gas, and water supply usage to individual properties within one of the sheltered and the five very sheltered housing schemes.

The costs of maintaining communal laundry facilities were also recharged at those sites benefitting from these facilities under the heading of miscellaneous charges.

Utility costs were reviewed in line with Council contracts to ensure affordability. The gas and electricity used to deliver communal heating and lighting was supplied under the provisions of the Council's energy supply

contracts. Other measures such as installing Photovoltaic cells (solar panels) at James Court, Tannery Court and Yeomanry Court in April 2012 assisted with reducing tenants' costs with the electricity generated reducing consumption from the national grid.

The charges necessary to fully recover costs for electricity, gas, water, and laundry facilities in 2024/25 were calculated annually from average consumption over the last three years, updated for current costs such as average void levels, Solar panel feed in tariff income, Biomass Boiler feed in tariff subsidy and adjusted for estimated inflation for the forthcoming year. The use of a three-year adjusted average ensured that seasonal and yearly variations were reflected in the calculation.

The cost of gas and electricity had increased due to the Cost of Living Crisis. The Council's electricity contract was renewed in October 2023 and the gas contract was to be renewed in April 2024. At the end of 2023, prices started stabilise and, in some cases, slightly decrease. As part of these contract renewals, it had been predicted that gas would increase by 15% in the first six months of 2024 and then reduce by 25% in the remaining six months of 2024. Electricity was predicted to reduce by 15% in 2024, meaning gas and electricity remained high for 2024/25.

To protect the general public from the huge increases in energy costs, the Government implemented an Energy Price Guarantee which protected customers from increases in energy costs by limiting the amount suppliers could charge per unit of energy used. It currently brought a typical household energy bill in Great Britain for dual-fuel gas and electricity down to around £1,928 per annum from January 24.

Council tenants were on the ESPO business contract. Therefore, the total charges to be paid by Sheltered Housing tenants for their energy was below this cap noted in Appendix 4 to the report. Depending on the location and the number of bedrooms in the dwelling, the total annual bills ranged from £265.20 - £1,198.60 which at the top end of this range was £729.40 less than the £1,928 Energy Price Cap.

This three-year average cost calculation in Appendix 4 shielded tenants to some extent from the huge increases in gas and electricity bills which had been experienced over the last year. However, in 2024/25 it was also decided to forecast further increases based on a per property basis, percentage increase between 2022/23 to 2023/24, rather than use the previous year's mark up of 200% and 100%. This was a more accurate approach to setting budgets and had helped further reduce charges to tenants.

The total cost to the Council in 2024/25 had been calculated at £229,583.40 for Electricity, Heating, Lighting and Laundry and £39,259.74 for Water. This would be recovered by recharging tenants of applicable Sheltered Housing Schemes with the Service Charges being itemised on Appendix 4 to the report.

In terms of reserves the table at section 1.52 in the report presented the latest summary of available as at 1 April 2023. This reflected uncommitted and non-ring-fenced balances as approved by Cabinet at its meeting in February each financial year. This included estimates of reserve balances

through to the 1 April 2028 and was subject to final outturn of the current financial year.

As previously noted, the total balances on HRA Reserves would continue to fall over the coming years, as a result of supporting an ambitious Housing Investment Programme (HIP). This covered the acquisition of new properties, ongoing programmes of replacement components driven by the stock condition survey, and decarbonisation and fire safety works driven by the Council's ambitions and legislation.

In terms of alternatives, the purpose of the report was to produce budgets as determined under the requirements of the Financial Strategy, in line with current Council policies. Any alternative strategies would be the subject of separate reports.

The Council had discretion over the setting of Garage Rents. It would be possible to set Garage Rents higher than those proposed to maximise income. However, significantly higher rents might make garages harder to let and so reduce income. Similarly, rents could also be reduced but this would reduce income to the HRA Budget when it was needed.

When it came to dwellings, the Council did have the discretion to decrease rents for existing tenants. However, following the negative impact of the previous rent policy of a four-year fixed -1% rental income reduction and the negative impact of the Covid-19 Pandemic and then the 7% rent cap not matching inflationary operational costs, any decreases would further reduce the level of income for the HRA, which in turn could impact upon the viability of future projects and business requirements.

In terms of Shared Ownership the Council did not have the discretion to change the rent schedule for existing shared ownership dwellings without permission from Homes England, which was determined by the existing terms of the lease. As noted above, permission to apply the 5.8% in line with the National Rent Policy (RPI+0.5) at November 2023 rate would be sought.

The Council did have the discretion to reduce the heating charges charged back to tenants. In 2024/25, the budget included a reduction of 1/5 of communal gas paid from scheme bills - this was calculated into Appendix 4.

Councillor Wightman proposed the report as laid out.

Recommended to Council that

- (1) the proposed increase to rents for all Social & Affordable tenanted dwellings (excluding Shared Ownership) for 2024/25 in line with the Chancellor of the Exchequer's one year 7.7% (CPI+1%) as per the National Rent Policy increases, be approved;
- (2) Shared Ownership tenanted dwelling rent

increases of 5.8% (RPI+0.5%) for one year in line with advice from the National Housing Federation, be approved;

- (3) garage rents for 2024/25 continue to be increased by 10% per year, be approved;
- (4) the new Temporary Accommodation rent review noted above, be approved; and
- (5) the proposed 2024/25 revenue budget, as detailed in the report, be approved.

Resolved that

- (1) the HRA Social dwelling rents for all new tenancies created in 2024/25 continue to be set at Target Social (Formula) Rent for Social rent properties, be noted;
- (2) the HRA Affordable dwelling rents for all new tenancies created in 2024/25 continue to be set at the standard National Affordable rent level, be noted;
- (3) any new Shared Ownership tenancies will continue to adopt lease agreements based on the revised Homes England template lease with rents increased by (CPI+1%) annually, be noted; and
- (4) the Sheltered Housing Heating, Water and Lighting recharges for 2024/25, attached at Appendix 4 to the report, be noted.

(The Portfolio Holder for this item was Councillor Wightman).

Forward Plan Reference 1,428.

85. Air Quality Management Area (AQMA) Revocations

The Cabinet considered a report from the Health and Safety Premises Manager and the Air Quality Officer which recommended the revocation of the long-term compliant air quality management areas (AQMAs) in Warwick District following instruction from the Department for Environment, Food and Rural Affairs (DEFRA). DEFRA had provided advice on which AQMAs meet these criteria:

1. AQMA No.4 Warwick Road, Kenilworth
2. AQMA No.5 New Street, Kenilworth
3. AQMA No.7 Coventry Road, Warwick

Local authorities had a duty under the Environment Act 1995 to monitor the quality of air within their administrative areas. They should also prepare and implement Air Quality Action Plan (AQAP), produce annual air quality status reports, and designate special Air Quality Management Areas known as AQMAs where pollutants exceed prescribed UK objectives.

Warwick District Council currently had five designated AQMAs, which were introduced because of elevated annual average concentrations of nitrogen dioxide (NO₂). The AQMAs included Warwick Town Centre, Coventry Road (Warwick), Leamington Spa (Bath st, High st) and two AQMAs in Kenilworth. (See appendix 1 to the report for maps of the AQMA's)

DEFRA had instructed local authorities that the revocation of an AQMA should be considered following three consecutive years of compliance, with NO₂ annual average of 36µg/m³ or less which was at least 10% below the air quality objective at the point monitored.

Unless a likely exceedance had been identified in the AQMA area, DEFRA had advised that they would not appraise AQAPs for AQMAs that have been in compliance for five years.

Where the results for 2020 and 2021 were a continuation of a downward trend and part of many consecutive years of compliance (e.g., where compliance with the objective was met prior to the pandemic that exaggerated air quality improvements) the AQMA might be appropriate for revocation.

DEFRA had therefore directed Warwick District Council should revoke the long-term compliant AQMAs. For WDC, this included the two Kenilworth AQMAs (compliant for five years) and the Warwick Coventry Road AQMA, (compliant for four years).

A detailed assessment report undertaken by officers indicated a consistent improvement in air quality that was projected to continue in all Warwick District AQMAs.

Failure to revoke these compliant AQMAs would result in DEFRA refusing to accept any updated AQAP which included these three AQMAs and other AQMAs. AQAPs were required to be updated every five years or would lead to the Council being directed to do so by the Secretary of State

A detailed assessment had been undertaken to observe the trends of the air quality management areas to justify revocation (see appendix 1 to the report)

In theory, it was understood that Cabinet could choose not to recommending revoking the AQMAs as instructed. This would result in DEFRA rejecting the Warwick District AQAP update. This in turn would result in an instruction from the Secretary of State to submit an AQAP for Warwick District. Therefore, this alternative had been discounted. An annual review for revoking retained AQMA's would occur as air quality was monitored.

Appendix 1 to the report provided visual maps of the AQMA area's within Warwick District.

The revocation of an AQMA should be considered following three consecutive years of compliance with the relevant objective as evidenced through monitoring. Where NO₂ monitoring was completed using diffusion tubes, to account for the inherent uncertainty associated with the monitoring method, it was recommended that revocation of an AQMA should be considered following three consecutive years of annual mean NO₂ concentrations being lower than 36µg/m³ (i.e. within 10% of the annual mean NO₂ objective). There should not be any declared AQMAs for which compliance with the relevant objective had been achieved for a consecutive five-year period. Appendix 2 to the report showed graphs of the annual mean concentration of NO₂ and a table showing the methodology of evaluation.

All Air Quality Management Areas (AQMAs) were initially designated based on the NO₂ annual mean objective. Notably, the Warwick AQMA received additional designation based on the NO₂ one hour mean, and this aspect was duly integrated into the data assessment for the Warwick AQMA. The data set comprises maximum annual NO₂ measurements for all AQMAs, providing a comprehensive overview of pollutant levels. To ensure the accuracy and reliability of data trends, the years 2016 and 2017 had been included for analysis. This inclusion was particularly pertinent as 2020 and 2021 exhibited anomalous air quality conditions attributed to the COVID-19 pandemic, thereby enhancing the overall quality of our data assessment.

The New Street Kenilworth Air Quality Management Area (AQMA) was officially designated in 2008. At that time, it was in compliance with the established air quality objectives, although its declaration primarily served as a precautionary measure. Since its establishment, New Street Kenilworth has consistently adhered to Air Quality objectives.

Projections indicated a robust correlation suggesting a sustained decline in the maximum concentration within this AQMA. The likelihood of future exceedances of air quality standards was minimal, given the positive trend. Consequently, there was a compelling rationale for considering the revocation of this AQMA, as it no longer presented a significant air quality concern to warrant its continued designation.

Removing the years 2020 and 2021 as outliers due to the COVID-19 Pandemic's influence on travel showed an even stronger trend in reduction. See graph at paragraph 12.4 in Appendix 2 to the report, which showed the decrease of NO₂ at New Street, Kenilworth.

Warwick Road Kenilworth had consistently maintained compliance with Air Quality objectives for a period exceeding five years. An evident and robust correlation indicated that the maximum concentration within this Air Quality Management Area (AQMA) was likely to continue its downward trend. The prospects of future exceedances of air quality standards appeared highly improbable. See graph at paragraph 13.2 in Appendix 2 to the report which showed the decrease in NO₂ at Warwick Road, Kenilworth.

Warwick had maintained compliance with Air Quality objectives for a continuous period of three years. Projections indicated a strong correlation, suggesting a persistent decline in the maximum concentration within this Air Quality Management Area (AQMA). The likelihood of future exceedances of air quality standards was notably low.

Considering the positive trend and to potentially streamline administrative processes, it was advisable to consider the possibility of revoking the AQMA designation, despite the relatively short compliance duration of three years. However, if revocation was not pursued, an annual reassessment would be necessary to monitor and ensure ongoing compliance. See graph at paragraph 15.3 in Appendix 2 to the report which showed the decrease in NO₂ at Warwick.

The status of the Leamington Spa AQMA revealed non-compliance with Air Quality objectives. Projections indicated a robust correlation, suggesting a promising trend of declining maximum concentration within this Air Quality Management Area (AQMA). However, it was essential to underscore that revocation should not be considered for this site at this time, given its ongoing non-compliance with air quality standards. Vigilance and remedial actions should continue until compliance is achieved and consistently maintained. See graph at paragraph 16.2 in Appendix 2 to the report which showed the decrease in NO₂ at Leamington Spa.

Councillor Sinnott proposed the report as laid out.

Recommended to Council that it revokes the No.4 Warwick Road, Kenilworth, No.5 New Street, Kenilworth and No.7 Coventry Road, Warwick AQMAs.

(The Portfolio Holder for this item was Councillor Sinnott).
Forward Plan Reference 1,418.

(The meeting ended at 7.00pm)

Statement of the Chief Financial Officer

1. Role of the Chief Financial Officer

- 1.1. Under Section 151 of the Local Government Act 1972 and Section 114 of the Local Government Finance Act 1988, the Chief Finance Officer (CFO) is responsible for the proper administration of the Council's financial affairs.
- 1.2. The statutory duties of the CFO are set out in the Constitution of the County Council. This includes the requirement to report to the County Council, Cabinet, and external auditor if the Council's expenditure is likely to significantly exceed the available resources.
- 1.3. The Chartered Institute of Public Finance and Accountancy (CIPFA) has published a statement on the Role of the CFO in Local Government. The Statement requires that, to ensure that they can operate effectively and perform their core duties, the CFO:
 - is a key member of the leadership team, helping it to develop and implement strategy and to resource and deliver the authority's strategic objectives sustainably and in the public interest.
 - must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer-term implications, opportunities and risks are fully considered, and alignment with the authority's financial strategy; and
 - must lead the promotion and delivery by the whole authority of good financial management so that public money is always safeguarded and used appropriately, economically, efficiently, and effectively.

To deliver these responsibilities the CFO must

- lead and direct a finance function that is resourced to be fit for purpose; and
- be professionally qualified and suitably experienced.

2. Statutory Duty of the Chief Financial Officer

- 2.1. Section 25 of the Local Government Act 2003 places a statutory duty on the Chief Financial Officer to review the Medium-Term Financial Strategy (MTFS) and comment upon the robustness of the budget and the adequacy of the reserves to be held by the authority when determining its Council Tax.
- 2.2. Section 26 of the Local Government Act 2003 places an onus on the Chief Financial Officer to ensure the authority has established a minimum level of reserves to be retained to cover any unforeseen demands that could not be reasonably defined within finalising the proposed budget.

- 2.3. This information enables a longer-term view of the overall financial resilience of the Council to be taken.
- 2.4. Throughout the report, the CFO may be referenced as either the Head of Finance or Section 151 Officer.

3. Robustness of the Budget

- 3.1. The preparation of the budgets started back in August. As the Head of Finance, and being a qualified and experienced accountant, I have held full oversight on the process. The budgets have used the current year as their base, with the budget review process informing where these do not provide a reasonable basis for the following year. There has been a high level of scrutiny to the budget this year, along with budget monitoring throughout the year, from: -
 - Budget Managers and the Senior Leadership Team (SLT)
 - Portfolio Holders
 - The Cabinet through the various preceding reports set out in the background papers.
 - Scrutiny Committees
- 3.2. Consequently, I am satisfied that the budgets are prepared on a robust basis.
- 3.3. Whilst the budget has been prepared on a robust financial basis and will support delivery of the Corporate Strategy, a balanced budget has only been achieved using reserves totalling £4.5m to address a significant underlying deficit position.
- 3.4. In preparing the Budget, regard has been given several factors including funding availability; risks and uncertainties; inflation; priorities; demography and service pressures. As capital investment decisions have a direct impact on the council's revenue budget, particularly relating to borrowing costs, the Capital Programme has been reviewed to ensure that its delivery remains viable and affordable.
- 3.5. In view of the current economic climate facing the Council along with the whole of the public sector, many budgets have again not been increased at levels to match the current rate of inflation. This has also come on the back of years where the budget has been prepared and impacted by the Global Pandemic and the impact of the UK leaving the EU. Government support relating to the pandemic has now ceased, and while the Autumn Statement and Local Finance Settlement provided some short-term stability, the 4% increase provided in core spending power is well below the levels of increases seen across service areas in net expenditure costs.

- 3.6. Therefore the management of these net expenditure costs will be essential to ensure best value can be achieved. This will be supported through the change programme, and service areas working with support services such as IT, HR, Finance and Procurement to ensure best value is achieved.
- 3.7. In addition, consideration has been given to how the budget aligns with the Corporate Strategy, recently updated as of November 2023. Due consideration has been given to reconciling the over-arching financial strategy with corporate priorities and hence all the proposals have been developed as an integral part of service planning.
- 3.8. Regard has been given several factors including funding availability; risks and uncertainties; inflation; priorities; demography and service pressures. As capital investment decisions have a direct impact on the council's revenue budget, particularly relating to borrowing costs, the Capital Programme has been reviewed to ensure that it remains deliverable and financially viable within the MTFS.
- 3.9. Contingencies have been included within the budgets, to mitigate against the impact of unexpected changes in-year (see section 4.8).

4. Adequacy of Reserves

- 4.1. The Adequacy of Earmarked Reserves has been reviewed as part of the budget process. While the balances presented in the report and supporting appendices are considered adequate to enable the council to set a balanced position for 2024/25, strategic reserves are projected to reduce to £17.5m by 2028 after considering for planned commitments, and before balancing future budgets using the General Fund Volatility Reserve. This further underlines the need for actions to be taken if government funding is not forthcoming, and supports the assumptions made within the MTFS to ensure that the Council moves away from a reliance on reserves to balance the budget in future years.
- 4.2. The Code of practice on local authority accounting requires the purpose, usage, and basis of transactions of earmarked reserves to be identified clearly. This is set out in Appendix 5 of this report.
- 4.3. The reporting of reserve balances has been improved during 2023/24 based upon member feedback from Overview and Scrutiny committee to ensure improved transparency (section 1.8 of the covering report). In accordance with best practice on reserves and balances these have therefore been reviewed as part of the annual budget preparation. In addition, there are forecasts for future years which are reflected in the MTFS. In considering the level of reserves in addition to the cash flow requirements CIPFA recommends that the following factors are considered: -

Budget assumptions	Financial standing and management
The treatment of inflation and interest rates	The overall financial standing of the authority (level of borrowing, debt outstanding, council tax collection rates).
Estimates of the level and timing of capital receipts	The authority's track record in budget and financial management.
The treatment of demand led pressures	The authority's capacity to manage in-year budget pressures.
The treatment of efficiency savings/productivity gains	The strength of financial information and reporting arrangements.
The financial risks inherent in any significant new funding partnerships, major outsourcing deals or major capital developments	The authority's virement and end of year procedures in relation to budget under/overspends at authority and departmental level.
The availability of other funds to deal with major contingencies	The adequacy of the authority's insurance arrangements to cover major unforeseen risks.

- 4.4. The CIPFA Resilience Index was launched in December 2019 compares the Council to other comparator authorities. This does not suggest any areas where the authority is notably at risk, with levels of ear-marked reserves providing much security in the short/medium term.
- 4.5. I have considered these matters and can advise members that they currently have a satisfactory level of reserves and balances to deliver a sustainable financial position over the medium term. However, this will only be achieved if delivery of the key assumptions underpinning the improved recurrent position are delivered.
- 4.6. As part of this, we have established the following new reserves:
- General Fund Volatility Reserve – to ensure the Business Rate Retention Reserve remains available for its primary purpose of smoothing business rate receipts, any overperformance above a £2m balance will be reallocated to this reserve.
 - Change Programme Delivery Reserve - This will be used on an 'invest to save' basis to enable delivery of schemes within the change programme that may require an initial investment to deliver recurrent savings.

- 4.7. Risks which may impact upon the Council's finances and the Budget, together with controls and mitigations, are set out in Section 5, and a risk assessment against the general fund reserve is set out in Appendix 4. The Council has self-insurance for small items but generally relies on external insurance for claims above £25,000, so there is no major risk in this area.
- 4.8. In making this assessment I have considered that a core contingency budget of £200,000 for 2024/25 should be sufficient to support the delivery of any unplanned unavoidable expenditure. In addition there is a further £1.8m Budget allocation to mitigate against any inflationary increases, including changes to major contracts or commitments.

5. Risks

- 5.1. The Council continues to face in-year budget risks. Primarily these relate to:
- the current economic conditions (high inflation and interest rates).
 - the macroeconomic effects of world events, including war.
 - political uncertainty, noting this will be a General Election year.
 - the continued impact on the Council of the UK leaving the EU.
 - the legacy impact of the global pandemic.
- 5.2. The medium-term financial strategy has been prepared on a prudent basis given the uncertainties that face local government finance into the future. Whilst the 2024/25 budget has been prepared prudently, there are undoubtedly risks associated with it, linked to the current high levels of inflation, and increasing interest rates. However, with the level of reserves currently held, the Council should be able to manage any material changes from assumptions made throughout the year.
- 5.3. In considering future years, from 2025/26 there are significant uncertainties relating to any changes following a General Election. The 2022 Autumn Statement (reaffirmed by the 2023 Autumn Statement) indicated that key, difficult decisions will need to be made by the next administration, which are likely to have an impact on the Council and some of its main funding sources. In particular, the Council has been operating for the last couple of years on single year settlements from Central Governments. Local Authorities, including ourselves, will continue to engage with Central Government on this issue with our partners to lobby for multi-year settlements. These will enable us to more effectively plan over the Medium-Term, offering greater certainty on income levels which in turn will support the delivery of the Change Programme
- 5.4. One such funding source where there is still longer-term uncertainty relates to the Council's share of Business Rates linked to the Fair Funding Review and the long-expected reset of the Business Rate Retention Scheme. Prudent estimates for business rates retention have been included from 2025/26, assuming a baseline reset will remove any previous benefit the

Council has received from overperformance from its core funding. The Council has made necessary provision for this change within the reserves it holds, in particular the Business Rate Retention Volatility Reserve

- 5.5. The immediate in-year budget risks to which the Council is exposed are moderate. There are currently additional risks in relation to the uncertain state of the economy, the impact this may have on the Council's income sources, and the risks associated with capital schemes. Contingency budgets and reserve balances are available to mitigate such risk (as previously outlined in sections 3 and 4).

6. Change Programme

- 6.1. The budget and Medium-Term Financial Strategy take into consideration Budget proposals originally agreed in December 2020, including the project support costs, and forecast recurrent savings associated with the relocation of offices from Riverside House.
- 6.2. In addition, as part of addressing the budget deficit position of the MTFS, assumptions have been included for delivery against the Change Programme from 2024/25, totalling £2.5m. The Change Programme will be set out as part of its own report to Cabinet in March, outlining its aims, objectives and how it will be delivered.
- 6.3. Members need to be mindful of the underlying budget situation throughout their decision-making and ensure that the need to deliver a sustainable baseline financial position without the need to use reserves through organisational change is given due priority. This aligns with the Corporate Strategy as agreed in November 2023 through priority one.

Andrew Rollins

CFO / Head of Finance (Section 151 Officer)

February 2024

General Fund Summary

Appendix 2

Department	Outturn	Original Budget	Latest Budget	Original Budget	Variance	Variance
	2022/23	2023/24	2023/24	2024/25	2023/24	2024/25
	£	£	£	£	£	£
	A	B	C	D	C - B	D - B
Neighbourhood & Assets	7,957,999	9,186,000	8,409,000	6,714,100	(777,000)	(2,471,900)
Safer Communities, Leisure & Environment	5,806,414	5,904,500	6,049,200	6,612,300	144,700	707,800
Place, Arts & Economy	9,329,429	12,526,600	12,935,000	10,945,900	408,400	(1,580,700)
Finance	620,482	3,173,300	1,579,400	2,945,600	(1,593,900)	(227,700)
Housing Services - GF	3,024,872	3,213,000	3,453,800	3,620,300	240,800	407,300
Customer & Digital Services	1,063,740	722,500	737,600	1,314,600	15,100	592,100
People and Communication	(180,518)	0	53,500	(19,700)	53,500	(19,700)
Strategic Leadership	961,565	1,292,200	2,032,400	2,031,600	740,200	739,400
TOTAL GENERAL FUND SERVICES	28,583,982	36,018,100	35,249,900	34,164,700	(768,200)	(1,853,400)
Replacement of Notional with Actual Cost of Capital:						
- Deduct Notional Capital Financing Charges in Budgets	(5,077,515)	(7,587,200)	(7,587,200)	(6,097,000)	0	1,490,200
- Add Cost of Loan Repayments, Revenue Contributions and					0	0
- Interest paid	618	3,058,400	3,058,400	3,335,100	0	276,700
Revenue Contributions to Capital	180,850	80,000	80,000	80,000	0	0
Contributions to / (from) Reserves	3,069,696	(2,234,100)	(1,465,900)	(597,300)	768,200	1,636,800
Net External Investment Interest Received	(4,116,414)	(5,889,900)	(5,889,900)	(6,353,500)	0	(463,600)
IAS19 Adjustments reversed	(3,117,055)	(3,450,000)	(3,450,000)	(3,440,600)	0	9,400
Employee Benefits Accruals reversed	56,005	0	0	0	0	0
Contributions to / (from) General Fund	0	0	0	0	0	0
NET EXPENDITURE FOR DISTRICT PURPOSES	19,580,166	19,995,300	19,995,300	21,091,400	0	1,096,100
Less Revenue Support Grant	0	0	0	0	0	0
Less Business Rate Income	(7,000,271)	(6,718,700)	(6,718,700)	(7,362,500)	0	(643,800)
Less General Grants	(11,638)	0	0	0	0	0
Less New Homes Bonus	(2,680,733)	(1,078,500)	(1,078,500)	(902,000)	0	176,500
Funding Guarantee	0	(1,845,600)	(1,845,600)	(2,289,000)	0	(443,400)
Less Lower Tier Services Grant	(395,303)	0	0	0	0	0
Services Grant	0	(134,100)	(134,100)	(22,000)	0	112,100
Collection Fund (Surplus) / Deficit	22,751	(19,000)	(19,000)	99,900	0	118,900
Surplus / (Deficit) for the Year			0	0	0	0
NET EXPENDITURE BORNE BY COUNCIL TAX - WARWICK DISTRICT COUNCIL	9,514,972	10,199,400	10,199,400	10,615,800	0	416,400
Aggregate Parish Council Expenditure	2,002,150	2,143,700	2,143,700	TBC	0	0
COMBINED DISTRICT AND PARISH EXPENDITURE BORNE BY COUNCIL TAX:	11,517,121	12,343,100	12,343,100	10,615,800	0	416,400
Warwickshire County Council Expenditure	89,727,800	95,360,800	95,360,800	TBC	0	0
Warwickshire Police and Crime Commissioner Expenditure	14,816,700	15,957,700	15,957,700	TBC	0	0
BORNE BY COUNCIL TAX	116,061,621	123,661,600	123,661,600	10,615,800	0	416,400
Council Tax - Band D						
Warwick District Council	176.86	176.86	176.86	182.15		
Parish/Town Councils (average)	35.50	37.17	37.17	TBC		
District & Parish/Town Band D Council Tax	212.36	214.03	214.03	TBC		
Warwickshire County Council	1,590.93	1,653.57	1,653.57	TBC		
Warwickshire Police & Crime Commissioner	262.71	276.71	276.71	TBC		
Total Band D Council Tax	2,066.00	2,144.31	2,144.31	TBC		
Tax Base - Band D	56,399.56	57,669.62	57,669.62	58,280.77		

Medium Term Financial Strategy

Appendix 3 (i)

	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	latest £'000	£'000	£'000	£'000	£'000
Net Cost Of General Fund Services	36,018	35,250	34,165	30,007	29,093	28,801
Investment Interest	-5,890	-5,890	-6,354	-5,351	-4,714	-3,845
Other Financing Adjustments	-10,133	-9,365	-6,720	-5,599	-6,948	-7,034
Net Expenditure after adjustments	19,995	19,995	21,091	19,058	17,431	17,922
NNDR (Business Rate Retention, including SBR grant)	-6,719	-6,719	-7,363	-4,480	-4,974	-5,538
Collection Fund Balance 20/21 Deficit spread over 3 years	54	54				
Collection Fund Balance 23-24	-73	-73	100			
New Homes Bonus	-1,079	-1,079	-902			
Funding Guarantee	-1,846	-1,846	-2,289	-1,000	-1,000	-1,000
Services Grant	-134	-134	-134	-22		
Amount being from Council Tax	-10,199	-10,199	-10,616	-11,144	-11,708	-12,297
Band D Equivalent	176.86	176.86	182.15	187.59	193.20	198.98
% increase on previous year	-	-	2.99%	2.99%	2.99%	2.99%
Net Expenditure after adjustments	19,995	19,995	21,091	19,058	17,431	17,922
Total Grant and Council Tax Income	-19,995	-19,995	-21,091	-16,624	-17,681	-18,835
Deficit-Savings Required(+)/Surplus(-) future years	0	0	0	2,434	-250	-913
Change on previous year	0	0	0	2,434	-2,684	-663

Medium Term Financial Strategy

Appendix 3 (ii)

	2023/24 £'000	2023/24 latest £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Base Cost of General Fund Services	35,368	36,018	35,250	34,165	27,573	29,343
Inflation on Controllable Expenditure	466		1,137	1,212	1,008	1,052
Recurring Growth	-886	-961	-1,062	1,641	2,066	460
Items funded from Reserves	5,636	-2,181	2,270	805	664	750
Total New time limited growth/savings	826	2,374	3,225	-4,755	-5,918	-7,145
Less previous year 1 Off/Time Limited Growth	-6,491		-6,655	-5,495	3,950	5,254
Changes in Capital Charges	1,099					
Net Cost of General Fund Services	36,018	35,250	34,165	27,573	29,343	29,714
Less:Capital Financing Charges	-7,587	-7,587	-6,097	-6,097	-7,587	-7,587
Less IAS19 included above	-3,450	-3,450	-3,441	-3,441	-3,441	-3,441
Controllable Expenditure	24,981	24,213	24,627	18,036	18,315	18,686
Financing Charges etc.						
Loan repayments etc	3,058	3,058	3,335	3,335	3,335	3,335
Revenue Contributions to Capital	80	80	80	80	80	80
Contributions to/from reserves	-2,234	-1,466	-597	524	665	579
External investment interest	-5,890	-5,890	-6,354	-5,351	-4,714	-3,845
Total Financing Charges etc	-4,986	-4,218	-3,536	-1,412	-634	149
Net Expenditure	19,995	19,995	21,091	16,624	17,681	18,835
NNDR redistributed	-6,719	-6,719	-7,363	-4,480	-4,974	-5,538
Lower Tier Services Grant						
Services Grant	-134	-134	-22			
New Homes Bonus	-1,079	-1,079	-902			
Funding Guarantee	-1,846	-1,846	-2,289	-1,000	-1,000	-1,000
Collection Fund Balance 20/21 Deficit Spread	54	54				
Collection Fund Balance 23-24	-73	-73	100			
Total AEF/Collection Fund	-9,796	-9,796	-10,476	-5,480	-5,974	-6,538
Council Tax borne expenditure	10,199	10,199	10,616	11,144	11,708	12,297
Equivalent to Band D Council Tax	176.86	176.86	182.15	187.59	193.20	198.98
% increase on previous year	0.00%	0.00%	2.99%	2.99%	2.99%	2.99%
Council Tax Base	57,670	57,670	58,281	59,400	60,600	61,800

APPENDIX 4

Risks Influencing the Level of General Fund Balance

Risk Area	Provision
The possibility the Council overspends – risk increased with budgets reduced to reflect prior year underspends, reductions in “non-contractual” budgets.	£0.2 million
Economic cycle issues affect the budget – over and above what can be expected to be contained within routine monitoring procedures.	£0.2 million
Development control income adversely affected by planning policies and economic cycle.	£0.2 million
Costs of environmental prosecution or public enquiry. This is always a possibility and is difficult to forecast in terms of cost.	£0.1 million
Car parking income doesn’t achieve budget forecast.	£0.15 million
Uninsurable event – e.g. environmental or asbestos claim outside terms of insurance policies.	£0.15 million
Costs of potential planning appeals.	£0.2 million
Possible impacts of budget reductions by other public agencies on this council and the area of Warwick District.	£0.1 million
Reduction in Retained Business Rates	£0.1million
Cost arising from unanticipated risks	£0.1 million
Total	£1.5 million

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
General Fund Reserves			
<p>Art Gallery Gift Reserve To provide finance for major Art Gallery and Museum purchases linked to the specific conditions imposed by the original gift of the money to the Council</p>	<p>Items to be financed from this reserve are charged to the Art Gallery and Museum Account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.</p>	<p>The Head of Cultural Services has delegated authority to make such purchases as necessary from this reserve subject to reporting retrospectively to the Executive. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.</p>	<p>This reserve is reviewed during the final accounts process but as the reserve was created by a private donation and has conditions of use attached to it, levels and potential closure are not applicable</p>
<p>Building Control Reserve The fee earning part of the Building Control service should not make a loss over a rolling three year period. This reserve has been created to assist in this with annual surpluses being paid into it and any annual losses being funded from it. It also funds any improvements required in the service.</p>	<p>Annual surpluses / deficits are credited / debited to this reserve as necessary. If funding improvements e.g. IT, reserve makes the necessary contribution to either the General Fund or Capital Financing as appropriate.</p>	<p>Approval for expenditure to be met from this reserve is delegated to the Head of Development Services and Head of Finance, in consultation with the relevant portfolio holder. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>
<p>Business Rate Retention Volatility Reserve</p>	<p>Reserve established to provide finance for "smoothing out" future retained Business Rate revenues.</p>	<p>Executive to approve usage.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>
<p>Capital Investment Reserve To provide finance for the Council's General Fund capital programme not met by other resources such as capital receipts, revenue contributions to capital (RCCO), external contributions, other reserves.</p>	<p>This reserve provides the balancing figure for financing the Council's General Fund capital programme and the relevant amount is transferred to the Capital Adjustment Account as part of the final accounts process. Annual "repayments" in respect of recently financed schemes are made to the reserve from the General Fund.</p>	<p>The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any variation to this figure will be formally agreed by the Executive either as part of the final accounts process or as part of the normal process of revising the General Fund Capital Programme. In addition the reserve is monitored by Finance on a regular basis to provide information for reviews of capital programme resources.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the Estimates and Final Accounts processes where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure. In addition the adequacy of the reserve is reviewed as part of the financial strategy and capital programme setting processes. Normal practice is to keep the level at around £1,000,000.</p>
<p>Car Parks Displacement Reserve</p>	<p>Substantial work is required to be carried out in respect of some of the Council's car parks in forthcoming years.</p>	<p>Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>
<p>Car Parks Repairs and Maintenance Reserve</p>	<p>Reserve created from car parks revenue repairs and maintenance budget in order to provide resources for future years.</p>	<p>Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Cemetery Land Purchase Reserve	To purchase land for cemetery extensions	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any variation to this figure will be formally agreed by the Executive either as part of the final accounts process or as part of the normal process of revising the General Fund Capital Programme. In addition the reserve is monitored by Finance on a regular basis to provide information for reviews of capital programme resources.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Commonwealth Games (Bowls) Reserve	To set aside funds towards funding the project in future years.	The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Community Forums Reserve	To provide finance for the annual programme of Community Forum Grants	February 2013 Executive approved 4 year programme 2014/15 to 2017/18. forums now funded within core budgets.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Community Projects Reserve	Reserve created from 2017/18 New Homes Bonus to provide finance for various District wide community projects.	Approval for project spend will be way of reports to the Executive.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Corporate Assets Reserve	To provide finance for refurbishment of facilities following Stock Condition Surveys.	Subject to future Executive reports, approvals from the reserve have been delegated to SAG and the Section 151 Officer in consultation with the portfolio holders for Assets and Finance.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Covent Garden Multi Storey Reserve	Balance repurposed towards the 'Future High Street Fund'.	Authority to spend is delegated to the Head of Finance in line with the actual lost net income and debt charges. Executive to be informed of the use of the reserve and its balance.	The level and continuing need for the reserve was reviewed by Finance in conjunction with the S151 Officer, where a recommendation was made to Cabinet for the balance to be repurposed towards the 'Future High Street Fund'
Election Expenses Reserve To provide finance to fund the expense incurred in holding the District Council elections every four years.	The cost of the election is charged to a service account and a contribution from this reserve is credited to the General Fund from this reserve as part of the final accounts process. In the years where no election is held an annual contribution of £30,000 is made to the reserve..	The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Enterprise Projects Reserve	Reserve is used to smooth surpluses / deficits	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes, with delegations over usage agreed by Executive (August 2017) to the Head of Development Services up to £20k..	Reserve reviewed by Finance as part of budget estimates and closedown procedures.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<p>Equipment Renewal Reserve To finance a rolling programme of equipment and property replacement and renewal.</p>	<p>Revenue Items to be financed from this reserve are charged to the service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.</p>	<p>Items proposed to be financed from this reserve are first approved by the Executive. Use of reserve is subsequently controlled by SMT, which considers a business case requesting release of funding from the reserve and may approve, if appropriate, followed by approval from Chief Executive and relevant portfolio holders. The standard business case template to be used for SMT's consideration was presented and approved by the September 2011 Executive.</p>	<p>Reserve reviewed as part of Estimates and closedown procedures. Balance increased on basis of Executive approval.</p>
<p>Harbury Lane Reserve</p>	<p>A reserve has been created over a number of years to fund this project.</p>	<p>The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.</p>	<p>The level and continued requirement of this reserve will be reviewed by Finance in conjunction with the Chief Executive and the Leader.</p>
<p>Homelessness Prevention Reserve</p>	<p>From Government grants received in 18/19 and 19/20 towards Homelessness Prevention. A balance of £40k is committed for Rough Sleepers Initiative Interventions.</p>	<p>The Head of Housing Services has delegated authority to draw down from the Reserve in conjunction with the Service Portfolio Holder, Head of Finance and Finance Portfolio Holder.</p>	<p>This money is ring-fenced to prevent or deal with homelessness, with the funding being allocated to the reserve until Council has determined how this money will be spent.</p>
<p>ICT Replacement Reserve To provide finance for the Council's ICT Replacement programme</p>	<p>This reserve has been established in order to provide certainty of finance for the Council's ICT replacement programme.</p>	<p>The ICT Services Manager has delegated authority to spend from this reserve in consultation with the Head of Finance and relevant Portfolio Holders</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer and ICT Manager essentially three times a year: a) when the Financial Strategy is updated b) at budget setting and c) final accounts where depending on the need. A recommendation to the Executive can include increasing / decreasing the balance or complete closure. In addition the adequacy of the reserve is taken into account when revising the capital programme.</p>
<p>Insurance Reserve To provide finance to cover the Council's self insurance against potential claims and to pay for security improvements to the Council's General Fund properties. The reserve also holds sufficient funds to cover any potential claim with regard to the Municipal Mutual Insurance "clawback" re previous claims settled.</p>	<p>Self insurance claims and Security Improvements are charged to the service accounts and the comparable amount is credited to the General Fund from this reserve as part of the final accounts process.</p>	<p>The Insurance Officer has authority to spend up to £15,000 (£1,000 per project) in any one year on security improvements. Items above these thresholds have to be authorised by the Head of Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>
<p>Investment Volatility Reserve</p>	<p>Set up to capture a portion of the gain on corporate equity funds to be used to smooth possible future fluctuations</p>	<p>Authority to spend from this reserve is delegated to the Head of Finance.</p>	<p>The use of this reserve will be included within future Budget reports to be agreed by the Executive.</p>

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Leisure Options Reserve	This reserve has been established to cover such items as the reduction in income whilst the Leisure Centre refurbishment programme is under way and also the first year and a half's debt charges arising from the prudential borrowing for this project. The reserve will also fund the re-profiling of the contractor concessions arising from the outsourcing of the Leisure Centres operation.	Authority to spend from this reserve is delegated to the Head of Finance in line with the actual lost income and debt charges incurred.	The continuing need for the reserve will be reviewed by Finance in conjunction with the S151 Officer and Head of Cultural Services, and depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Local Plan Delivery Reserve	The reserve is used for items of work required to help the implementation of the Local Plan. This would include detailed work on a specific proposal to help turn it from a proposal to reality.	Approval to spend from this reserve is delegated to the Chief Executive, Head of Finance and Head of Development Services in consultation with the Deputy Leader (responsible for the Local Plan) and all group leaders.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Other Commuted Sums Reserve Commutated Sums are received from developers in respect of the adoption of public open space or other facilities to be maintained at the Council's expense.	Credits are made annually to the General Fund based on (usually) 1/13 th of the capital sum starting from the year in which the maintenance of the facility begins. This date notified by the relevant Service Area.	The General Fund Estimates and its financing is approved by the Executive. This sets the contribution to / from this reserve. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The balance on this reserve is dictated by receipts from developers.
Planning Appeal Reserve Originally created to provide finance to cover the costs incurred by the Council with regard to appeals against its planning decisions. The Reserve also now pays for issues relating to planning policy, for example the costs associated with the Local Plan, and associated research.	Items to be financed from this reserve are charged to the Planning service account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Approval for expenditure to be met from this reserve is proposed to be delegated to the Head of Development and Head of Finance, in consultation with the relevant portfolio holder. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Planning Investment Reserve	Creation of a reserve into which the 20% uplift in planning fees will be allocated.	To be apportioned by the Head of Finance.	The level and continuing need for the reserve is reviewed by Finance followed by a recommendation to the Executive can include increasing / decreasing the balance or complete closure
Public Amenity Reserve	To provide finance for play area and public open space improvements	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any further upward variation in the contribution would have to be approved by the Executive either as part of a report on the particular scheme in question or as part of a revision of the capital programme during the budget monitoring process. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Public Open Spaces Planning Gain Reserve	Expenditure from this reserve will be charged to service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	The Head of Neighbourhood Services, in agreement with the Head of Finance, has delegated authority to spend from this reserve.	This reserve is reviewed during the final accounts process but as the reserve was created from S106 contributions which generally have conditions of use attached to them, levels and potential closure are not applicable

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Services Transformation Reserve	Reserve created to enable services to continue to be provided pending delivery of required savings and to finance "Fit For the Future" schemes so as to help the Council secure the savings needed in its Medium Term Financial Strategy.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Tourism Reserve To provide finance for initiatives relating to the Council's ongoing promotion of tourism	Items to be financed from this reserve are charged to the service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Authority to spend delegated to Deputy Chief Executive in consultation with the Development Services Portfolio Holder, Finance Portfolio Holder and S151 Officer.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Digital By Default Reserve	Reserve created to enable digitalisation of services to continue to be provided pending delivery of required savings and to finance "Fit For the Future" schemes so as to help the Council secure the savings needed in its Medium Term Financial Strategy.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Climate Change Reserve	Reserve created to respond to the Climate Emergency Declaration for Council services and across the District.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Community Emergency Response Fund Reserve	Reserve created to respond to the COVID-19 pandemic.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Newbold Benches Donation Reserve	To be used in accordance with the wishes of the benefactor on benches and tree planting at Newbold Comyn.	Head of Service to ensure sums spent in accordance with donation conditions.	Use of the Reserve to be reviewed annually until fully disbursed.
Service Alignment Reserve	Reserve initially created to enable services to prepare for integration with Stratford District Council. Closed in 2023/23 and balance transferred to the Service Transformation Reserve.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
ICT Service System Alignment Reserve	Reserve initially created to develop ICT systems to support service delivery in preparation for integration with Stratford District Council. Uncommitted balance to be transferred to the ICT Reserve.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Ukrainian Resettlement Inspections Reserve	Paid to the Council to fund the inspection of properties for the Ukrainian resettlement scheme	The responsibility for the authorisation of expenditure from this reserve is the Head of the Housing Service and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The reserve can only be used to fund staff carrying out inspections under this scheme. Unutilised balances would have to be repaid.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Working for Warwick Reserve	Reserve set up to carry forward the employee benefits from the 'Working For Warwick' package to future years	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Energy Generation Projects Reserve	Reserve created to investigate and forward-fund energy generation projects that will be cost neutral over the medium-term	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Change Programme Delivery Reserve	Reserve created to support initial investment required to deliver the organisational change programme	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
GF Volatility Reserve	Reserve established to provide finance for "smoothing out" the General Fund balances to ensure there is enough funding available to balance the deficit budgets presented in the MTFS, using business rates overperformance (while ensuring the BRRVR maintains a balance of £2m)	Executive to approve usage.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Housing Revenue Account (HRA)			
Housing Capital Investment Reserve To provide finance for new build projects.	To provide finance for new build projects.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan in order to achieve the required number of new build homes.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan .
Major Repairs Reserve To provide funding for major capital works to the Council's housing stock	The relevant amount required to finance the HRA capital programme is transferred to the Capital Adjustment Account as part of the final accounts process.	The contribution made from this reserve towards capital expenditure is dictated by the developing needs of the HRA Self Financing Business Plan and will be reviewed as part of the formal Business Plan governance process.	The operation of this reserve will be reviewed as part of the ongoing monitoring of the Self Financing Business Plan.
Housing Revenue Account balance To provide a contingency reserve to protect the HRA against any unexpected and adverse revenue or capital cash flows arising during the year.	The balance will be applied as necessary to finance housing landlord revenue or capital budget variations.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan. The Self Financing Business Plan is based on maintaining a minimum £1.5m balance (uplifted each year for inflation).
HRA Early Retirement Reserve To provide finance to cover the pension one off costs to the HRA as a result of the early retirement of Housing officers and to provide finance to cover redundancy costs properly chargeable to the HRA.	Items to be financed from this reserve are charged to the HRA during the year and notified to Finance. An appropriate amount is then transferred to the HRA as part of the final accounts process.	Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure
HRA Rough Sleeping Initiative Reserve	To fund a rough sleeping initiative at the William Wallsgrove hostel, from Government grant received in 2018/19.	To match-fund expenditure incurred by the HRA, up to the level of the Reserve.	The reserve will be reviewed as part of the wider housing and homeless strategies of the Council

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2023/24 to 2027/28	Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000	Estimated Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000
GENERAL FUND RESERVES - EARMARKED							
Art Gallery Gift Reserve	Balance on this reserve includes monies transferred from Art Fund Reserve. Currently there is no expenditure to be met from this reserve. External donations of approximately £1k per annum will be credited to this reserve.	135	136	137	138	139	140
Building Control Reserve	The surpluses from this 'trading account' are used to support the service costs.	427	427	427	427	427	427
Business Rate Retention Volatility Reserve	Reserve set up to 'smooth' receipt of business rate income. Expected to be a Government Business Rate re-set in 2025/26.	11,485	6,913	2,000	2,000	2,000	2,000
Capital Investment Reserve	£1m is the minimum balance recommended for this reserve.	1,456	1,456	1,283	1,183	1,083	983
Car Park Displacement Reserve	<i>Previous applied to the Commonwealth Games Leamington Spa Station project.</i> NOT NEEDED	253	253	253	253	253	253
Car Parking Repairs and Maintenance Reserve	Reserve created in order to provide resources for future years repairs and maintenance programmes.	122	122	122	122	122	122
Cemetery Land Purchase Reserve	Reserve established to provide finance for the purchase of land for cemetery extensions. Currently no such purchases are included in the General Fund Capital Programme. Future contributions to the reserve will be provided for by a surcharge imposed on out of area burial fees.	28	28	28	28	28	28
Commonwealth Games (Bowls) Reserve	<i>This reserve is currently funding the Project Manager salary costs and various ancillary costs.</i> NOT NEEDED	129	129	129	129	129	129
Community Projects Reserve	Reserve created from New Homes Bonus to provide finance for various District-wide community projects. Topped up in 2023/24 with £500k from New Homes Bonus / Funding Guarantee.	616	809	534	509	484	379
Corporate Assets Reserve	Reserve created to provide finance for refurbishing facilities following stock condition surveys. It includes annual General Fund contributions of £500k, which are necessary to fund planned asset maintenance. Drawdown from reserve is subject to future Executive reports.	1,320	3,506	2,531	2,235	1,943	995
Covent Garden Multi Storey Reserve	Balance being repurposed towards the 'Future High Street Fund'.	900	900	-	-	-	-
Election Expenses Reserve	£35k per annum will be credited to the reserve to help defray the costs of General Elections and £105k subsequently released toward funding the General Elections, based on a 4-year cycle.	110	5	40	75	5	40
Enterprise Projects Reserve	Reserve being reduced to cover legal commitments only.	193	193	55	55	55	55
Equipment Renewal Reserve	Projects will be approved by SMT, Chief Executive and relevant Portfolio Holders prior to going ahead. The reserve receives top ups of £100k per annum and is being used to support a number of projects detailed in Appendix 7	529	166	-157	-67	23	113
Harbury Lane Reserve	This reserve will provide funding towards the proposed travellers site in Harbury Lane	84	84	84	84	84	84

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2023/24 to 2027/28	Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000	Estimated Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000
Homelessness Prevention Reserve	From Government grants received in 18/19 and 19/20 towards Homelessness Prevention within the homeless strategy	1,336	1,336	1,336	1,336	1,336	1,336
ICT Replacement Reserve	This reserve is to provide for planned ICT replacements and revenue costs. The reserve will be topped up annually with £250k., plus £1m from General Fund balances in 2023/24, but is projected to become negative at the end of 2024/25 due to meeting the capital programme funding	829	990	262	96	80	448
Insurance Reserve	This reserve will be used to cover self insurance against claims and to provide finance for security improvements to mitigate future claims.	274	274	274	274	274	274
Investment Volatility Reserve	Set up to smooth possible future fluctuations on equity funds and other treasury investments.	100	100	100	100	100	100
Leisure Options Reserve	Balance from Phase 1 of leisure improvements to finance Kenilworth Phase 2	764	267	267	267	66	66
Local Plan Delivery Reserve	The reserve is funding the Tachbrook Country Park capital budget	44	44	44	44	44	44
Other Commuted Sums Reserve	Contributions of around £150k will be made to the General Fund each year to fund maintenance of adopted land. In addition, the reserve will fund part of the cost of the Green Spaces Team Leader. New developer contributions are added to the Reserve and phased over 14 to 20 years planned grounds maintenance costs	1,593	1,485	1,331	1,177	1,026	875
Planning Appeal Reserve	This is funding consultancy for Local Plan, Kenilworth development brief and site development officer salary etc. costs	390	390	382	382	382	382
Planning Investment Reserve	This reserve will receive income from the uplift in planning fees, subject to meeting core service funding. Various posts e.g. temporary Senior EHO, Development Monitoring Officer, CIL Officer etc. are funded from this reserve	11	174	55	219	383	547
Public Amenity Reserve	This reserve will provide the finance for the play equipment capital programme. The future funding of the play area capital programme is subject to approval of Community Infrastructure Levy (CIL) funding	451	432	-	-	-	-
Public Open Spaces Planning Gain Reserve	Reserve receives a reduced amount of S106 planning development contributions for one-off improvement of Public Open Spaces. It contributes towards capital play area improvements.	89	71	35	37	38	39
Services Transformation Reserve	This reserve include contributions to a number of capital and revenue projects as part of the 'Transforming Our Workplace' programme, and funding various temporary posts. The reserve is receiving the allocations previously made to the Service Alignment Reserve in 2023/24 and 2024/25, and is used to smooth funding between financial years	1,229	982	824	1,050	1,450	1,850
Tourism Reserve	Established to help fund tourism initiatives within the District	27	27	27	27	27	27
Digital By Default Reserve	Used for digitisation projects	23	23	17	12	6	-
Climate Change Reserve	Tackling the climate emergency declaration	393	883	709	709	709	709

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2023/24 to 2027/28	Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000	Estimated Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000
Community Emergency Response Fund Reserve	Set up to fund Covid-19 community support	2	2	2	2	2	2
Newbold Benches Donation Reserve	Donation from a member of the public for benches and tree planting	6	6	6	6	6	6
Ukrainian Resettlement Inspections Reserve	Paid to the Council to fund the inspection of properties for the Ukrainian resettlement scheme	25	25	25	25	25	25
Working for Warwick Reserve	To carry forward the employee benefits from this package to future years	-	223	198	198	198	198
Energy Generation Projects Reserve	To investigate energy generation opportunities	-	-	500	500	500	500
Change Programme Delivery Reserve	Set up to provide funding for activities to deliver efficiency savings across the Council	-	-	500	500	500	500
GF Volatility Reserve	To fund General Fund budget deficits from reserve balances	-	-	3,853	3,853	3,853	3,853
GENERAL FUND RESERVE TOTAL		25,373	22,861	18,213	17,985	17,780	17,529
Change in GF reserves (+ increase / - decrease)			-2,512	-4,648	-228	-205	-251
BALANCES							
General Fund	A core balance of at least £1.5m after liabilities will be maintained as a contingency reserve.	2,631	1,500	1,500	1,500	1,500	1,500
Housing Revenue Account (HRA):							
Housing Capital Investment Reserve	Under self financing, this reserve provides the finance for investment in new housing stock	27,871	18,032	11,751	7,939	5,275	2,694
Major Repairs Reserve	Under Self Financing this reserve provides the major element of funding for capital maintenance works to the Council's housing stock.	6,956	4,491	4,176	4,079	3,975	3,975
Housing Revenue Account balance	To provide a contingency reserve to protect the Housing Revenue Account against adverse in year revenue or capital cash flows arising from unexpected major repairs etc.	1,500	1,500	1,500	1,500	1,500	1,500
Housing Early Retirements Reserve	Contributions of £20k in each year will be made.	21	41	61	81	101	121
HRA Rough Sleeping Initiative Reserve	To support provision of temporary accommodation and services	262	262	262	262	262	262
Lifeline Funding for Assistive Technology Reserve	North Warwickshire Borough Council paid WDC as part of the transfer of their Lifeline customers over to WDC's Lifeline service. This reserve is ringfenced to be used to upgrade the Lifeline connections as the customers migrated over the next 2 years.	127	21	21	21	21	21
HRA TOTAL		36,737	24,347	17,771	13,882	11,134	8,573

CAPITAL VARIATIONS**Appendix 6**

	2023/24 £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	TOTAL £'000's
ORIGINAL BUDGETS PER 2023/24 BUDGET BOOK:						
Original General Fund Capital Budgets	33,456.5	8,099.2	698.0	560.0	N/A	42,813.7
TOTAL	33,456.5	8,099.2	698.0	560.0		42,813.7

ORIGINAL GENERAL FUND CAPITAL BUDGETS PER 2023/24 BUDGET BOOK	33,456.5	8,099.2	698.0	560.0	Not published	42,813.7
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Items slipped from 2022/23 and added to 2023/24 Budgets (see Final Accounts Report 2022/23 for detail on individual schemes - Not yet approved by Cabinet)	8,067.0	N/A	N/A	N/A	N/A	8,067.0
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Items brought forward from 2023/24 to 2022/23 (see Final Accounts Report 2022/23 for detail on individual schemes- Not yet approved by Cabinet)	-496.0	N/A	N/A	N/A	N/A	-496.0
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TOTAL adjustments arising from Final Accounts Report:	7,571.0	N/A	N/A	N/A	N/A	7,571.0
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INCREASES TO SCHEMES:

Desktop Infrastructure				10.0		10.0
Regulatory Services Software		100.0				100.0
Development, Building Control and LLPG Replacement.		50.0				50.0
Abbey Fields LC New Building	690.6	781.4				1,472.0
CCTV replacement system	2.4					2.4
Play area improvement programme		195.0	480.0	520.0	200.0	1,395.0
Kenilworth School loan	1,500.0					1,500.0
TOTAL Increase to Schemes:	2,193.0	1,126.4	480.0	530.0	200.0	4,529.4

NEW APPROVALS:

Replacement of Member IT Kit				30.0		30.0
Desktop Infrastructure					40.0	40.0
Infrastructure General					15.0	15.0
Network devices LAN & WAN				110.5	15.0	125.5
Physical Server Replacement			10.0		10.0	20.0
UPS				6.0		6.0
Mobile Phone Replacement				10.0		10.0
Rural & Urban Initiatives	100.0	100.0	100.0	100.0	100.0	500.0
Recycling & Refuse Containers					80.0	80.0
Abbey Fields LC Demolition-split away from main project code	700.0					700.0
Castle Farm LC Demolition-split away from main project code	10.4					10.4
St. Nicholas Park All Weather Pitches Carpet Replacement		350.0				350.0
Victoria Park Tennis Court Resurfacing	103.0					103.0
Newbold Comyn Pavilion Refurbishment	28.6	26.5				55.1
Central Ajax Football Club	6.5	112.9				119.4
Acre Close MUGA	30.0					30.0
Play Area Disabled Improvements		100.0				100.0
Spa Centre Lights and Radio Microphones	61.0					61.0
Spa Centre Replacement Seating	69.0					69.0
Cinema projector		40.0				40.0
PA system Front of House/Backstage		55.0				55.0
Assembly Rooms at Pump Rooms Replacement Chairs	35.0					35.0
Pump Rooms Roof Repair and Restoration	1,644.3	1,168.3				2,812.6
Severn Acre Close Play Area	72.6	6.0				78.6
Glendale Drive Play Area		55.0				55.0
Hatton Park Play Area		52.6				52.6
Sabin Drive Play Area	80.0					80.0
Eagle Recreation Ground Improvement Works	10.4	22.0				32.4
Refugee Sculpture	8.8	15.0				23.8
Abbey Fields Management Plan	5.0					5.0
CCTV Cameras (UKSPF)	96.1	63.1				159.2
Improvements to lighting in parks and open spaces (UKSPF)		218.0				218.0
The Crest (UKSPF)	60.0					60.0
Everyone Active (UKSPF)	2.2					2.2
Emergency Contact (UKSPF)	16.0					16.0
Sydni Centre (UKSPF)	13.0					13.0
Brunswick HLC (UKSPF)	41.0	20.0				61.0
Establish 'an active neighbourhood' to prioritise the movement of people over motor traffic (UKSPF)		20.0				20.0
Develop active sessions to reach out to people diagnosed with dementia and mental health issues (UKSPF)		20.0				20.0
Air Quality Sensors Warwick Hospital Car Park	10.0					10.0
Air Quality Sensors Oakley Grove Phase 3/Land off Harbury Lane & Oakley Wood Rd	10.0					10.0
Barford Youth & Community Centre-Grant		250.0				250.0
Lillington Hub (UKSPF)	228.0					228.0
Signage (UKSPF)	8.0					8.0
Sustrans (UKSPF)	25.0					25.0

CAPITAL VARIATIONS**Appendix 6**

	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL
	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Creative Organisations (UKSPF)	10.0	15.0				25.0
Spark & Ignite (UKSPF)	5.0	20.0				25.0
Makers Hub (UKSPF)	10.0	10.0				20.0
Lights of Leamington (UKSPF)	20.0	50.0				70.0
Digital skills provision (UKSPF)		30.0				30.0
Address barriers to accessing education and training courses (UKSPF)		30.0				30.0
Develop activities (Spark and Ignite)(UKSPF)		20.0				20.0
Commission a programme of Public art (UKSPF)		5.0				5.0
Hydrogen Hub (UKSPF)		75.0				75.0
Frontline Vehicle Fleet (SDC/WDC)	196.0	195.0				391.0
Lillington Health Hub	2,740.0	31.4				2,771.4
Lord Leycester Hospital	40.0					40.0
TOTAL New Approvals:	6,494.9	3,225.8	110.0	256.5	260.0	10,347.2

CAPITAL VARIATIONS**Appendix 6**

	2023/24 £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	TOTAL £'000's
TOTAL General Fund New/Increases to Capital Approvals during 2023/24:	8,687.9	4,352.2	590.0	786.5	460.0	14,876.6
SLIPPAGE/BUDGET B/FWD - Changes to start dates or delays on projects mean that it is proposed to slip resources into future years/bring forward from future years - identified as part of budget review process:						
Virtualisation Servers	-10.0	10.0				
Infrastructure Replacement-ESX Servers (x5)	-60.0	60.0				
Backup solution	-100.0	100.0				
Physical server replacement	-46.0	46.0				
UPS				-14.0	14.0	
Software/Digital-- Strategy Seed Funding	-137.0	137.0				
Storage Area Network (SAN)	-10.0	10.0				
Development, Building Control and LLPG Replacement.	-100.0	100.0				
Abbey Fields LC New Building	-8,159.0	8,159.0				
Kenilworth Leisure Centre Sites Fit Out Costs	295.9	-496.7			200.8	
Athletics Facility Relocation	-188.0	188.0				
Myton footpath/cycleway	-100.0	100.0				
Spa Centre Lights and Radio Microphones	-75.0	75.0				
Play Area Improvement Programme	-275.0	275.0				
Skate Park in St. Nicholas Park	-38.8			38.8		
Pottertons Landscaping Works	-4.5	4.5				
Tach Brook Country Park		-1,600.0	1,600.0			
Community Stadium Project	-200.0	200.0				
Future High Street-Town Hall	-1,465.1	1,465.1				
Future High Street-Former Stoneleigh Arms	-1,849.3	1,849.3				
Future High Street-Sorting Office	-5,088.0	5,088.0				
Leper Hospital regeneration	-302.0	302.0				
Castle Farm Sports Pitch Drainage	-73.0	73.0				
TOTAL General Fund Capital Slippage identified during 2023/24:	-17,984.8	16,145.2	1,624.8	214.8		
SCHEMES DELETED / REDUCED / SAVINGS/VIREMENTS:						
Relocation to Crown Hosting Site	-50.0					-50.0
Mobile Phone Replacement-virement to Desktop Infrastructure	-18.0					-18.0
Infrastructure general-virement to Desktop Infrastructure	-11.2					-11.2
Committee Services Software Replacement-virement to desktop	-9.3					-9.3
Desktop Infrastructure virement from above lines	37.9					37.9
Physical server replacement		-5			-15.0	-20.0
Storage Area Network (SAN)-slipped into 28/29					-181.0	-181.0
Castle Farm LC New Building	-1,883.2					-1,883.2
Warwick Fire Station--no longer required	-30.0					-30.0
Future High Street-Town Hall-virement from Sustainable Movement		256.3				256.3
Future High Street-Former Stoneleigh Arms- moved from sustainable Movement project	250.0					250.0
Future High Street-Sustainable Movement-virement to other FHS projects	-1,006.3					-1,006.3
Future High Street-Spencer Yard-private sector funding not required	-3,649.3					-3,649.3
Future High Street-Sorting Office--		-4,170.0				-4,170.0
Health & Community Protection IT system	-27.5					-27.5
Sherbourne Resource Park Development Costs- Long-term Loan so transferred to revenue	-765.0					-765.0
TOTAL General Fund Reductions / Savings:	-7,161.9	-3,918.7			-196.0	-11,276.6
PROPOSED GENERAL FUND CAPITAL PROGRAMME FOR 2023/24 BUDGET BOOK:	24,568.7	24,677.9	2,912.8	1,365.3	460.0	53,984.7

	Latest Budget 2023/24 £'000	Proposed Expend. 2024/25 £'000	Proposed Expend. 2025/26 £'000	Proposed Expend. 2026/27 £'000	Proposed Expend. 2027/28 £'000	TOTAL 2023/24 to 2027/28 £'000
Capital Programme Summary						
Climate Change		75.0				75.0
Customer & Digital Services	1,208.7	1,152.0	614.0	464.5	80.0	3,519.2
Safer Communities, Leisure & Environment	10,406.7	10,301.9		200.8		20,909.4
Finance Portfolio	100.0	100.0	100.0	100.0	100.0	500.0
Neighbourhood & Assets	2,328.6	3,376.9	2,198.8	600.0	280.0	8,784.3
Place, Arts & Economy	10,524.8	9,672.1				20,196.9
Total General Fund Capital Programme	24,568.8	24,677.9	2,912.8	1,365.3	460.0	53,984.8
Climate Change						
Hydrogen Hub (UKSPF)		75.0				75.0
Total Climate Change	-	75.0	-	-	-	75.0
Customer & Digital Services						
Desktop infrastructure	47.9	200.0	125.0	40.0	40.0	452.9
Mobile Phone Replacement	2.0			30.0		32.0
Virtualisation Servers		10.0				10.0
Infrastructure Replacement-ESX Servers (x5)		60.0				60.0
Infrastructure general	3.3	14.5	14.5	14.5	15.0	61.8
Backup solution		100.0				100.0
Voice of IP telephone system	67.0			80.0		147.0
Server Infrastructure	160.0	10.0				170.0
Network	360.0	14.5	14.5	180.0	15.0	584.0
Contact Centre	58.0			60.0		118.0
Physical server replacement		56.0	10.0	10.0	10.0	86.0
UPS	10.0			20.0		30.0
Development, Building Control and LLPG Replacement.	150.0	200.0				350.0
Committee Services Software Replacement	10.7					10.7
Replacement of Member IT Kit				30.0		30.0
Regulatory Services Software		300.0	50.0			350.0
Revenues and Benefits Replacement or Renewal			400.0			400.0
Software/Digital - Strategy Seed Funding	149.8	187.0				336.8
Software/Digital - GIS	70.0					70.0
Cyber Security Posture	100.0					100.0
AV Kit	20.0					20.0
Total Customer & Digital Services	1,208.7	1,152.0	614.0	464.5	80.0	3,519.2
Safer Communities, Leisure & Environment						
Castle Farm sports pitch drainage		73.0				73.0
St. Nicholas Park All Weather Pitches Carpet Replacement		350.0				350.0
Victoria Park Tennis Court Resurfacing	22.0					22.0
Abbey Fields LC New Building	1,599.8	8,940.4				10,540.2
Abbey Fields LC Demolition	700.0					700.0
Castle Farm LC New Building	6,993.2					6,993.2
Castle Farm LC Demolition	10.4					10.4
Kenilworth Leisure Centre Sites Fit Out Costs Abbey Fields				200.8		200.8
Kenilworth Leisure Centre Sites Fit Out Costs Castle Farm	496.6					496.6
Newbold Comyn Pavilion Refurbishment	30.0	26.5				56.5
Central Ajax Football Club	6.5	112.9				119.4
Acre Close MUGA	30.0					30.0
Athletics Facility Relocation	50.0	188.0				238.0
Myton footpath/cycleway	47.0	100.0				147.0
Commonwealth Games	50.0					50.0
Spa Centre Replacement Seating	69.0					69.0
Spa Centre Lights and Radio Microphones	4.7	75.0				79.7
Cinema projector		40.0				40.0
PA system Front of House/Backstage		55.0				55.0
Assembly Rooms at Pump Rooms Replacement Chairs	35.0					35.0
CCTV replacement system	2.4					2.4
CCTV Server Upgrade (UKSPF)	11.9					11.9
CCTV Cameras (UKSPF)	96.1	63.1				159.2
Improvements to lighting in parks and open spaces (UKSPF)		218.0				218.0
The Crest (UKSPF)	60.0					60.0
Everyone Active (UKSPF)	2.2					2.2
Emergency Contact (UKSPF)	16.0					16.0
Sydney Centre (UKSPF)	13.0					13.0
Brunswick HLC (UKSPF)	41.0	20.0				61.0
Establish 'an active neighbourhood' to prioritise the movement of people over motor traffic (UKSPF)		20.0				20.0
Develop active sessions to reach out to people diagnosed with dementia and mental health issues (UKSPF)		20.0				20.0
Air Quality Sensors Warwick Hospital Car Park	10.0					10.0
Air Quality Sensors Oakley Grove Phase 3/Land off Harbury Lane & Oakley Wood Rd	10.0					10.0
Total Safer Communities, Leisure & Environment	10,406.7	10,301.9	-	200.8	-	20,909.4
Finance						
Rural & Urban Initiatives	100.0	100.0	100.0	100.0	100.0	500.0
Total Finance	100.0	100.0	100.0	100.0	100.0	500.0
Neighbourhood & Assets						
Play Area Improvements		470.0	480.0	520.0	200.0	1,670.0
Play Area Disabled Improvements		100.0				100.0
Seyvern Acre Close Play Area	72.6	6.0				78.6
Sabin Drive Play Area	80.0					80.0
Glendale Drive Play Area		55.0				55.0
Hatton Park Play Area		52.6				52.6
Eagle Recreation Ground Improvement Works	10.4	22.0				32.4
Refugee Sculpture	8.8	15.0				23.8
Skate Park in St. Nicholas Park			38.8			38.8
Abbey Fields Management Plan	5.0					5.0
Pottertons Landscaping Works		4.5				4.5
Pump Rooms Roof Repair and Restoration	1,644.3	1,168.3				2,812.6
Newbold Comyn Masterplan & Cycling Facilities	51.8					51.8
Tach Brook Country Park	179.6	1,208.6	1,600.0			2,988.2
Recycling & Refuse Containers	80.0	80.0	80.0	80.0	80.0	400.0
Frontline Vehicle Fleet (SDC/WDC)	196.0	195.0				391.0
Total Neighbourhood & Assets	2,328.6	3,376.9	2,198.8	600.0	280.0	8,784.3
Place, Arts & Economy						
Warwick Town Wall	100.0					100.0
Barford Youth & Community Centre-Grant		250.0				250.0
Community Stadium Project	56.0	200.0				256.0
Railway Line Spur To Draycote Water (Sustrans)	25.0					25.0
St. Mary's Church Tower Restoration	50.0					50.0
Kenilworth School loan	5,318.8					5,318.8
Future High Street-Town Hall	170.3	1,721.4				1,891.7
Future High Street-Former Stoneleigh Arms	1,361.3	1,849.3				3,210.6
Future High Street-Sorting Office	52.0	5,088.0				5,140.0
Lillington Hub (UKSPF)	228.0					228.0
Signage (UKSPF)	8.0					8.0
Sustrans (UKSPF)	25.0	50.0				75.0
Creative Organisations (UKSPF)	10.0	15.0				25.0
Spark & Ignite (UKSPF)	5.0	20.0				25.0
Makers Hub (UKSPF)	10.0	10.0				20.0
Lights of Leamington (UKSPF)	20.0	50.0				70.0
Digital skills provision (UKSPF)		30.0				30.0
Address barriers to accessing education and training courses (UKSPF)		30.0				30.0
Develop activities (Spark and Ignite)(UKSPF)		20.0				20.0
Commission a programme of Public art (UKSPF)		5.0				5.0
Lillington Health Hub	2,740.0	31.4				2,771.4
Lord Leicester Hospital	40.0					40.0
Leper Hospital regeneration	305.4	302.0				607.4
Total Place, Arts & Economy	10,524.8	9,672.1	-	-	-	20,196.9

Housing Investment Programme (HIP) 2023/24 to 2032/33

Appendix 7 Part 2

Activity Description	Actual Spend	Budgeted Spending Plan									
		2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	2032/33 £'000's	Total £'000's
Construction / Acquisition of Housing:	2023/24 Revised £'000's										
Repurchase of Ex-Council Housing	762	500	500	500	500	500	500	500	500	500	5,262
Purchase of Property	0	0	0	0	0	0	0	0	0	0	0
Purchase of property	0	0	0	0	0	0	0	0	0	0	0
Purchase of property	5	0	0	0	0	0	0	0	0	0	5
Refurbishment	1,710	0	0	0	0	0	0	0	0	0	1,710
Purchase of land	0	0	0	0	0	0	0	0	0	0	0
Development	150	0	0	0	0	0	0	0	0	0	150
Purchase of Land	0	0	0	0	0	0	0	0	0	0	0
Development	3,817	0	0	0	0	0	0	0	0	0	3,817
Purchase of property	709	0	0	0	0	0	0	0	0	0	709
Purchase of Land	0	0	0	0	0	0	0	0	0	0	0
Purchase of property	0	0	0	0	0	0	0	0	0	0	0
Purchase of property	10	0	0	0	0	0	0	0	0	0	10
Development	1,554	0	0	0	0	0	0	0	0	0	1,554
Purchase of property	17,986	9,033	9,033	9,033	9,033	0	0	0	0	0	54,120
Birmingham Road	9,700	3,300	0	0	0	0	0	0	0	0	13,000
Juniper Way - Golf Lane December Cabinet - Land and JCT build contract - Will be approved by the time the HIP is approved in Feb	8,751	11,374	1,477	0	0	0	0	0	0	0	21,602
CLS Demolition	0	1,500	0	0	0	0	0	0	0	0	1,500
LA Housing Fund - Syrian/Ukrainian Refugee Scheme	3,388	3,388	0	0	0	0	0	0	0	0	6,775
LA Housing Fund 2 - Afghanistan Refugees (6 dwellings)	2,047	0	0	0	0	0	0	0	0	0	2,047
Thickthorn, kenilworth - 20x S106	376	3,750	0	0	0	0	0	0	0	0	4,127
The Asps Warwick - 51 x S106	2,201	8,258	0	0	0	0	0	0	0	0	10,459
Europa Way 24 Dwellings	752	7,242	0	0	0	0	0	0	0	0	7,994
The Asps Warwick - 82 Dwellings	1,588	15,418	0	0	0	0	0	0	0	0	17,006
Total Construction / Acquisition of Housing	55,506	63,763	11,010	9,533	9,533	500	500	500	500	500	151,846
Improvement / Renewal Works:	2022/23 £'000's	2023/24 £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	Total £'000's
Stock Condition Survey Works:											
Aids & Adaptations	1,206.1	647.1	647.1	647.1	647.1	647.1	647.1	647.1	647.1	647.1	7,030
Defective Flooring	59.3	59.3	59.3	59.3	59.3	59.3	59.3	59.3	59.3	59.3	593
Door Entry/Security/Safety Systems	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	1,500
Kitchen & Bathroom Fittings / Sanitaryware Replacement	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	10,000
Electrical Fitments / Rewiring	612.4	612.4	612.4	612.4	612.4	612.4	612.4	612.4	612.4	612.4	6,124
Water Services	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	91
Structural Improvements	250.0	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	427
Improved Ventilation	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	47
Major Garage Works	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	246
Codependant Asbestos Removal	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	2,000
Special capital works - Lift Replacement	197.0	300	300	300	300	0	0	0	0	0	1,397
Capital Salaries for Improvement / Renewal Works	303.6	309.7	315.9	322.2	328.6	335.2	341.9	348.8	348.8	348.8	3,303
Total Stock Condition Survey Works	4,016.8	3,336.6	3,342.8	3,349.1	3,355.5	3,062.1	3,068.8	3,075.7	3,075.7	3,075.7	32,758.7
Climate Change & Environmental Works:											
Environmental - Roof Coverings	925.0	750.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	5,875

Activity Description	Actual Spend	Budgeted Spending Plan									
		2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	2032/33 £'000's	Total £'000's
Construction / Acquisition of Housing:	2023/24 Revised £'000's										
Solar Panels - Roof Covering Works	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	5,000
Environmental - Window/Door Replacement	535.0	535.0	535.0	535.0	535.0	535.0	535.0	535.0	535.0	535.0	5,350
Environmental Central Heating Replacement	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	12,398
Thermal Improvement Works	223.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	1,495
Environmental Works	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	750
Environmental Works: Tenant Participation Projects	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7	377
Environmental Improvement works - The Crest	600.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	600
Environmental Improvement works - The Crest Water Main Repairs	200.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	200
Total Climate Change Works	4,335.8	3,278.8	3,053.8	3,053.8	3,053.8	3,053.8	3,053.8	3,053.8	3,053.8	3,053.8	32,045.0
Fire Safety Works:											
Fire & Building safety in Multi Occupancy Use Blocks	5,544.1	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	32,544
Hi Rise Cladding Replacement 5x Hi-rises	5,617.0	5,617.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11,234
Total Fire Safety Works	11,161.1	8,617.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	43,778.1
Decarbonisation Grant Works											
LAD 3 BEIS - Sustainable Warmth Grant - On Gas Delivery - HUG included in this	3,913.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,914
LAD 2 Match Funding	137.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	138
BEIS Wave 2 Match Funded Works - Decarbonisation Works	500.0	500.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,000
Total Grant Funded Works	4,551.7	500.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,051.7
Total Improvement/Renewal Works	24,065.4	15,732.4	9,396.6	9,402.9	9,409.3	9,115.9	9,122.6	9,129.5	9,129.5	9,129.5	113,633.5
Total Housing Investment Programme Expenditure	79,571.1	79,495.5	20,406.9	18,936.2	18,942.7	9,615.9	9,622.6	9,629.5	9,629.5	9,629.5	265,479.3

General Fund Capital Programme Financing 2023/24 to 2027/28

Appendix 7 Part 3

Source	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total £'000
Internal / External Borrowing	8,818.2	6,135.4	-	-	-	14,953.6
Capital Receipts	56.0	3,360.0	-	-	-	3,416.0
External Contributions	13,299.2	11,052.8	1,600.0	-	-	25,952.0
Revenue Contributions to Capital						
Outlay	100.4	80.0	80.0	80.0	80.0	420.4
Service Transformation Reserve	22.4	183.6	38.8	-	-	244.8
Equipment Renewal Reserve	108.7	170.0	-	-	-	278.7
Public Amenity Reserve	18.3	432.1	480.0	520.0	200.0	1,650.4
Planning Public Open Space Reserve	19.2	37.0	-	-	-	56.2
Community Projects Reserve	276.8	250.0	-	-	-	526.8
Leisure Options Reserve	496.6	-	-	200.8	-	697.4
Corporate Assets Reserve	264.4	614.4	-	-	-	878.8
ICT Replacement Reserve	1,088.7	1,152.0	614.0	464.5	80.0	3,399.2
Enterprise Reserve	-	137.6	-	-	-	137.6
Covent Garden MSCP Reserve	-	900.0	-	-	-	900.0
Capital Investment Reserve	-	173.0	100.0	100.0	100.0	473.0
Funding	24,568.8	24,677.9	2,912.8	1,365.3	460.0	53,984.8

Housing Investment Programme (HIP) Financing Strategy 2023/24 to 2032/33

Appendix 7 Part 4

Housing Investment Programme (HIP) Financing:	2023/24 £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	2032/33 £'000's	Total £'000's
Capital receipts: Buy Back	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	500.0
Capital Receipts: One for One replacement	1,926.2	1,573.8	2,316.7	450.0	1,050.0	450.0	450.0	450.0	450.0	450.0	9,566.7
HRA Capital Investment Reserve	17,002.6	3,250.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	44,252.6
Major Repairs Reserve	7,552.6	6,615.4	6,396.6	6,402.9	6,409.3	6,115.9	6,122.6	6,129.5	6,129.5	6,129.5	64,003.7
S 106 Affordable Housing Contributions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decent Homes Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shared Ownership Sales Capital Receipts	2,162.0	2,715.3	1,134.5	1,134.5	477.5	0.0	0.0	0.0	0.0	0.0	7,623.8
Homes England Affordable Homes Grant - Juniper Way	6,535.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6,535.4
LAD 1B BEIS - Green Homes Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
LAD 2 BEIS - Green Homes Grant - Midlands Energy Hub	0.0	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
LAD 3 BEIS - Sustainable Warmth Grant - On Gas Delivery	3,913.8	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,913.8
BEIS WAVE 2 Match Funding	250.0	250	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	500.0
LA Housing Fund Grant - Syrian/Ukrainian Refugee Scheme Grant - CIR will fund the Build	1,410.2	1,410	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,820.4
LA Housing Fund 2 - Afghanistan Refugees (6 dwellings)	919.2	0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	919.2
CWLEP Demolition Grant - See CIR	0.0	1,500	0	0	0.0	0.0	0.0	0.0	0.0	0.0	1,500.0
HRA Additional Borrowing	37,849.1	62,130.8	7,509.1	7,898.8	7,955.8	0.0	0.0	0.0	0.0	0.0	123,343.7
Housing Revenue Account Related HIP Financing	79,571.2	79,495.5	20,406.9	18,936.2	18,942.7	9,615.9	9,622.6	9,629.5	9,629.5	9,629.5	265,479.3

General Fund Programme & Resources

Appendix 7 Part 5

Capital Programme 2023/24 to 2027/28

	Proposed expenditure					Total £'000
	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	
Capital summary						
Climate Change	-	75.0	-	-	-	75.0
Customer & Digital Services	1,208.7	1,152.0	614.0	464.5	80.0	3,519.2
Safer Communities, Leisure & Environment	10,406.7	10,301.9	-	200.8	-	20,909.4
Finance Portfolio	100.0	100.0	100.0	100.0	100.0	500.0
Neighbourhood & Assets	2,328.6	3,376.9	2,198.8	600.0	280.0	8,784.3
Place, Arts & Economy	10,524.8	9,672.1	-	-	-	20,196.9
Total capital programme (A)	24,568.8	24,677.9	2,912.8	1,365.3	460.0	53,984.8
Capital resources brought forward						
Usable Capital receipts	-	-	-	-	-	
Capital Investment Reserve	1,456.2	1,456.2	1,283.2	1,183.2	1,083.2	
Public Amenity Reserve	450.5	432.3	0.2	0.2	0.2	
Equipment Renewal Reserve *	529.4	165.6	-157.4	-67.4	22.6	
ICT Replacement Reserve	829.0	990.4	262.4	96.4	79.9	
Total capital resources brought forward (B)	3,265.1	3,044.5	1,388.4	1,212.4	1,185.9	
Additions in year to resources						
Borrowing / leasing	10,569.4	6,135.4	-	-	-	16,704.8
Capital receipts	0.3	3,415.8	-	-	-	3,416.0
External contributions	11,973.0	12,379.0	1,600.0	-	-	25,952.0
Revenue Contributions to Capital Outlay (RCCO)	-	80.0	80.0	80.0	80.0	320.0
Capital Investment Reserve (net increase)	-	173.0	100.0	100.0	100.0	473.0
Other reserves used for capital financing	1,980.6	4,191.1	1,132.8	1,185.3	1,190.0	9,679.8
Total additions to capital resources in year (C)	24,523.2	26,374.3	2,912.8	1,365.3	1,370.0	56,545.6
Total available capital resources (B+C)	27,788.3	29,418.8	4,301.2	2,577.7	2,555.9	56,545.6
less : Capital programme expenditure as above (A)	24,568.8	24,677.9	2,912.8	1,365.3	460.0	53,984.8
Capital resources carried forward (B+C-A)	3,219.6	4,740.9	1,388.4	1,212.4	2,095.9	
Reduction in capital resources brought forward (C - A)	-45.5	1,696.4	-0.0	-	910.0	2,560.8

Note: # Equipment Renewal Reserve is expected to have a negative balance from 2025/26.

Project funding

Appendix 8

	2024/25	Funding source
Projects	£000	
Packmores Community Centre plus land	225	NHB
Womens Cycle Tour	30	NHB
Rural / Urban Capital Improvement Scheme	100	NHB
Voluntary and Community Sector Contracts	250	NHB
Trees for the future	408	FG
Energy Generation Projects Reserve established	500	FG
RSH Ongoing costs pending sale to HE	211	FG
Finance System Development Support Contract	36	FG
Commemoration events for 80 years of D Day	4	NHB
Additional dedicated 'Rapid Response Unit' RRU for flytipping.	130	NHB
Media Team Comms	38	FG
Events Co-ordinator	25	FG
Scrutiny Officer Post - 4 years	47	FG
Paddling Pools Repairs	30	NHB
Occupational Health/Counselling Service	27	NHB
Bio-Diversity Resources	51	NHB
Recycling/waste minimisation publicity and promotion	5	NHB
Extension of Project Manager FTC	65	FG
Parking Team Training	5	FG
Legal Services Investment to reduce outsourcing	50	NHB
Contribution to the South Warwickshire Place Partnership to multi agency ill health prevention for 5 years	20	FG
Top-up of Corporate Assets Reserve	686	FG
Top-up of ICT Reserve	250	FG
Total	3,191	
Funding Source Summary		
New Homes Bonus 24/25	-902	
Funding Guarantee 24/25	-2,289	
Total	-3,191	

GF PPM - New 5 Year Plan - 2024/25 - 2028/29

**Appendix
9**

PPM Category	24/25 Budget Estimate	25/26 Budget Estimate	26/27 Budget Estimate	27/28 Budget Estimate	28/29 Budget Estimate	5 Year Overall Totals
	£000	£000	£000	£000	£000	£000
Corp Operational Total	1,452	258	255	210	165	
Non-Operational Total	70	70	70	80	70	
Open Spaces Total	551	381	381	386	381	
Total Total	2,073	709	706	676	616	4,780

Revised PPM 5 year Medium Term Financing Plan						
Funding Resources Analysis	2024/25	2025/26	2026/27	2027/28	2028/29	5 Year Overall Totals
	£000	£000	£000	£000	£000	£000
Corporate Assets Reserve Opening Balance	3,506	2,531	2,235	1,943	1,681	
Corporate Assets Reserve Annual Top Up - MTFS	686	0	0	0	0	
Contribution from Business Rate Retention Volatility Reserve	0	0	0	0	0	
Corporate Asset Reserve Balances	4,192	2,531	2,235	1,943	1,681	
PPM Base General Fund Budget	413	413	413	413	413	
Total Available Funding	4,605	2,944	2,648	2,356	2,094	
PPM Annual Budgets - Estimated Spend	-2,073	-709	-706	-676	-616	-4,780
Y/E Estimated Corp Assets Reserve Balance	2,532	2,235	1,942	1,680	1,478	

Appendix 10: CIL Projects List 2023/24 & 2024/25

8th February 2024

1 Summary

- 1.1 This appendix sets out the current position regarding projects that are funded from the Community Infrastructure Levy (CIL). In particular, it recommends the following:-
- a) That Cabinet approves the CIL Project List set out in Table 7;
 - b) That Cabinet notes that the proposed distribution of CIL receipts for the remainder of 2023/4 and 2024/25 will be restricted to those projects for which CIL receipts have previously been committed, with the exception of Myton Path as this is a corporate priority, and that there is no capacity to support additional projects on the CIL Projects List in 2023/24 or 2024/25.
 - c) That Cabinet recommends to Council to approve the use of forward-funding if necessary to deliver on its commitment to provide Kenilworth Wardens with £2.5m of CIL income in 24/25 and to fund Myton Path in 24/25 as there may be insufficient CIL contributions to cover this in the short term.
 - d) That Cabinet notes the projects listed for support to the period to 2029 as indicated in Annex B.

2 What is CIL?

- 2.1 The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. It is an important tool to help local authorities deliver the infrastructure needed to support development in their area.
- 2.2 The levy only applies in areas where a local authority has consulted on, and approved, a charging schedule which sets out its levy rates and has published the schedule on its website. In implementing CIL, development viability is taken into account.
- 2.3 Some developments may be eligible for relief or exemption from the levy. This includes residential annexes and extensions, and houses and flats which are built by 'self-builders'. There are strict criteria that must be met, and procedures that must be followed, to obtain the relief or exemption.

3 CIL income received at WDC

- 3.1 Within Warwick District CIL is only charged on residential, retail and student housing developments.
- 3.2 Since its implementation in December 2017, WDC has used CIL income to support and deliver a number of infrastructure projects as well as passing on notable sums of money to Town and Parish Councils.
- 3.3 As of 16th October 2023, a total of **£14,018,079 has been received from the CIL.**

- 3.4 Of this, **£2,148,112 has been passed on to Town and Parish Councils** under the 'neighbourhood portion' (15% of the levy revenues arising from development in a parish, capped at £100 per existing council tax dwelling; where a parish has a "made" neighbourhood plan, this increases to 25% of the levy arising from development in a parish, and is uncapped).
- 3.5 Total CIL income received to date for spend on CIL Projects (Total CIL Income minus Total passed to Parish Councils) is therefore **£11,869,966**.
- 3.6 It is estimated that at least a further £706,000 CIL income will be received by end of May 2024, although from this, money will also have to be paid out to Parishes in April 2024.

4 CIL Projects List

- 4.1 The CIL Projects List (previously Regulation 123 List) sets out the projects that the Council intends to fund through CIL. This list is kept under review – usually annually. The last review and update of the list took place in March 2022.
- 4.2 In compiling and reviewing the CIL Projects List, the Council does the following:-
- It makes an assessment of likely levels of CIL income over the next five years. This is done using the housing trajectory which is updated annually.
 - It recommends projects to be included on the CIL Projects List based on the estimated income from CIL over the next five years.
 - It makes specific "commitments" to fund projects in the next year from CIL based on anticipated income from CIL within that year. (Note that the Council does not make "commitments" to CIL funding for the whole five-year period covered by the CIL Projects List but only (usually) the first year. Further commitments can be made at the next review of the List.)
 - Since CIL was first introduced, we have allowed "committed" CIL contributions to "roll over". If a specific CIL contribution is committed for a certain year but, for reasons of project slippage, the money is not drawn down in that year, we allow that commitment to be carried forward. This is important to help project managers plan with greater confidence. It does mean, as will be seen later in this report, that although we are currently holding a healthy balance of CIL contributions, all of these are already committed to existing projects.
- 4.3 It is important to note that any "commitments" that are made are based on anticipated income from CIL. As CIL is a levy on new development, triggered once development commences on site, the council is entirely in the hands of developers for when this money is paid. If, for reasons wholly outside the Council's control, the rate of development is not as anticipated, then levels of CIL contributions will not match those projected. In this case, there may be insufficient CIL funds to finance projects.
- 4.4 A total of 16 infrastructure projects have been included since the Council first published a list on 5th April 2018. The infrastructure projects include some WDC led projects as well as some from other infrastructure providers (e.g., Warwickshire County Council; South Warwickshire University NHS Foundation Trust). Annex A provides a summary of all of these projects.
- 4.5 Of the 16 projects, five have been completed in whole or in part as a direct result of CIL money, totalling £7,715,600. These are shown in Table 1.

Table 1: Completed projects benefitting from CIL funding

Infrastructure Project	CIL allocated & spent
Warwick Town Centre Improvement Works	£373,000
Whitnash Civic Centre & Library	£660,000
Warwick Gates Community Centre	£150,600
Leamington Station Enhancements	£532,000 (note: this was more than the allocated £500,000)
Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	£6,000,000
Total	£7,715,600

- 4.6 A number of projects have received CIL income but are not yet complete. The scale of many projects funded by CIL means that this is to be expected. All projects for which CIL contributions have been committed, and others currently on the CIL Projects List, are set out in Table 2. Some of the projects have spent CIL money, others have yet to or haven't had any committed.
- 4.7 Please note that "commitments" relate to what WDC has committed to paying in Cabinet Reports (subject to satisfactory receipt of sufficient CIL income) and not necessarily the overall CIL request from the project lead.

Table 2: Current commitments to schemes currently on CIL Projects List

Infrastructure Project	Total Commitment to date	Spent	Amount of CIL commitment remaining	Notes
Bath Street Improvement Scheme	£510,000	£244,658	£265,342	WCC has been instructed to undertake no further work until they get confirmation of additional spend from WDC
Emscote Road Multi Modal Corridor Improvements	£1,459,443	£126,003	£1,333,440	
Medical facilities - N Leamington (Cubbington/Lillington)	£2,800,000	£2,768,594	£31,406	Of this, £2,740,000 was paid during 23/24. It is not anticipated that any further drawdown of money will be made for this project
Wayfinding in Leamington, Kenilworth, Warwick	£140,000	£126,000	£14,000	Leamington & Kenilworth schemes all funded. WTC has claimed £21k for consultancy work on feasibility
Europa Way Bridge Link	£0.00	£0.00	£0.00	
Newbold Comyn	£480,000	£446,403	£33,597	
St.Mary's Land, Warwick	£8,000	£0.00	£8,000	
Myton Footpath	£150,000	£0.00	£150,000	

Relocation of Athletics Facility & Commonwealth Park	£225,000	£0.00	£225,000	
Commonwealth Park Bridge	£0.00	£0.00	£0.00	
Relocation of Kenilworth Wardens	£2,500,000	£0.00	£2,500,000	The £2.5m is requested for 24/25
Total	£8,272,443	£3,711,658	£4,560,785	
Total Commitments to end of 23/24			£2,060,785	i.e. not including £2.5m for Kenilworth Wardens.

4.8 As table 2 shows, in addition to the £7,715,600 of CIL spent on completed schemes (see table 1), a further **£3,711,658** has been spent supporting the delivery of schemes still on the list. Note there is some uncertainty over the extent of expenditure on some schemes, e.g. Newbold Comyn and therefore this figure may be notably higher.

5 Current Balance in CIL Account

5.1 The CIL balance at 31/3/23 was £7,131,485.35.

5.2 Including in year receipts in 2023/24 from 1st April – 16th October and outward payments made to Parish Councils, the balance will have increased by £1,735,437. The total balance as at 16/10/23 is therefore £8,866,922.

5.3 We estimate receipt of at least £706,000 CIL income will be received by the end of May 2024 and, assuming we pay 25% to Town and Parish Councils at the end of the financial year, that would add a further £529,500 to the CIL balance. This would make a total of around £9,400,000. From this, two major payments have been made in 2023/24 (North Leamington Health centre and Kenilworth leisure centre (see tables 1 and 2)) totaling £8,740,000 Therefore, the **anticipated balance at the end of 2023/24 is therefore expected to be around £660,000.**

5.4 As table 2 shows, previously WDC has outstanding "commitments" of £2,060,785 to projects on the List. This amounts to a deficit of around **£1,400,000** in terms of WDC's ability to meet its current CIL obligations in 2023/24. This is because CIL income has not matched projections owing to development not proceeding at the anticipated rate.

6 Projected Income

6.1 To help the Council understand how much money it is likely to have available from CIL contributions to fund projects over the next five years, it is possible to estimate this using the latest Local Plan housing trajectory, published in October 2023. If housing is delivered as per the trajectory, CIL is predicted to deliver the following as set out in Table 3 below. It should be remembered that a proportion of CIL receipts (15% or 25%) must be distributed to Town and Parish Councils to spend within their areas and therefore is not available to the District Council to allocate.

- 6.2 Table 3 shows an estimate of future CIL income to Warwick District Council using the 2023 Housing Trajectory. It sets out estimated CIL income to the Council for the next 5 years (including the whole of this financial year) and until the end of the current Local Plan period.
- 6.3 There are many variables that affect delivery of housing and therefore could affect the timing of receiving CIL income. The Government also proposes a new Infrastructure Levy in the Levelling up and Regeneration Act 2023 which may also mean in due course that the current CIL arrangements cease.

Table 3: Estimate of future CIL income to Warwick District Council (using 2023 Housing Trajectory)

	Total (£)	If 15% passed to parish councils (£)	If 25% passed to parish councils (£)
2024/25	3,286,596	2,793,607	2,464,947
2024/25 – 2028/29	28,744,242	24,432,606	21,558,182

7 CIL Requests and existing commitments

- 7.1 Given that total commitments to CIL projects exceed the current CIL account balance and anticipated balance at the end of the financial year (see paragraph 5.3 above), we have not invited external infrastructure providers to put forward additional projects for consideration.
- 7.2 Two additional projects have however been put forward internally – ‘Elizabeth Park’ and ‘Community Stadium’.
- 7.3 It should furthermore be noted that Warwick Town Council is requesting a further £12,500 to delivery its Wayfinding project (in addition to £35,000 already allocated).
- 7.4 Table 4 below sets out the current position in terms of projects that are on the current CIL Project List and the requests for CIL funding that they are making (based on the most recent discussions with project leads). (Please note that this list excludes two projects for which full funding was agreed (including funding during 2023/24) when the last CIL Projects List was agreed in March 2022. At this time, the balance of funding for the Kenilworth leisure centre and medical facilities (North Leamington) was “committed”. These schemes are included in table 2 above but have excluded from table 4 to avoid double counting.)

Table 4: CIL Requests to end of Plan period (2029) including for 23/24 & 24/25

Infrastructure Project	Total remaining CIL request for period to 2029 (excl. payments already made)	CIL request 23/24	CIL request 24/25
Bath Street Improvement Scheme	£3,991,345	£200,000	£291,345
Emscote Road Multi Modal Corridor	£1,660,000	£0.00	£1,335,000
Wayfinding in Warwick (Leamington & Kenilworth completed)	£12,500	£0.00	£0.00
Europa Way Bridge	£6,000,000	£300,000	£500,000
Newbold Comyn	£2,400,000	£138,000	£973,000
St. Marys Land	£2,200,000	£100,000	£300,000
Myton Path	£1,755,000	£905,000	£700,000
Relocation of Athletics facility	£1,575,000	£135,000	£1,440,000
Riverside Walk Bridge	£1,500,000	£250,000	£1,000,000
Community Stadium	£8,000,000	£2,000,000	£2,000,000
Elizabeth Park	£1,750,000	£250,000	£750,000
Relocation of Kenilworth Wardens	£2,500,000	£0.00	£2,500,000 (previously committed)
CIL Admin charge annual (assuming no increase)	£73,000 (£438,000 over 6 years)	£73,000	£73,000
TOTAL (inc.CIL charge)	£33,416,845	£4,351,000	£11,874,845

7.5 Bringing all this together, the situation can be shown as follows:-

Table 5: Summary table

		Amount (£)	Notes
A	Available (estimated) CIL income at 31/3/24	660,000	See para 5.3.
B	Current CIL commitments at 31/3/24	2,060,785	See table 2.

C	Shortfall to meet existing commitments up to 31/3/24 (B - A)	1,400,785	
D	Additional estimated CIL income (24/25 - 28/29)	21,558,182	See table 3.
E	Estimated CIL available to allocate to projects (D - C)	20,157,397	
F	CIL funding requests for period 24/25 - 28/29	33,416,845	See table 4.
G	Shortfall in projected CIL income to meet all requests (E - F)	13,259,448	

8 Proposed approach

- 8.1 It is clear from table 5 above, that whilst CIL has been a very successful tool in being able to fund infrastructure in the District, the CIL commitments and requests for CIL income outstrip the levels of anticipated CIL income. There is, and will be, insufficient CIL contributions, both now and to 28/28, to meet all commitments.
- 8.2 Therefore, not all requests would be able to be fulfilled and difficult decisions have to be made to ensure that the Council can meet its existing commitments, perhaps involving reversing previous commitments or re-profiling those commitments, and also carefully consider which of the projects on the current Projects List and those additional projects put forward the Council most wishes to deliver using its current and anticipated CIL income.
- 8.3 Having reviewed all projects on the list, the following is the proposed approach to achieving a balanced approach for allocation of CIL funds.

9 Suggested approach to reduce the gap between funding commitments/requests and estimated funds

- 9.1 Following engagement with project sponsors and managers a proposal to balance the commitments/requests and estimated funds between now and 28/29 is set out below in Table 6.

Table 6: Potential project removals & funding reductions

Remove/reduce	Infrastructure Project	Amount	Running total of reductions
Remove	Europa Way Bridge	£6,000,000	£6,000,000
Remove	St. Mary's Land	£2,200,000	£8,200,000
Reduce	Newbold Comyn	by £1,265,000 from £2,400,000 to £1,135,000	£9,465,000
Reduce	Community Stadium	by £3,794,448 to £4,205,552	£13,259,448

Total Reduction		£13,259,448	
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- 9.2 The Europa Way Bridge scheme is proposed to be removed from the list because alternative sources of funding are potentially available to enable its delivery. The St.Mary's Land proposals, whilst desirable, are not considered to be as essential as other infrastructure projects on the list and for this reason has been removed. The reduction to Newbold Comyn funding follows discussions with the Project Manager, who whilst being keen to secure as much funding as possible to deliver various proposals, has confirmed that £1,135,000 is required to deliver the higher priority Newbold Nature Reserve. In order to help achieve a balanced CIL budget, other desirable improvements relating to the Newbold Comyn Masterplan and exercise and play facilities improvements have been removed from the CIL request. The Community Stadium is a new request for the CIL Project List and having accounted for the above changes, this has simply been reduced to deliver a balanced budget.
- 9.3 In arriving at Table 6 the following factors have been taken into account:
- Projects where notable levels of funding have already been provided will continue to be funded
 - Projects where commitments have previously been made will continue to be funded (e.g. Kenilworth Wardens relocation)
 - The interdependencies between projects. For example, Myton Path is required to enable the athletics track to be relocated and in turn the relocation of the athletics track enables the creation of Elizabeth Park
 - The relatively quick delivery of the Myton Path scheme
 - The match funding of £1.5m from Homes England for the Riverside Park Bridge and the risk of losing that should a further £1.5m not be found.
- 9.4 The changes above would result in a balanced budget based on current estimates for CIL income between now and the end of the Plan period. There remains, however, concerns around the profiling of projects; i.e. the issue of when the CIL contribution is likely to be available against when the project would (ideally) wish to have the CIL contribution to spend.
- 9.5 Looking forward to 2024/25, the Council is anticipating an additional £2,464,947 of CIL contributions (see table 3). Once the current shortfall of £1,400,785 is taken from this, this leaves an estimated £1,064,162 available in 2024/25. This will be insufficient to fund the £2.5m for Kenilworth Wardens that has already been committed and also funding of £1m for the Myton Path, which is considered to be a corporate priority. There may, therefore, be a requirement for this money to be found from elsewhere if there are not the CIL contributions available to pay for these projects when requested. Should this happen, the Council agrees to forward-fund these two projects, and be reimbursed from CIL contributions once these are received (possibly in 2025/26).
- 9.6 Table 7 below sets out the requests from project leads which have resulted from this project profiling. It also makes indicates that there is no headroom to make any contributions to CIL projects during 2023/24 and 2024/25 EXCEPT for the following schemes:-

- a) Kenilworth leisure centre and medical facilities – North Leamington: The funding for these schemes was committed as part of the March 2022 report to Cabinet.
- b) Kenilworth Wardens: The funding for this from CIL was approved by Cabinet on 20 September 2023 (although note that the precise timing of when this would be required was not set out in the report).
- c) Myton Path: This is considered to be a corporate priority and would also unlock the potential delivery of other infrastructure projects. Therefore, funding of £1,000,000 is proposed for this scheme in 2024/25.

9.7 As table 5 shows, there is currently projected to be a shortfall in CIL contributions against existing projects at 31/3/24 of an estimated £1,400,785. (NB: This has already taken account of the two CIL projects for which CIL funding has been agreed in 2023/24 (the schemes in 9.4 (a) above). There is therefore no headroom to fund further projects this year.

Table 7: Proposed funding allocations 23/24 and 24/25

Infrastructure Project	CIL request 23/24	Proposed CIL allocation 23/24	CIL request 24/25	Proposed CIL allocation 24/25
Bath Street Improvement Scheme	£200,000	£0.00	£291,345	£0.00
Emscote Road Multi Modal Corridor	£0.00	£0.00	£1,335,000	£0.00
Kenilworth Leisure phase II	£375,000 (previously committed)	£375,000		
Medical facilities - N Leamington (Cublington/Lillington)	£900,000 (previously committed)	£900,000	£0.00	£0.00
Newbold Comyn	£138,000	£0.00	£138,000	£0.00
Myton Path	£905,000	£0.0	£700,000	£1,000,000 *
Relocation of Athletics facility	£135,000	£0.0	£1,440,000	£0.00
Riverside Walk Bridge	£250,000	£0.0	£1,000,000	£0.00
Community Stadium	£2,000,000	£0.00	£2,000,000	£0.00
Elizabeth Park	£250,000	£0.00	£750,000	£0.00
Relocation of Kenilworth Wardens	£0.00	£0.00	£2,500,000 (previously committed)	£2,500,000 *
CIL Admin charge annual (assuming no increase)	£73,000	£73,000	£73,000	£73,000
TOTAL (inc.CIL charge)	£5,226,000	£1,348,000	£11,862,345	£3,573,000

Infrastructure Project	CIL request 23/24	Proposed CIL allocation 23/24	CIL request 24/25	Proposed CIL allocation 24/25
Total estimated available CIL				£1,064,200
Requirement for forward funding				£2,508,800
Total minus previous commitments for 23/24	£3,951,000			

Note: Schemes denoted with an Asterisk * have received agreement for forward funding of CIL, to be provided through use of Council Reserves.

9.9 Table 6 identified that in order to balance estimated CIL receipts between now and the end of the Plan period (2028/29) there is a need to remove projects from the CIL Project List and reduce potential funding that might be made available to those projects. To avoid raising expectations and being realistic about anticipated income, it is therefore unlikely that the Council will invite bids from infrastructure providers for CIL funding between now and the end of the Plan period although reserves the right to re-visit this approach and consider funding other projects in exceptional circumstances or should there be concerns over the delivery of projects currently on the CIL Project List.

9.10 Table 8 below, identifies an indicative amount of CIL funding that is estimated might be available between now and the end of the Plan period for each project remaining on the CIL Project List. Firm funding commitments will be taken on an annual or biennial basis given the difficulty in estimating CIL receipts too far in advance.

Table 8: Indicative CIL funding for projects 24/25 through to 28/29

Infrastructure Project	Indicative Funding
Bath Street Improvement Scheme	£3,991,345
Emscote Road Multi Modal Corridor	£1,534,000
Newbold Comyn	£1,135,000
Myton Path	£1,605,000
Relocation of Athletics facility	£1,575,000
Riverside Walk Bridge	£1,500,000
Community Stadium	£4,205,552
Elizabeth Park	£1,750,000

Infrastructure Project	Indicative Funding
Relocation of Kenilworth Wardens	£2,500,000
TOTAL (exc.CIL admin charges)	£19,795,897

Note: CIL Admin charges are reviewed annually. If they remained unchanged they would amount to £365,000 between 24/25 and 28/29. When added to the Total in Table 8, this provides a total indicative CIL expenditure of £20,160,897.

Annex A: Schemes currently or previously on CIL Projects List

Ref.	Project Name	Project Description	Date Added	On 2022/23 list
1	Improvements to Destination Parks - St.Nicholas, Warwick & Abbey Fields, Kenilworth	Proposed improvements to the two key Destination Parks which have a key strategic role in the provision of open space in the District. The proposals for St Nicholas are based upon the previous HLF bid and improvements to Myton Fields, whilst those for Abbey Fields, seek to build upon the existing heritage as a Scheduled Ancient Monument	05/04/2018	No. Last on list Nov 20. Project not yet delivered
2	Bath Street Improvement Scheme	The proposed infrastructure is fundamental to alleviating the Bath Street area's known air quality issue, (which is an Air Quality Management Area (AQMA)); it provides better accessibility to Leamington Spa's railway station and Leamington South, for all modes of transport, and gives vitality to an area of Leamington that is otherwise declining	05/04/2018	Yes
3	Emscote Road Multi Modal Corridor Improvements	Multi modal improvements, including improved cycle infrastructure, improvements to Portobello Bridge, carriageway improvements and junction improvements to the following: St Johns/Coventry Road, Emscote Rd / Greville Road, Rugby Road/Warwick New Road & Princes Drive/ Warwick New Road	05/04/2018	Yes

4	Warwick Town Centre Improvement Works	The improvement works for Warwick town centre include revised traffic flows through the town centre, junction enhancements and improved pedestrian and cycle connectivity	05/04/2018	No – Scheme completed Last on list Nov 19
5	Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	The Council is committed to improving leisure facilities in Kenilworth including the facilities at Castle Farm as part of phase II of its Leisure Development Programme. Professional services were appointed in Spring 2018, and the initial public consultation on a short list of Options took place in Oct/Nov 2018. In January 2019 Executive approved the preferred option for this site (and the preferred option for Abbey Fields). From this point, the project will follow the RIBA framework to develop a scheme which is appropriate and viable for Castle Farm	05/04/2018	Yes
6	Medical facilities - N Leamington (Cubbington/Lillington)	New GP surgery in north Leamington Spa (Cubbington/Lillington); or new health hub (incorporating primary medical care and community services) in north Leamington Spa (Cubbington/Lillington)	05/04/2018	Yes
7	Wayfinding in Leamington, Kenilworth & Warwick Changed to Wayfinding in Warwick (reflecting works complete in other two towns)	Review and replacement of pedestrian / cycle signage and way marking in Leamington, Warwick and Kenilworth town centres	05/04/2018 08/07/2021 as Wayfinding in Warwick	Yes Last on list under initial name Nov 19
8	Whitnash Civic Centre & Library	The Civic Centre and Library will see the delivery of modern leisure facilities in Whitnash town. The project is to build a new community centre incorporating a community sports hall	13/11/2019	No – scheme complete. Last on list Nov 20
9	Europa Way Bridge Link	A new pedestrian and cycle route bridge across Europa Way. In addition to providing a gateway feature for Leamington, Warwick and the Tach Brook Country Park, the new bridge will provide improved and more sustainable link across Europa Way	18/03/2020	Yes

		between the new residential developments on either side, the new Country Park and the proposed new Secondary School and Sixth Form at Oakley Wood Road		
10	Newbold Comyn	Improvements to Newbold Comyn Park	18/11/2020	Yes
11	St.Mary's Land, Warwick	A range of measures to support the delivery of the St.Mary's Land masterplan approved in 2017	18/03/2021	Yes
12	Warwick Gates Community Centre	Reconfiguration of the centre and addition of a function room to increase capacity of building	18/03/2021	No – scheme completed. Last on list July 21
13	Myton footpath/cycleway (Renamed from Europa Way spine road cycleway)	A cycle/pedestrian path from the Stadium (Fusilier's Way) through to Myton Road	18/03/2021	Yes
14	Relocation of athletics facilities and creation of Commonwealth Park	Relocation of the athletics facility from Edmondscote Road to new location by proposed Community Stadium. Edmondscote Road to be used as public open space (Commonwealth Park)	18/03/2021	Yes
15	Commonwealth Park Bridge	A new footpath/cycleway bridge connecting the north & south side of River Leam at Victoria Park	18/03/2021	Yes
16	Relocation of Kenilworth Wardens	To purchase land, enable site access and essential supporting site infrastructure thereby enabling Kenilworth Wardens Cricket Club to relocate from its current site	18/03/2021	Yes
17	Leamington Spa Forecourt enhancement	Improvements to the station forecourt which will create an enhanced public realm space at the station forecourt including new waiting areas for buses and taxis, improved existing pedestrian and cycle infrastructure, refurbishment of the station underpass and provision of new wayfinding signs within the public realm space	08/07/2021	No – scheme completed. Last on list July 21

Annex B: Proposed CIL Projects List to 2029 including for 2023/4 and 2024/5

Project Name	Project Description
Bath Street Improvement Scheme *	The proposed infrastructure is fundamental to alleviating the Bath Street area's known air quality issue, (which is an Air Quality Management Area (AQMA)); it provides better accessibility to Leamington Spa's railway station and Leamington South, for all modes of transport, and gives vitality to an area of Leamington that is otherwise declining.
Emscote Road Multi Modal Corridor Improvements *	Multi modal improvements, including improved cycle infrastructure, improvements to Portobello Bridge, carriageway improvements and junction improvements to the following: St Johns/Coventry Road, Emscote Rd / Greville Road, Rugby Road/Warwick New Road & Princes Drive/ Warwick New Road.
Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	Delivery of replacement improved leisure facilities in Kenilworth including the facilities at Castle Farm as part of phase II of its Leisure Development Programme.
Medical facilities - N Leamington (Cubbington/Lillington)	New health hub (incorporating primary medical care and community services) in north Leamington Spa (Cubbington/Lillington).
Wayfinding in Warwick	Review and replacement of pedestrian / cycle signage and way marking in Warwick town centre
Newbold Comyn *	Improvements to Newbold Comyn Park
Myton footpath/cycleway	A cycle/pedestrian path from the Stadium (Fusilier's Way) through to Myton Road
Relocation of athletics facilities and creation of Commonwealth Park *	Relocation of the athletics facility from Edmondscote Road to new location by proposed Community Stadium. Edmondscote Road to be used as public open space (Commonwealth Park)
Riverside Walk Bridge *	A new footpath/cycleway bridge connecting the north & south side of River Leam at Victoria Park
Relocation of Kenilworth Wardens	To purchase land, enable site access and essential supporting site infrastructure thereby enabling Kenilworth Wardens Cricket Club to relocate from its current site
Community stadium *	To support the delivery of a new community stadium on land off Fusilier's Way, Warwick.
Elizabeth Park *	To support the delivery of a new park on land at Edmondscote, Leamington Spa.

Note: The projects marked with an Asterisk * on the CIL Projects List are not identified for funding in 23/24 or 24/25 but are indicated on this list to demonstrate ongoing support for the projects as it is likely that funding will be available to support them in subsequent years.

Appendix 10: CIL Projects List 2023/24 & 2024/25

8th February 2024

1 Summary

- 1.1 This appendix sets out the current position regarding projects that are funded from the Community Infrastructure Levy (CIL). In particular, it recommends the following:-
- a) That Cabinet approves the CIL Project List set out in Table 7;
 - b) That Cabinet notes that the proposed distribution of CIL receipts for the remainder of 2023/4 and 2024/25 will be restricted to those projects for which CIL receipts have previously been committed, with the exception of Myton Path as this is a corporate priority, and that there is no capacity to support additional projects on the CIL Projects List in 2023/24 or 2024/25.
 - c) That Cabinet recommends to Council to approve the use of forward-funding if necessary to deliver on its commitment to provide Kenilworth Wardens with £2.5m of CIL income in 24/25 and to fund Myton Path in 24/25 as there may be insufficient CIL contributions to cover this in the short term.
 - d) That Cabinet notes the projects listed for support to the period to 2029 as indicated in Annex B.

2 What is CIL?

- 2.1 The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. It is an important tool to help local authorities deliver the infrastructure needed to support development in their area.
- 2.2 The levy only applies in areas where a local authority has consulted on, and approved, a charging schedule which sets out its levy rates and has published the schedule on its website. In implementing CIL, development viability is taken into account.
- 2.3 Some developments may be eligible for relief or exemption from the levy. This includes residential annexes and extensions, and houses and flats which are built by 'self-builders'. There are strict criteria that must be met, and procedures that must be followed, to obtain the relief or exemption.

3 CIL income received at WDC

- 3.1 Within Warwick District CIL is only charged on residential, retail and student housing developments.
- 3.2 Since its implementation in December 2017, WDC has used CIL income to support and deliver a number of infrastructure projects as well as passing on notable sums of money to Town and Parish Councils.
- 3.3 As of 16th October 2023, a total of **£14,018,079 has been received from the CIL.**

- 3.4 Of this, **£2,148,112 has been passed on to Town and Parish Councils** under the 'neighbourhood portion' (15% of the levy revenues arising from development in a parish, capped at £100 per existing council tax dwelling; where a parish has a "made" neighbourhood plan, this increases to 25% of the levy arising from development in a parish, and is uncapped).
- 3.5 Total CIL income received to date for spend on CIL Projects (Total CIL Income minus Total passed to Parish Councils) is therefore **£11,869,966**.
- 3.6 It is estimated that at least a further £706,000 CIL income will be received by end of May 2024, although from this, money will also have to be paid out to Parishes in April 2024.

4 CIL Projects List

- 4.1 The CIL Projects List (previously Regulation 123 List) sets out the projects that the Council intends to fund through CIL. This list is kept under review – usually annually. The last review and update of the list took place in March 2022.
- 4.2 In compiling and reviewing the CIL Projects List, the Council does the following:-
- It makes an assessment of likely levels of CIL income over the next five years. This is done using the housing trajectory which is updated annually.
 - It recommends projects to be included on the CIL Projects List based on the estimated income from CIL over the next five years.
 - It makes specific "commitments" to fund projects in the next year from CIL based on anticipated income from CIL within that year. (Note that the Council does not make "commitments" to CIL funding for the whole five-year period covered by the CIL Projects List but only (usually) the first year. Further commitments can be made at the next review of the List.)
 - Since CIL was first introduced, we have allowed "committed" CIL contributions to "roll over". If a specific CIL contribution is committed for a certain year but, for reasons of project slippage, the money is not drawn down in that year, we allow that commitment to be carried forward. This is important to help project managers plan with greater confidence. It does mean, as will be seen later in this report, that although we are currently holding a healthy balance of CIL contributions, all of these are already committed to existing projects.
- 4.3 It is important to note that any "commitments" that are made are based on anticipated income from CIL. As CIL is a levy on new development, triggered once development commences on site, the council is entirely in the hands of developers for when this money is paid. If, for reasons wholly outside the Council's control, the rate of development is not as anticipated, then levels of CIL contributions will not match those projected. In this case, there may be insufficient CIL funds to finance projects.
- 4.4 A total of 16 infrastructure projects have been included since the Council first published a list on 5th April 2018. The infrastructure projects include some WDC led projects as well as some from other infrastructure providers (e.g., Warwickshire County Council; South Warwickshire University NHS Foundation Trust). Annex A provides a summary of all of these projects.
- 4.5 Of the 16 projects, five have been completed in whole or in part as a direct result of CIL money, totalling £7,715,600. These are shown in Table 1.

Table 1: Completed projects benefitting from CIL funding

Infrastructure Project	CIL allocated & spent
Warwick Town Centre Improvement Works	£373,000
Whitnash Civic Centre & Library	£660,000
Warwick Gates Community Centre	£150,600
Leamington Station Enhancements	£532,000 (note: this was more than the allocated £500,000)
Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	£6,000,000
Total	£7,715,600

- 4.6 A number of projects have received CIL income but are not yet complete. The scale of many projects funded by CIL means that this is to be expected. All projects for which CIL contributions have been committed, and others currently on the CIL Projects List, are set out in Table 2. Some of the projects have spent CIL money, others have yet to or haven't had any committed.
- 4.7 Please note that "commitments" relate to what WDC has committed to paying in Cabinet Reports (subject to satisfactory receipt of sufficient CIL income) and not necessarily the overall CIL request from the project lead.

Table 2: Current commitments to schemes currently on CIL Projects List

Infrastructure Project	Total Commitment to date	Spent	Amount of CIL commitment remaining	Notes
Bath Street Improvement Scheme	£510,000	£244,658	£265,342	WCC has been instructed to undertake no further work until they get confirmation of additional spend from WDC
Emscote Road Multi Modal Corridor Improvements	£1,459,443	£126,003	£1,333,440	
Medical facilities - N Leamington (Cubbington/Lillington)	£2,800,000	£2,768,594	£31,406	Of this, £2,740,000 was paid during 23/24. It is not anticipated that any further drawdown of money will be made for this project
Wayfinding in Leamington, Kenilworth, Warwick	£140,000	£126,000	£14,000	Leamington & Kenilworth schemes all funded. WTC has claimed £21k for consultancy work on feasibility
Europa Way Bridge Link	£0.00	£0.00	£0.00	
Newbold Comyn	£480,000	£446,403	£33,597	
St.Mary's Land, Warwick	£8,000	£0.00	£8,000	
Myton Footpath	£150,000	£0.00	£150,000	

Relocation of Athletics Facility & Commonwealth Park	£225,000	£0.00	£225,000	
Commonwealth Park Bridge	£0.00	£0.00	£0.00	
Relocation of Kenilworth Wardens	£2,500,000	£0.00	£2,500,000	The £2.5m is requested for 24/25
Total	£8,272,443	£3,711,658	£4,560,785	
Total Commitments to end of 23/24			£2,060,785	i.e. not including £2.5m for Kenilworth Wardens.

4.8 As table 2 shows, in addition to the £7,715,600 of CIL spent on completed schemes (see table 1), a further **£3,711,658** has been spent supporting the delivery of schemes still on the list. Note there is some uncertainty over the extent of expenditure on some schemes, e.g. Newbold Comyn and therefore this figure may be notably higher.

5 Current Balance in CIL Account

5.1 The CIL balance at 31/3/23 was £7,131,485.35.

5.2 Including in year receipts in 2023/24 from 1st April – 16th October and outward payments made to Parish Councils, the balance will have increased by £1,735,437. The total balance as at 16/10/23 is therefore £8,866,922.

5.3 We estimate receipt of at least £706,000 CIL income will be received by the end of May 2024 and, assuming we pay 25% to Town and Parish Councils at the end of the financial year, that would add a further £529,500 to the CIL balance. This would make a total of around £9,400,000. From this, two major payments have been made in 2023/24 (North Leamington Health centre and Kenilworth leisure centre (see tables 1 and 2)) totaling £8,740,000 Therefore, the **anticipated balance at the end of 2023/24 is therefore expected to be around £660,000.**

5.4 As table 2 shows, previously WDC has outstanding "commitments" of £2,060,785 to projects on the List. This amounts to a deficit of around **£1,400,000** in terms of WDC's ability to meet its current CIL obligations in 2023/24. This is because CIL income has not matched projections owing to development not proceeding at the anticipated rate.

6 Projected Income

6.1 To help the Council understand how much money it is likely to have available from CIL contributions to fund projects over the next five years, it is possible to estimate this using the latest Local Plan housing trajectory, published in October 2023. If housing is delivered as per the trajectory, CIL is predicted to deliver the following as set out in Table 3 below. It should be remembered that a proportion of CIL receipts (15% or 25%) must be distributed to Town and Parish Councils to spend within their areas and therefore is not available to the District Council to allocate.

- 6.2 Table 3 shows an estimate of future CIL income to Warwick District Council using the 2023 Housing Trajectory. It sets out estimated CIL income to the Council for the next 5 years (including the whole of this financial year) and until the end of the current Local Plan period.
- 6.3 There are many variables that affect delivery of housing and therefore could affect the timing of receiving CIL income. The Government also proposes a new Infrastructure Levy in the Levelling up and Regeneration Act 2023 which may also mean in due course that the current CIL arrangements cease.

Table 3: Estimate of future CIL income to Warwick District Council (using 2023 Housing Trajectory)

	Total (£)	If 15% passed to parish councils (£)	If 25% passed to parish councils (£)
2024/25	3,286,596	2,793,607	2,464,947
2024/25 – 2028/29	28,744,242	24,432,606	21,558,182

7 CIL Requests and existing commitments

- 7.1 Given that total commitments to CIL projects exceed the current CIL account balance and anticipated balance at the end of the financial year (see paragraph 5.3 above), we have not invited external infrastructure providers to put forward additional projects for consideration.
- 7.2 Two additional projects have however been put forward internally – ‘Elizabeth Park’ and ‘Community Stadium’.
- 7.3 It should furthermore be noted that Warwick Town Council is requesting a further £12,500 to delivery its Wayfinding project (in addition to £35,000 already allocated).
- 7.4 Table 4 below sets out the current position in terms of projects that are on the current CIL Project List and the requests for CIL funding that they are making (based on the most recent discussions with project leads). (Please note that this list excludes two projects for which full funding was agreed (including funding during 2023/24) when the last CIL Projects List was agreed in March 2022. At this time, the balance of funding for the Kenilworth leisure centre and medical facilities (North Leamington) was “committed”. These schemes are included in table 2 above but have excluded from table 4 to avoid double counting.)

Table 4: CIL Requests to end of Plan period (2029) including for 23/24 & 24/25

Infrastructure Project	Total remaining CIL request for period to 2029 (excl. payments already made)	CIL request 23/24	CIL request 24/25
Bath Street Improvement Scheme	£3,991,345	£200,000	£291,345
Emscote Road Multi Modal Corridor	£1,660,000	£0.00	£1,335,000
Wayfinding in Warwick (Leamington & Kenilworth completed)	£12,500	£0.00	£0.00
Europa Way Bridge	£6,000,000	£300,000	£500,000
Newbold Comyn	£2,400,000	£138,000	£973,000
St. Marys Land	£2,200,000	£100,000	£300,000
Myton Path	£1,755,000	£905,000	£700,000
Relocation of Athletics facility	£1,575,000	£135,000	£1,440,000
Riverside Walk Bridge	£1,500,000	£250,000	£1,000,000
Community Stadium	£8,000,000	£2,000,000	£2,000,000
Elizabeth Park	£1,750,000	£250,000	£750,000
Relocation of Kenilworth Wardens	£2,500,000	£0.00	£2,500,000 (previously committed)
CIL Admin charge annual (assuming no increase)	£73,000 (£438,000 over 6 years)	£73,000	£73,000
TOTAL (inc.CIL charge)	£33,416,845	£4,351,000	£11,874,845

7.5 Bringing all this together, the situation can be shown as follows:-

Table 5: Summary table

		Amount (£)	Notes
A	Available (estimated) CIL income at 31/3/24	660,000	See para 5.3.
B	Current CIL commitments at 31/3/24	2,060,785	See table 2.

C	Shortfall to meet existing commitments up to 31/3/24 (B - A)	1,400,785	
D	Additional estimated CIL income (24/25 - 28/29)	21,558,182	See table 3.
E	Estimated CIL available to allocate to projects (D - C)	20,157,397	
F	CIL funding requests for period 24/25 - 28/29	33,416,845	See table 4.
G	Shortfall in projected CIL income to meet all requests (E - F)	13,259,448	

8 Proposed approach

- 8.1 It is clear from table 5 above, that whilst CIL has been a very successful tool in being able to fund infrastructure in the District, the CIL commitments and requests for CIL income outstrip the levels of anticipated CIL income. There is, and will be, insufficient CIL contributions, both now and to 28/28, to meet all commitments.
- 8.2 Therefore, not all requests would be able to be fulfilled and difficult decisions have to be made to ensure that the Council can meet its existing commitments, perhaps involving reversing previous commitments or re-profiling those commitments, and also carefully consider which of the projects on the current Projects List and those additional projects put forward the Council most wishes to deliver using its current and anticipated CIL income.
- 8.3 Having reviewed all projects on the list, the following is the proposed approach to achieving a balanced approach for allocation of CIL funds.

9 Suggested approach to reduce the gap between funding commitments/requests and estimated funds

- 9.1 Following engagement with project sponsors and managers a proposal to balance the commitments/requests and estimated funds between now and 28/29 is set out below in Table 6.

Table 6: Potential project removals & funding reductions

Remove/reduce	Infrastructure Project	Amount	Running total of reductions
Remove	Europa Way Bridge	£6,000,000	£6,000,000
Remove	St. Mary's Land	£2,200,000	£8,200,000
Reduce	Newbold Comyn	by £1,265,000 from £2,400,000 to £1,135,000	£9,465,000
Reduce	Community Stadium	by £3,794,448 to £4,205,552	£13,259,448

Total Reduction		£13,259,448	
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- 9.2 The Europa Way Bridge scheme is proposed to be removed from the list because alternative sources of funding are potentially available to enable its delivery. The St.Mary's Land proposals, whilst desirable, are not considered to be as essential as other infrastructure projects on the list and for this reason has been removed. The reduction to Newbold Comyn funding follows discussions with the Project Manager, who whilst being keen to secure as much funding as possible to deliver various proposals, has confirmed that £1,135,000 is required to deliver the higher priority Newbold Nature Reserve. In order to help achieve a balanced CIL budget, other desirable improvements relating to the Newbold Comyn Masterplan and exercise and play facilities improvements have been removed from the CIL request. The Community Stadium is a new request for the CIL Project List and having accounted for the above changes, this has simply been reduced to deliver a balanced budget.
- 9.3 In arriving at Table 6 the following factors have been taken into account:
- Projects where notable levels of funding have already been provided will continue to be funded
 - Projects where commitments have previously been made will continue to be funded (e.g. Kenilworth Wardens relocation)
 - The interdependencies between projects. For example, Myton Path is required to enable the athletics track to be relocated and in turn the relocation of the athletics track enables the creation of Elizabeth Park
 - The relatively quick delivery of the Myton Path scheme
 - The match funding of £1.5m from Homes England for the Riverside Park Bridge and the risk of losing that should a further £1.5m not be found.
- 9.4 The changes above would result in a balanced budget based on current estimates for CIL income between now and the end of the Plan period. There remains, however, concerns around the profiling of projects; i.e. the issue of when the CIL contribution is likely to be available against when the project would (ideally) wish to have the CIL contribution to spend.
- 9.5 Looking forward to 2024/25, the Council is anticipating an additional £2,464,947 of CIL contributions (see table 3). Once the current shortfall of £1,400,785 is taken from this, this leaves an estimated £1,064,162 available in 2024/25. This will be insufficient to fund the £2.5m for Kenilworth Wardens that has already been committed and also funding of £1m for the Myton Path, which is considered to be a corporate priority. There may, therefore, be a requirement for this money to be found from elsewhere if there are not the CIL contributions available to pay for these projects when requested. Should this happen, the Council agrees to forward-fund these two projects, and be reimbursed from CIL contributions once these are received (possibly in 2025/26).
- 9.6 Table 7 below sets out the requests from project leads which have resulted from this project profiling. It also makes indicates that there is no headroom to make any contributions to CIL projects during 2023/24 and 2024/25 EXCEPT for the following schemes:-

- a) Kenilworth leisure centre and medical facilities – North Leamington: The funding for these schemes was committed as part of the March 2022 report to Cabinet.
- b) Kenilworth Wardens: The funding for this from CIL was approved by Cabinet on 20 September 2023 (although note that the precise timing of when this would be required was not set out in the report).
- c) Myton Path: This is considered to be a corporate priority and would also unlock the potential delivery of other infrastructure projects. Therefore, funding of £1,000,000 is proposed for this scheme in 2024/25.

9.7 As table 5 shows, there is currently projected to be a shortfall in CIL contributions against existing projects at 31/3/24 of an estimated £1,400,785. (NB: This has already taken account of the two CIL projects for which CIL funding has been agreed in 2023/24 (the schemes in 9.4 (a) above). There is therefore no headroom to fund further projects this year.

Table 7: Proposed funding allocations 23/24 and 24/25

Infrastructure Project	CIL request 23/24	Proposed CIL allocation 23/24	CIL request 24/25	Proposed CIL allocation 24/25
Bath Street Improvement Scheme	£200,000	£0.00	£291,345	£0.00
Emscote Road Multi Modal Corridor	£0.00	£0.00	£1,335,000	£0.00
Kenilworth Leisure phase II	£375,000 (previously committed)	£375,000		
Medical facilities - N Leamington (Cubbington/Lillington)	£900,000 (previously committed)	£900,000	£0.00	£0.00
Newbold Comyn	£138,000	£0.00	£138,000	£0.00
Myton Path	£905,000	£0.0	£700,000	£1,000,000 *
Relocation of Athletics facility	£135,000	£0.0	£1,440,000	£0.00
Riverside Walk Bridge	£250,000	£0.0	£1,000,000	£0.00
Community Stadium	£2,000,000	£0.00	£2,000,000	£0.00
Elizabeth Park	£250,000	£0.00	£750,000	£0.00
Relocation of Kenilworth Wardens	£0.00	£0.00	£2,500,000 (previously committed)	£2,500,000 *
CIL Admin charge annual (assuming no increase)	£73,000	£73,000	£73,000	£73,000
TOTAL (inc.CIL charge)	£5,226,000	£1,348,000	£11,862,345	£3,573,000

Infrastructure Project	CIL request 23/24	Proposed CIL allocation 23/24	CIL request 24/25	Proposed CIL allocation 24/25
Total estimated available CIL				£1,064,200
Requirement for forward funding				£2,508,800
Total minus previous commitments for 23/24	£3,951,000			

Note: Schemes denoted with an Asterisk * have received agreement for forward funding of CIL, to be provided through use of Council Reserves.

9.9 Table 6 identified that in order to balance estimated CIL receipts between now and the end of the Plan period (2028/29) there is a need to remove projects from the CIL Project List and reduce potential funding that might be made available to those projects. To avoid raising expectations and being realistic about anticipated income, it is therefore unlikely that the Council will invite bids from infrastructure providers for CIL funding between now and the end of the Plan period although reserves the right to re-visit this approach and consider funding other projects in exceptional circumstances or should there be concerns over the delivery of projects currently on the CIL Project List.

9.10 Table 8 below, identifies an indicative amount of CIL funding that is estimated might be available between now and the end of the Plan period for each project remaining on the CIL Project List. Firm funding commitments will be taken on an annual or biennial basis given the difficulty in estimating CIL receipts too far in advance.

Table 8: Indicative CIL funding for projects 24/25 through to 28/29

Infrastructure Project	Indicative Funding
Bath Street Improvement Scheme	£3,991,345
Emscote Road Multi Modal Corridor	£1,534,000
Newbold Comyn	£1,135,000
Myton Path	£1,605,000
Relocation of Athletics facility	£1,575,000
Riverside Walk Bridge	£1,500,000
Community Stadium	£4,205,552
Elizabeth Park	£1,750,000

Infrastructure Project	Indicative Funding
Relocation of Kenilworth Wardens	£2,500,000
TOTAL (exc.CIL admin charges)	£19,795,897

Note: CIL Admin charges are reviewed annually. If they remained unchanged they would amount to £365,000 between 24/25 and 28/29. When added to the Total in Table 8, this provides a total indicative CIL expenditure of £20,160,897.

Annex A: Schemes currently or previously on CIL Projects List

Ref.	Project Name	Project Description	Date Added	On 2022/23 list
1	Improvements to Destination Parks - St.Nicholas, Warwick & Abbey Fields, Kenilworth	Proposed improvements to the two key Destination Parks which have a key strategic role in the provision of open space in the District. The proposals for St Nicholas are based upon the previous HLF bid and improvements to Myton Fields, whilst those for Abbey Fields, seek to build upon the existing heritage as a Scheduled Ancient Monument	05/04/2018	No. Last on list Nov 20. Project not yet delivered
2	Bath Street Improvement Scheme	The proposed infrastructure is fundamental to alleviating the Bath Street area's known air quality issue, (which is an Air Quality Management Area (AQMA)); it provides better accessibility to Leamington Spa's railway station and Leamington South, for all modes of transport, and gives vitality to an area of Leamington that is otherwise declining	05/04/2018	Yes
3	Emscote Road Multi Modal Corridor Improvements	Multi modal improvements, including improved cycle infrastructure, improvements to Portobello Bridge, carriageway improvements and junction improvements to the following: St Johns/Coventry Road, Emscote Rd / Greville Road, Rugby Road/Warwick New Road & Princes Drive/ Warwick New Road	05/04/2018	Yes

4	Warwick Town Centre Improvement Works	The improvement works for Warwick town centre include revised traffic flows through the town centre, junction enhancements and improved pedestrian and cycle connectivity	05/04/2018	No – Scheme completed Last on list Nov 19
5	Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	The Council is committed to improving leisure facilities in Kenilworth including the facilities at Castle Farm as part of phase II of its Leisure Development Programme. Professional services were appointed in Spring 2018, and the initial public consultation on a short list of Options took place in Oct/Nov 2018. In January 2019 Executive approved the preferred option for this site (and the preferred option for Abbey Fields). From this point, the project will follow the RIBA framework to develop a scheme which is appropriate and viable for Castle Farm	05/04/2018	Yes
6	Medical facilities - N Leamington (Cubbington/Lillington)	New GP surgery in north Leamington Spa (Cubbington/Lillington); or new health hub (incorporating primary medical care and community services) in north Leamington Spa (Cubbington/Lillington)	05/04/2018	Yes
7	Wayfinding in Leamington, Kenilworth & Warwick Changed to Wayfinding in Warwick (reflecting works complete in other two towns)	Review and replacement of pedestrian / cycle signage and way marking in Leamington, Warwick and Kenilworth town centres	05/04/2018 08/07/2021 as Wayfinding in Warwick	Yes Last on list under initial name Nov 19
8	Whitnash Civic Centre & Library	The Civic Centre and Library will see the delivery of modern leisure facilities in Whitnash town. The project is to build a new community centre incorporating a community sports hall	13/11/2019	No – scheme complete. Last on list Nov 20
9	Europa Way Bridge Link	A new pedestrian and cycle route bridge across Europa Way. In addition to providing a gateway feature for Leamington, Warwick and the Tach Brook Country Park, the new bridge will provide improved and more sustainable link across Europa Way	18/03/2020	Yes

		between the new residential developments on either side, the new Country Park and the proposed new Secondary School and Sixth Form at Oakley Wood Road		
10	Newbold Comyn	Improvements to Newbold Comyn Park	18/11/2020	Yes
11	St.Mary's Land, Warwick	A range of measures to support the delivery of the St.Mary's Land masterplan approved in 2017	18/03/2021	Yes
12	Warwick Gates Community Centre	Reconfiguration of the centre and addition of a function room to increase capacity of building	18/03/2021	No – scheme completed. Last on list July 21
13	Myton footpath/cycleway (Renamed from Europa Way spine road cycleway)	A cycle/pedestrian path from the Stadium (Fusilier's Way) through to Myton Road	18/03/2021	Yes
14	Relocation of athletics facilities and creation of Commonwealth Park	Relocation of the athletics facility from Edmondscote Road to new location by proposed Community Stadium. Edmondscote Road to be used as public open space (Commonwealth Park)	18/03/2021	Yes
15	Commonwealth Park Bridge	A new footpath/cycleway bridge connecting the north & south side of River Leam at Victoria Park	18/03/2021	Yes
16	Relocation of Kenilworth Wardens	To purchase land, enable site access and essential supporting site infrastructure thereby enabling Kenilworth Wardens Cricket Club to relocate from its current site	18/03/2021	Yes
17	Leamington Spa Forecourt enhancement	Improvements to the station forecourt which will create an enhanced public realm space at the station forecourt including new waiting areas for buses and taxis, improved existing pedestrian and cycle infrastructure, refurbishment of the station underpass and provision of new wayfinding signs within the public realm space	08/07/2021	No – scheme completed. Last on list July 21

Annex B: Proposed CIL Projects List to 2029 including for 2023/4 and 2024/5

Project Name	Project Description
Bath Street Improvement Scheme *	The proposed infrastructure is fundamental to alleviating the Bath Street area's known air quality issue, (which is an Air Quality Management Area (AQMA)); it provides better accessibility to Leamington Spa's railway station and Leamington South, for all modes of transport, and gives vitality to an area of Leamington that is otherwise declining.
Emscote Road Multi Modal Corridor Improvements *	Multi modal improvements, including improved cycle infrastructure, improvements to Portobello Bridge, carriageway improvements and junction improvements to the following: St Johns/Coventry Road, Emscote Rd / Greville Road, Rugby Road/Warwick New Road & Princes Drive/ Warwick New Road.
Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	Delivery of replacement improved leisure facilities in Kenilworth including the facilities at Castle Farm as part of phase II of its Leisure Development Programme.
Medical facilities - N Leamington (Cubbington/Lillington)	New health hub (incorporating primary medical care and community services) in north Leamington Spa (Cubbington/Lillington).
Wayfinding in Warwick	Review and replacement of pedestrian / cycle signage and way marking in Warwick town centre
Newbold Comyn *	Improvements to Newbold Comyn Park
Myton footpath/cycleway	A cycle/pedestrian path from the Stadium (Fusilier's Way) through to Myton Road
Relocation of athletics facilities and creation of Commonwealth Park *	Relocation of the athletics facility from Edmondscote Road to new location by proposed Community Stadium. Edmondscote Road to be used as public open space (Commonwealth Park)
Riverside Walk Bridge *	A new footpath/cycleway bridge connecting the north & south side of River Leam at Victoria Park
Relocation of Kenilworth Wardens	To purchase land, enable site access and essential supporting site infrastructure thereby enabling Kenilworth Wardens Cricket Club to relocate from its current site
Community stadium *	To support the delivery of a new community stadium on land off Fusilier's Way, Warwick.
Elizabeth Park *	To support the delivery of a new park on land at Edmondscote, Leamington Spa.

Note: The projects marked with an Asterisk * on the CIL Projects List are not identified for funding in 23/24 or 24/25 but are indicated on this list to demonstrate ongoing support for the projects as it is likely that funding will be available to support them in subsequent years.

Cabinet
8 February 2024

Title: Addendum to General Fund Revenue and Capital Budget
2024/25

Lead Officer: Andrew Rollins (01926 456013)

Portfolio Holder: Councillor Chilvers

Wards of the District directly affected: N/A

Approvals required	Date	Name
Portfolio Holder	05/02/24	Cllr Chilvers
Finance	05/02/24	Steven Leathley
Legal Services		N/A
Chief Executive	05/02/24	Chris Elliott
Director of Climate Change	05/02/24	Dave Barber
Head of Service(s)	05/02/24	Andrew Rollins
Section 151 Officer	05/02/24	Andrew Rollins
Monitoring Officer	05/02/24	Graham Leach
Leadership Co-ordination Group	05/02/24	LCG
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes	
Accessibility Checked?	Yes	

1. Addendum

- 1.1 The following Recommendation has been added to the report:
- (10)** That Cabinet recommends to Council to approve the recommendations set out in Appendix 10: CIL Projects List 2024/24 & 2024/25.
- 1.2 The following sections has now been included within the report:
- 1.1.5 1.14 The Community Infrastructure Levy (CIL), setting out forecast funding and related projects.
- 1.14 The Community Infrastructure Levy
- The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. Appendix 10 to the report covers:
- The purpose of CIL.
 - It's implementation within Warwick District Council
 - The CIL projects list
 - The current balance of CIL
 - Projected CIL income
 - CIL requests and existing commitments
 - A proposed approach to reduce the gap between funding commitments and estimated funds.
- 1.3 Addition to supporting documents section on page 19:
Appendix 10 - CIL Projects List 2024/24 & 2024/25.
- 1.4 Appendix 1 is now available – Statement of CFO 2024/25.
- 1.5 Appendix 10 is now available - CIL Projects List 2024/24 & 2024/25.

Council
21 February 2024

Title: Addendum to General Fund Revenue and Capital Budget
2024/25

Lead Officer: Andrew Rollins (01926 456013)

Portfolio Holder: Councillor Chilvers

Wards of the District directly affected: N/A

Approvals required	Date	Name
Portfolio Holder	05/02/24	Cllr Chilvers
Finance	05/02/24	Steven Leathley
Legal Services		N/A
Chief Executive	05/02/24	Chris Elliott
Director of Climate Change	05/02/24	Dave Barber
Head of Service(s)	05/02/24	Andrew Rollins
Section 151 Officer	05/02/24	Andrew Rollins
Monitoring Officer	05/02/24	Graham Leach
Leadership Co-ordination Group	05/02/24	LCG
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes	
Accessibility Checked?	Yes	

1. Addendum

1.1 The following sections have been amended within the report:

1.3 Government Funding Announcements

1.3.13 On Monday 5 February 2024, the Government has published the final Local Government Finance Settlement for 2024-25. This includes the additional measures announced on 24 January, worth £600 million. The main change for Warwick District Council was to the Funding Guarantee allocation, ensuring all local authorities will see a minimum 4% increase in Core Spending Power before local council tax decisions. This is an increase from the 3% Funding Guarantee announced in the provisional Local Government Finance Settlement, equating to an additional £173,400.

1.6 New Homes Bonus and Funding Guarantee

The final funding guarantee value is £2.463m, rather than the £2.465m forecast outlined in the original report.

1.8 Reserves and Balances

1.8.8 Two reserves that are no longer required will have their funding reallocated to different reserves. These are:

- Commonwealth Games Reserve - £0.129m to be reallocated to Corporate Assets Reserve
- Car Park Displacement Reserve - £0.253m to be reallocated to Service Transformation Reserve

1.10 Appropriation of Funding and Balances

1.10.7 New Homes Bonus and Funding Guarantee

The final New Homes Bonus and Funding Guarantee value is £3.365m, made up of New Homes Bonus (£0.902m) and a Funding Guarantee payment (£2.463m)

1.10.8 Appendix 8 has been updated to include how the additional £173,400 will be allocated. Within appendix 8, the following additional allocations have been made:

- £50,000 – Delivery of the Biodiversity Action Plan.
- £54,400 – Additional allocation to supplement existing repairs budget to facilitate playground repairs in ‘non-destination’ parks.
- £65,000 – Cost of living support funding increased over allocation of £45,000 p.a. for 3 years outlined previously in Appendix 8. Focused on additional grants to voluntary and charitable organisations, to be drawn down over multiple years and aligned to a refreshed cost of living action plan.
- £4,000 – Allocation to support Armed Forces Day, following an earlier allocation of £4,000 to D Day 80 year Commemoration events.

Agenda Item 9a

In addition, the existing core settlement allocation to paddling pool repairs has been reduced from £30,000 to £10,000, with the balance of £20,000 being used to fund a temporary elections officer.

1.10.10 Community Projects Reserve – an allocation of £40,000 be provided to support the Warwick station step free access proposal. Warwickshire County Council are also expected to support the scheme.

1.2 As a result of the changes highlighted above, the following appendices have been updated:

Appendix 2 – General Fund Budget Summary 2024/25

Appendix 3a – Financial Strategy 2024/25 (i)

Appendix 3b – Financial Strategy 2024/25 (ii)

Appendix 5b - Reserves

Appendix 8 – Project Funding Summary

General Fund Summary

Appendix 2

Department	Outturn	Original Budget	Latest Budget	Original Budget	Variance	Variance
	2022/23	2023/24	2023/24	2024/25	2023/24	2024/25
	£	£	£	£	£	£
	A	B	C	D	C - B	D - B
Neighbourhood & Assets	7,957,999	9,186,000	8,409,000	6,871,500	(777,000)	(2,314,500)
Safer Communities, Leisure & Environment	5,806,414	5,904,500	6,049,200	6,612,300	144,700	707,800
Place, Arts & Economy	9,329,429	12,526,600	12,935,000	10,945,900	408,400	(1,580,700)
Finance	620,482	3,173,300	1,579,400	2,945,600	(1,593,900)	(227,700)
Housing Services - GF	3,024,872	3,213,000	3,453,800	3,689,300	240,800	476,300
Customer & Digital Services	1,063,740	722,500	737,600	1,314,600	15,100	592,100
People and Communication	(180,518)	0	53,500	(19,700)	53,500	(19,700)
Strategic Leadership	961,565	1,292,200	2,032,400	2,121,600	740,200	829,400
TOTAL GENERAL FUND SERVICES	28,583,982	36,018,100	35,249,900	34,481,100	(768,200)	(1,537,000)
Replacement of Notional with Actual Cost of Capital:						
- Deduct Notional Capital Financing Charges in Budgets	(5,077,515)	(7,587,200)	(7,587,200)	(6,097,000)	0	1,490,200
- Add Cost of Loan Repayments, Revenue Contributions and					0	0
- Interest paid	618	3,058,400	3,058,400	3,335,100	0	276,700
Revenue Contributions to Capital	180,850	80,000	80,000	80,000	0	0
Contributions to / (from) Reserves	3,069,696	(2,234,100)	(1,465,900)	(740,300)	768,200	1,493,800
Net External Investment Interest Received	(4,116,414)	(5,889,900)	(5,889,900)	(6,353,500)	0	(463,600)
IAS19 Adjustments reversed	(3,117,055)	(3,450,000)	(3,450,000)	(3,440,600)	0	9,400
Employee Benefits Accruals reversed	56,005	0	0	0	0	0
Contributions to / (from) General Fund	0	0	0	0	0	0
NET EXPENDITURE FOR DISTRICT PURPOSES	19,580,166	19,995,300	19,995,300	21,264,800	0	1,269,500
Less Revenue Support Grant	0	0	0	0	0	0
Less Business Rate Income	(7,000,271)	(6,718,700)	(6,718,700)	(7,362,500)	0	(643,800)
Less General Grants	(11,638)	0	0	0	0	0
Less New Homes Bonus	(2,680,733)	(1,078,500)	(1,078,500)	(902,000)	0	176,500
Funding Guarantee	0	(1,845,600)	(1,845,600)	(2,462,400)	0	(616,800)
Less Lower Tier Services Grant	(395,303)	0	0	0	0	0
Services Grant	0	(134,100)	(134,100)	(22,000)	0	112,100
Collection Fund (Surplus) / Deficit	22,751	(19,000)	(19,000)	99,900	0	118,900
Surplus / (Deficit) for the Year			0	0	0	0
NET EXPENDITURE BORNE BY COUNCIL TAX - WARWICK DISTRICT COUNCIL	9,514,972	10,199,400	10,199,400	10,615,800	0	416,400
Aggregate Parish Council Expenditure	2,002,150	2,143,700	2,143,700	2,138,400	0	(5,300)
COMBINED DISTRICT AND PARISH EXPENDITURE BORNE BY COUNCIL TAX:	11,517,121	12,343,100	12,343,100	12,754,200	0	411,100
Warwickshire County Council Expenditure	89,727,800	95,360,800	95,360,800	101,186,500	0	5,825,700
Warwickshire Police and Crime Commissioner Expenditure	14,816,700	15,957,700	15,957,700	16,884,500	0	926,800
BORNE BY COUNCIL TAX	116,061,621	123,661,600	123,661,600	130,825,200	0	7,163,600
Council Tax - Band D						
Warwick District Council	176.86	176.86	176.86	182.15		
Parish/Town Councils (average)	35.50	37.17	37.17	36.69	*2 precepts yet to be set	
District & Parish/Town Band D Council Tax	212.36	214.03	214.03	218.84		
Warwickshire County Council	1,590.93	1,653.57	1,653.57	1,736.19		
Warwickshire Police & Crime Commissioner	262.71	276.71	276.71	289.71		
Total Band D Council Tax	2,066.00	2,144.31	2,144.31	2,244.74		
Tax Base - Band D	56,399.56	57,669.62	57,669.62	58,280.77		

Medium Term Financial Strategy

Appendix 3 (i)

	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	latest £'000	£'000	£'000	£'000	£'000
Net Cost Of General Fund Services	36,018	35,250	34,481	30,110	29,093	28,801
Investment Interest	-5,890	-5,890	-6,354	-5,351	-4,714	-3,845
Other Financing Adjustments	-10,133	-9,365	-6,862	-5,702	-6,948	-7,034
Net Expenditure after adjustments	19,995	19,995	21,265	19,058	17,431	17,922
NNDR (Business Rate Retention, including SBR grant)	-6,719	-6,719	-7,363	-4,480	-4,974	-5,538
Collection Fund Balance 20/21 Deficit spread over 3 years	54	54				
Collection Fund Balance	-73	-73	100			
New Homes Bonus	-1,079	-1,079	-902			
Funding Guarantee	-1,846	-1,846	-2,462	-1,000	-1,000	-1,000
Services Grant	-134	-134	-22	-22		
Amount being from Council Tax	-10,199	-10,199	-10,616	-11,144	-11,708	-12,297
Band D Equivalent	176.86	176.86	182.15	187.59	193.20	198.98
% increase on previous year	-	-	2.99%	2.99%	2.99%	2.99%
Net Expenditure after adjustments	19,995	19,995	21,265	19,058	17,431	17,922
Total Grant and Council Tax Income	-19,995	-19,995	-21,265	-16,624	-17,681	-18,835
Deficit-Savings Required(+)/Surplus(-) future years	0	0	0	2,434	-250	-913
Change on previous year	0	0	0	2,434	-2,684	-663

Medium Term Financial Strategy

Appendix 3 (ii)

	2023/24 £'000	2023/24 latest £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Base Cost of General Fund Services	35,368	36,018	35,250	34,481	27,676	29,343
Inflation on Controllable Expenditure	466		1,137	1,212	1,008	1,052
Recurring Growth	-886	-961	-1,062	1,641	2,066	460
Items funded from Reserves	5,636	-2,181	2,413	908	664	750
Total New time limited growth/savings	826	2,374	3,398	-4,755	-5,918	-7,145
Less previous year 1 Off/Time Limited Growth	-6,491		-6,655	-5,811	3,847	5,254
Changes in Capital Charges	1,099					
Net Cost of General Fund Services	36,018	35,250	34,481	27,676	29,343	29,714
Less:Capital Financing Charges	-7,587	-7,587	-6,097	-6,097	-7,587	-7,587
Less IAS19 included above	-3,450	-3,450	-3,440	-3,441	-3,441	-3,441
Controllable Expenditure	24,981	24,213	24,944	18,139	18,315	18,686
Financing Charges etc.						
Loan repayments etc	3,058	3,058	3,335	3,335	3,335	3,335
Revenue Contributions to Capital	80	80	80	80	80	80
Contributions to/from reserves	-2,234	-1,466	-740	421	665	579
External investment interest	-5,890	-5,890	-6,354	-5,351	-4,714	-3,845
Total Financing Charges etc	-4,986	-4,218	-3,679	-1,515	-634	149
Net Expenditure	19,995	19,995	21,265	16,624	17,681	18,835
NNDR redistributed	-6,719	-6,719	-7,363	-4,480	-4,974	-5,538
Lower Tier Services Grant						
Services Grant	-134	-134	-22			
New Homes Bonus	-1,079	-1,079	-902			
Funding Guarantee	-1,846	-1,846	-2,462	-1,000	-1,000	-1,000
Collection Fund Balance 20/21 Deficit Spread	54	54				
Collection Fund Balance	-73	-73	100			
Total AEF/Collection Fund	-9,796	-9,796	-10,649	-5,480	-5,974	-6,538
Council Tax borne expenditure	10,199	10,199	10,616	11,144	11,708	12,297
Equivalent to Band D Council Tax	176.86	176.86	182.15	187.59	193.20	198.98
% increase on previous year	0.00%	0.00%	2.99%	2.99%	2.99%	2.99%
Council Tax Base	57,670	57,670	58,281	59,400	60,600	61,800

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2023/24 to 2027/28	Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000	Estimated Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000
GENERAL FUND RESERVES - EARMARKED							
Art Gallery Gift Reserve	Balance on this reserve includes monies transferred from Art Fund Reserve. Currently there is no expenditure to be met from this reserve. External donations of approximately £1k per annum will be credited to this reserve.	135	136	137	138	139	140
Building Control Reserve	The surpluses from this 'trading account' are used to support the service costs.	427	427	427	427	427	427
Business Rate Retention Volatility Reserve	Reserve set up to 'smooth' receipt of business rate income. Expected to be a Government Business Rate re-set in 2025/26.	11,485	6,913	2,000	2,000	2,000	2,000
Capital Investment Reserve	£1m is the minimum balance recommended for this reserve.	1,456	1,456	1,283	1,183	1,083	983
Car Park Displacement Reserve	Previous applied to the Commonwealth Games Leamington Spa Station project. Reserve closed 31/3/25.	253	253	-	-	-	-
Car Parking Repairs and Maintenance Reserve	Reserve created in order to provide resources for future years repairs and maintenance programmes.	122	122	122	122	122	122
Cemetery Land Purchase Reserve	Reserve established to provide finance for the purchase of land for cemetery extensions. Currently no such purchases are included in the General Fund Capital Programme. Future contributions to the reserve will be provided for by a surcharge imposed on out of area burial fees.	28	28	28	28	28	28
Commonwealth Games (Bowls) Reserve	This reserve is currently funding the Project Manager salary costs and various ancillary costs. Reserve closed 31/3/25.	129	129	-	-	-	-
Community Projects Reserve	Reserve created from New Homes Bonus to provide finance for various District-wide community projects. Topped up in 2023/24 with £500k from New Homes Bonus / Funding Guarantee.	616	804	489	464	439	334
Corporate Assets Reserve	Reserve created to provide finance for refurbishing facilities following stock condition surveys. It includes annual General Fund contributions of £500k, which are necessary to fund planned asset maintenance. Drawdown from reserve is subject to future Executive reports.	1,320	3,506	2,531	2,235	1,943	995
Covent Garden Multi Storey Reserve	Balance being repurposed towards the 'Future High Street Fund'.	900	900	-	-	-	-
Election Expenses Reserve	£35k per annum will be credited to the reserve to help defray the costs of General Elections and £105k subsequently released toward funding the General Elections, based on a 4-year cycle.	110	5	40	75	5	40
Enterprise Projects Reserve	Reserve being reduced to cover legal commitments only.	193	193	55	55	55	55
Equipment Renewal Reserve	Projects will be approved by SMT, Chief Executive and relevant Portfolio Holders prior to going ahead. The reserve receives top ups of £100k per annum and is being used to support a number of projects.	529	166	-157	-67	23	113
Harbury Lane Reserve	This reserve will provide funding towards the proposed travellers site in Harbury Lane	84	84	84	84	84	84

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES
APPENDIX 5b

Reserve	Use of Reserve 2023/24 to 2027/28	Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000	Estimated Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000
Homelessness Prevention Reserve	From Government grants received in 18/19 and 19/20 towards Homelessness Prevention within the homeless strategy	1,336	1,336	1,336	1,336	1,336	1,336
ICT Replacement Reserve	This reserve is to provide for planned ICT replacements and revenue costs. The reserve will be topped up annually with £250k., plus £1m from General Fund balances in 2023/24, but is projected to become negative at the end of 2024/25 due to meeting the capital programme funding	829	990	262	96	80	448
Insurance Reserve	This reserve will be used to cover self insurance against claims and to provide finance for security improvements to mitigate future claims.	274	274	274	274	274	274
Investment Volatility Reserve	Set up to smooth possible future fluctuations on equity funds and other treasury investments.	100	100	100	100	100	100
Leisure Options Reserve	Balance from Phase 1 of leisure improvements to finance Kenilworth Phase 2	764	267	267	267	66	66
Local Plan Delivery Reserve	The reserve is funding the Tachbrook Country Park capital budget	44	44	44	44	44	44
Other Commuted Sums Reserve	Contributions of around £150k will be made to the General Fund each year to fund maintenance of adopted land. In addition, the reserve will fund part of the cost of the Green Spaces Team Leader. New developer contributions are added to the Reserve and phased over 14 to 20 years planned grounds maintenance costs	1,593	1,485	1,228	971	820	669
Planning Appeal Reserve	This is funding consultancy for Local Plan, Kenilworth development brief and site development officer salary etc. costs	390	390	382	382	382	382
Planning Investment Reserve	This reserve will receive income from the uplift in planning fees, subject to meeting core service funding. Various posts e.g. temporary Senior EHO, Development Monitoring Officer, CIL Officer etc. are funded from this reserve	11	174	55	219	383	547
Public Amenity Reserve	This reserve will provide the finance for the play equipment capital programme. The future funding of the play area capital programme is subject to approval of Community Infrastructure Levy (CIL) funding	451	432	-	-	-	-
Public Open Spaces Planning Gain Reserve	Reserve receives a reduced amount of S106 planning development contributions for one-off improvement of Public Open Spaces. It contributes towards capital play area improvements.	89	71	35	37	38	39
Services Transformation Reserve	This reserve include contributions to a number of capital and revenue projects as part of the 'Transforming Our Workplace' programme, and funding various temporary posts. The reserve is receiving the allocations previously made to the Service Alignment Reserve in 2023/24 and 2024/25, and is used to smooth funding between financial years	1,229	982	586	812	1,212	1,612
Tourism Reserve	Established to help fund tourism initiatives within the District	27	27	27	27	27	27
Digital By Default Reserve	Used for digitisation projects	23	23	17	12	6	-
Climate Change Reserve	Tackling the climate emergency declaration	393	883	709	709	709	709

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2023/24 to 2027/28	Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000	Estimated Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000
Community Emergency Response Fund Reserve	Set up to fund Covid-19 community support	2	2	2	2	2	2
Newbold Benches Donation Reserve	Donation from a member of the public for benches and tree planting	6	6	6	6	6	6
Ukrainian Resettlement Inspections Reserve	Paid to the Council to fund the inspection of properties for the Ukrainian resettlement scheme	25	25	25	25	25	25
Working for Warwick Reserve	To carry forward the employee benefits from this package to future years	-	223	198	198	198	198
Energy Generation Projects Reserve	To investigate energy generation opportunities	-	-	500	500	500	500
Change Programme Delivery Reserve	Set up to provide funding for activities to deliver efficiency savings across the Council	-	-	500	500	500	500
GF Volatility Reserve	To fund General Fund budget deficits from reserve balances	-	-	3,853	3,853	3,853	3,853
GENERAL FUND RESERVE TOTAL		25,373	22,856	17,445	17,114	16,909	16,658
Change in GF reserves (+ increase / - decrease)			-2,517	-5,411	-331	-205	-251
BALANCES							
General Fund	A core balance of at least £1.5m after liabilities will be maintained as a contingency reserve.	2,631	1,500	1,500	1,500	1,500	1,500
Housing Revenue Account (HRA):							
Housing Capital Investment Reserve	Under self financing, this reserve provides the finance for investment in new housing stock	27,871	10,243	7,226	7,423	6,162	1,911
Major Repairs Reserve	Under Self Financing this reserve provides the major element of funding for capital maintenance works to the Council's housing stock.	6,956	5,610	5,956	6,590	3,975	3,975
Housing Revenue Account balance	To provide a contingency reserve to protect the Housing Revenue Account against adverse in year revenue or capital cash flows arising from unexpected major repairs etc.	1,500	1,500	1,500	1,500	1,500	1,500
Housing Early Retirements Reserve	Contributions of £20k in each year will be made.	21	41	61	81	101	121
HRA Rough Sleeping Initiative Reserve	To support provision of temporary accommodation and services	262	262	262	262	262	262
Lifeline Funding for Assistive Technology Reserve	North Warwickshire Borough Council paid WDC as part of the transfer of their Lifeline customers over to WDC's Lifeline service. This reserve is ringfenced to be used to upgrade the Lifeline connections as the customers migrated over the next 2 years.	127	21	21	21	21	21
HRA TOTAL		36,737	17,677	15,026	15,877	12,021	7,790

Project funding

Appendix 8

	2024/25	Funding source
Projects	£000	
Packmores Community Centre plus land	225	NHB
Womens Cycle Tour	30	NHB
Rural / Urban Capital Improvement Scheme	100	NHB
Voluntary and Community Sector Contracts	250	NHB
Trees for the future	408	FG
Energy Generation Projects Reserve established	500	FG
RSH Ongoing costs pending sale to HE	211	FG
Finance System Development Support Contract	36	FG
Commemoration events for 80 years of D Day	4	NHB
Additional dedicated 'Rapid Response Unit' RRU for flytipping.	130	NHB
Media Team Comms	38	FG
Events Co-ordinator	25	FG
Scrutiny Officer Post - 4 years	47	FG
Paddling Pools Repairs	10	NHB
Occupational Health/Counselling Service	27	NHB
Bio-Diversity Resources	51	NHB
Recycling/waste minimisation publicity and promotion	5	NHB
Extension of Project Manager FTC	65	FG
Parking Team Training	5	FG
Legal Services Investment to reduce outsourcing	50	NHB
Contribution to the South Warwickshire Place Partnership to multi agency ill health prevention for 5 years	20	FG
Top-up of Corporate Assets Reserve	686	FG
Top-up of ICT Reserve	250	FG
Temp Elections Assistant/officer	20	NHB
Biodiversity action plan	50	FG
Playground R&M	54	FG
Cost of Living Support	65	FG
Armed Forces Day	4	FG
Total	3,364	
Funding Source Summary		
New Homes Bonus 24/25	-902	
Funding Guarantee 24/25	-2,462	
Total	-3,364	

HRA Rent Setting Report - Rent Summary

Historic Rent Regime Weekly Rents - Formula, Current and Proposed Social Rents

- The Historic Rent Regime levels are slightly lower than Target Formula Rent
- It is estimated that approximately 2000 HRA dwellings are currently paying Target Formula Rents with approximately 400 dwellings per year transferring from the historic rents policy

Number of Bedrooms	2023/24	2024/25	2024/25 Proposed Average Increase in Weekly Rent 7.7% (Rent Cap %)	
	Historic Rents - Weekly Rent - Averages	Historic Rents - Proposed Weekly Rent - Averages		
Studio	£70.89	£76.35	£5.46	7.7%
1	£91.88	£98.95	£7.07	7.7%
2	£100.53	£108.27	£7.74	7.7%
3	£111.89	£120.51	£8.62	7.7%
4	£121.57	£130.93	£9.36	7.7%
5	£125.81	£135.50	£9.69	7.7%
Averages Based on all HRA Social Rent Stock	£103.76	£111.75	£7.99	7.7%

Target Formula Weekly Rents - Formula, Current and Proposed Social Rents

- From April 2016 the national rent policy was updated with all NEW Social Rent Tenancies being charged Target Formula Social Rent
- Target Formula rents are applied when a dwelling becomes void and re-let, existing tenancies prior to this policy change continue under the historic rent regime with inflation linked in line with national rent policy

Number of Bedrooms	2023/24	2024/25	2024/25 Proposed Average Increase in Weekly Rent 7% (Rent Cap %)	
	Target Formula Rent - Averages	Target Formula Rent - Proposed Weekly Rent - Averages		
Studio	£78.79	£84.86	£6.07	7.7%
1	£96.84	£104.30	£7.46	7.7%
2	£105.22	£113.32	£8.10	7.7%
3	£119.43	£128.63	£9.20	7.7%
4	£143.06	£154.08	£11.02	7.7%
5	£169.64	£182.70	£13.06	7.7%
Averages Based on all HRA Social Rent Stock	£118.83	£127.98	£9.15	7.7%

"Warwick" Affordable Rent - Existing Schemes Only from April 2021

- Prior to April 2021 "Warwick Affordable Rents" were charged which was a local policy to charge a mid point between National Affordable Rents and Target Social Rent
- In 2020 Homes England Investment Partner Status was achieved so National Affordable Rents will now apply from April 2021 on all new Affordable tenancies
- Existing tenants will continue to pay "Warwick Affordable Rents" for the remainder of their tenancy to ensure financial hardship is not caused by this policy change
- The average market rent for "Warwick Affordable Rent" Schemes is based on independent valuations prepared upon completion of Sayer Court (2016) and Bremridge Close (2019) by a RICS registered Valuer.
- The average market rent is based on median weekly rents data from Hometrack .
- Affordable rent is calculated at 80% of the market rent
- "Warwick" affordable rent is calculated at the midpoint between affordable rent and target social rent
- Some affordable rents properties are subject to a service charge of £7.39 per week

Number of Bedrooms & Property Type (SC/B denotes different schemes)	2023/24 Rent Per Week	2024/25 Rent Per Week		
	Average "Warwick" Affordable Rent (existing tenancies)	Warwick Affordable Rent *** (existing tenancies Only)	Average Proposed increase for Existing Tenants Only from 1st April 2024	
1 Apartment (SC)	£120.04	£129.28	£9.24	7.7%
2 Apartment (SC)	£144.08	£155.17	£11.09	7.7%
2 Bungalow (SC)	£157.01	£169.10	£12.09	7.7%
3 Bungalow (SC)	£184.18	£198.36	£14.18	7.7%
2 House (B)	£143.29	£154.32	£11.03	7.7%
3 House (B)	£169.46	£182.51	£13.05	7.7%
2 Bungalow (B)	£144.36	£155.48	£11.12	7.7%

National Affordable Rent - New Affordable Schemes from April 2021

- National Affordable Rents Policy will apply to all Affordable Tenancies from April 2021.
- Historic Affordable Housing Stock currently paying "Warwick Affordable" Rents will transfer to the National Affordable rent levels when dwellings become void and are re-let.
- Affordable rent is calculated at 80% of the market rent using the Average Market Rents sourced from Hometrack for the Warwick District area at December 2021

Existing Tenancies

Number of Bedrooms	2022/23 Rent Per Week		2023/24 Rent Per Week			2024/25 Rent Per Week		
	Average Local Market Rent (Hometrack Dec 2021)	Average Affordable Rent - 80% of local Market Rent	Average Affordable Rent - 80% of local Market Rent	Proposed increase for Existing Tenants Only	2023/24 Proposed Average Increase in Weekly Rent 7% (Rent Cap %)	Average Affordable Rent - 80% of local Market Rent	Proposed increase for Existing Tenants Only	2024/25 Proposed Average Increase in Weekly Rent 7.7% (CPI 6.7%)
1	£162.00	£129.60	£138.67	£9.07	7.0%	£149.35	£10.68	7.7%
2	£206.00	£164.80	£176.34	£11.54	7.0%	£189.91	£13.58	7.7%
3	£283.00	£226.40	£242.25	£15.85	7.0%	£260.90	£18.65	7.7%
4	£391.00	£312.80	£334.70	£21.90	7.0%	£360.47	£25.77	7.7%

New Tenancies from April 2024

Number of Bedrooms	2024/25 Rent Per Week	
	Average Local Market Rent (Hometrack Dec 2023)	Average Affordable Rent - 80% of local Market Rent
1	£183.00	£146.40
2	£242.00	£193.60
3	£323.00	£258.40
4	£414.00	£331.20

WDC HRA Rent Setting Report - Rent Comparisons 2024/25

Comparison to Local Market Rents - WDC Historic Rents Regime - Average Rents

- The overall average rents charged for HRA dwellings are compared with the average market rents
- Median local average private market rents (as at December 2019) from Hometrack
- The Council currently charges Historic Social Rent, Target Formula Social Rent, "Warwick Affordable Rents", National Level Affordable Rents (From April 2021) - All are inflated by (CPI+1%)
- Shared Ownership Rents are excluded from this exercise, existing Shared Ownership will be inflated by (RPI+0.5%) an new Shared Ownerships will be inflated by (CPI+1%) in line with the lease agreement

Number of Bedrooms	2023/24 WDC Proposed Average Weekly Rent (inflated by 7% Rent Cap)	2024/25 WDC Proposed Average Formula (Target) Rent (inflated by CPI+ 1%)	Hometrack Local Average Weekly Market Rent (Dec 2023)	Difference between Proposed WDC Rent and Market Rent	Proposed 2024/25 WDC Rent as a % of Market Rent
1 Bedroom	£91.88	£98.95	£183.00	-£84.05	54%
2 Bedroom	£100.53	£108.27	£242.00	-£133.73	45%
3 Bedroom	£111.89	£120.51	£323.00	-£202.49	37%
4 Bedroom	£121.57	£130.93	£414.00	-£283.07	32%
Average 2024/25 Proposed WDC Rent as a % of Market Rent					42%

Comparison to Local Market Rents - Target Formula Rents

- From April 2016 the national rent policy was updated with all NEW Social Rent Tenancies being charged Target Formula Social Rent
- Target Formula rents are applied when a dwelling becomes void and re-let, existing tenancies prior to this policy change continue under the historic rent regime with inflation linked in line with national rent policy
- It is estimated that approximately 1600 HRA dwellings are currently paying Target Formula Rents

Number of Bedrooms	2023/24 WDC Average Formula (Target) Rent	2024/25 WDC Proposed Average Formula (Target) Rent (inflated by CPI+ 1%)	Hometrack Current Local Average Weekly Market Rent (Dec 23)	Difference 2024/25 WDC Formula Rent to Market Rent	2024/25 WDC Formula Rent as a % of Market Rent
1 Bedroom	£96.84	£104.30	£183.00	-£78.70	57%
2 Bedroom	£105.22	£113.32	£242.00	-£128.68	47%
3 Bedroom	£119.43	£128.63	£323.00	-£194.37	40%
4 Bedroom	£143.06	£154.08	£414.00	-£259.92	37%

Comparison to Local Market Rents - Affordable Rents (National Level)

- Prior to April 2021 "Warwick Affordable Rents" were charged but Homes England Investment Partner Status was achieved in 2020 so National Affordable Rent applies from April 2021 on all new Affordable tenancies

Number of Bedrooms	2023/24 Hometrack Local Average Weekly Market Rent (Dec 23)	2024/25 Affordable Rent 80% Local Market Rent	Difference 2024/25 Affordable Rent to Local Market Rent	2024/25 Affordable Rent as a % of Market Rent
1 Bedroom	£183.00	£146.40	-£36.60	80%
2 Bedroom	£242.00	£193.60	-£48.40	80%
3 Bedroom	£323.00	£258.40	-£64.60	80%
4 Bedroom	£414.00	£331.20	-£82.80	80%

Comparison to National Formula Rent Caps - Target Formula Rent

- Annual Target Formula Rent Caps represent the highest possible rents that can be charged to Social Housing tenants.
- The Rent Cap Data is as per the Regulator of Social Housing Publication "Limit on annual rent increases 2021-22"
- Formula Rent Caps are applicable from the 1st April each year

Number of Bedrooms	Target Formula Rent Caps for 2024-25 (Dec 23)	WDC Average Formula Rents 2024/25	Difference between WDC Average Formula Rents and Rent Cap	WDC Rents as a % of Formula Rent Caps
1 Bedroom	£188.04	£104.30	-£83.74	55%
2 Bedroom	£199.09	£113.32	-£85.77	57%
3 Bedroom	£210.15	£128.63	-£81.52	61%
4 Bedroom	£221.19	£154.08	-£67.11	70%

Comparison to Local Housing Allowance Limit - Target Formula Rent

- LHA (Local Housing Allowance) is the cap for housing benefit for those who rent privately, subject to other eligibility criteria.
- Rates shown are for the Warwickshire South Broad Rental Market Area, December 2020 sourced from the Valuation Office Agency via Direct Gov
- LHA does not apply to council tenants; it is shown to illustrate the highest rents that can be supported by housing benefit in the private rented sector.

Number of Bedrooms	LHA Local Housing Allowance Limit ** (Dec 2022)	WDC Average Formula Rents 2024/25	Difference between WDC Average Formula Rents and LHA	WDC Rents as a % of LHA Rent Caps
1 Bedroom	£143.84	£104.30	-£39.54	73%
2 Bedroom	£172.60	£113.32	-£59.28	66%
3 Bedroom	£207.12	£128.63	-£78.49	62%
4 Bedroom	£276.16	£154.08	-£122.08	56%

Appendix 3 - HRA Budgets 2023/24 - 2024/25

HOUSING SERVICES - HOUSING REVENUE ACCOUNT		Outturn	Original Budget	Latest Budget	Original Budget	Variance	Variance
		2022/23	2023/24	2023/24	2024/25	2023/24	2024/25
		£	£	£	£	£	£
		A	B	C	D	C - B	D - B
6999 HOUSING REVENUE ACCOUNT							
EXPENDITURE							
10-0-6999-10000-64500	Housing Repairs Supervision	643,545	942,000	942,000	942,000	0	0
10-0-6999-10000-62111	HRA Repairs and Maintenance	9,712,543	8,424,500	8,524,500	8,882,200	100,000	457,700
10-0-6999-10000-62201	Electricity	1,061	0	0	0	0	0
10-0-6999-10000-62202	Gas	0	12,000	12,000	0	0	(12,000)
10-0-6999-10000-62400	Rates	46,899	50,600	50,600	59,600	0	9,000
10-0-6999-10000-62401	Council Tax	330,063	145,100	145,100	350,000	0	204,900
10-0-6999-10000-62500	Water Rates	39,358	42,300	42,300	45,500	0	3,200
PREMISES		10,773,469	9,616,500	9,716,500	10,279,300	100,000	662,800
10-0-6999-10000-61104	Joint Post contribution	46,200	0	0	0	0	0
10-0-6999-10000-64607	Postage	186	0	0	0	0	0
10-0-6999-10000-65105	Debt Recovery Agency Costs	0	4,100	4,100	4,100	0	0
10-0-6999-10000-64503	Grants-Revenue	0	0	0	0	0	0
10-0-6999-10000-64950	Contributions To Provisions	0	77,200	77,200	77,200	0	0
10-0-6999-10000-64951	Bad Debts Provision	109,431	402,600	402,600	402,600	0	0
SUPPLIES AND SERVICES		155,817	483,900	483,900	483,900	0	0
THIRD PARTY PAYMENTS		0	0	0	0	0	0
10-0-6999-10000-67000	Supervision & Management - General	4,544,331	4,376,200	7,643,300	3,228,000	3,267,100	(1,148,200)
10-0-6999-10000-67101	Supervision & Management - Special	3,198,936	4,864,100	4,849,100	5,495,600	(15,000)	631,500
SUPPORT SERVICES		7,743,267	9,240,300	12,492,400	8,723,600	3,252,100	(516,700)
10-0-6999-10000-68100	Depreciation on Equipment	5,995,682	6,206,500	6,206,500	6,032,600	0	(173,900)
10-0-6999-10000-68101	Depreciation on Council Dwellings	510,437	0	0	878,500	0	878,500
10-0-6999-10000-68102	Depreciation on Other HRA Properties	47,597	0	0	50,100	0	50,100
CAPITAL CHARGES		6,553,715	6,206,500	6,206,500	6,961,200	0	754,700
GROSS EXPENDITURE		25,226,268	25,547,200	28,899,300	26,448,000	3,352,100	900,800
INCOME							
10-0-6999-10000-41000	Government Grants - General	(16,874)	0	0	0	0	0
10-0-6999-10000-43001	Service Charges Leasehold	(8,926)	0	0	0	0	0
10-0-6999-10000-43010	Other Income	(134,729)	0	0	0	0	0
10-0-6999-10000-43021	Other Licences	(745)	(4,200)	(4,200)	(4,200)	0	0
10-0-6999-10000-43016	Heating Charges	(262,047)	(209,500)	(209,500)	(318,000)	0	(108,500)
10-0-6999-10000-43030	Legal Fee - Income	(41,500)	0	(83,000)	(83,000)	(83,000)	(83,000)
10-0-6999-10000-43034	Service Charges	(30,015)	0	0	0	0	0
10-0-6999-10000-43500	Rents-Others	(364,751)	(353,700)	(353,700)	(364,700)	0	(11,000)
10-0-6999-10000-43501	Rents-Housing	(26,209,700)	(28,185,000)	(28,185,000)	(30,356,600)	0	(2,171,600)
10-0-6999-10000-43502	Rents-Shared Ownership	(116,480)	(107,000)	(107,000)	(120,800)	0	(13,800)
10-0-6999-10000-43503	Rents-Garages	(698,120)	(767,900)	(767,900)	(842,100)	0	(74,200)
10-0-6999-10000-43504	Use and Occupation - Homeless	(1,318)	(33,000)	(33,000)	(33,000)	0	0
10-0-6999-10000-43505	Rents-Affordable	(838,338)	(783,100)	(783,100)	(878,700)	0	(95,600)
10-0-6999-10000-43506	Recharges - Water	(33,803)	(34,500)	(37,300)	(39,300)	(2,800)	(4,800)
10-0-6999-10000-43507	Recharges - Heating & Lighting	(181,798)	(335,700)	(487,700)	(394,100)	(152,000)	(58,400)
10-0-6999-10000-43900	Insurance - Income	(14,405)	0	0	0	0	0
10-0-6999-10000-49003	Interest Receivable	153,200	0	0	0	0	0
10-0-6999-10000-49012	Adjustment for HRA Financing (Cr)	0	0	(384,400)	59,500	(384,400)	59,500
10-0-6999-10000-69002	General Fund (And EMR)	(64,228)	(38,700)	(38,700)	(38,700)	0	0
GROSS INCOME		(28,864,577)	(30,852,300)	(31,474,500)	(33,413,700)	(622,200)	(2,561,400)
NET INCOME FROM SERVICES		(3,638,309)	(5,305,100)	(2,575,200)	(6,965,700)	2,729,900	(1,660,600)
10-0-6999-40010-49003	Interest-Balances	0	1,374,000	1,374,000	0	0	(1,374,000)
10-0-6999-40010-68003	HRA Interest Receivable and similar income	0	0	0	2,217,400	0	2,217,400
10-0-6999-40013-69101	Capital Charges - Adj	0	(100,000)	(100,000)	(100,000)	0	0
NET OPERATIONAL INCOME		(3,638,309)	(4,031,100)	(1,301,200)	(4,848,300)	2,729,900	(817,200)
APPROPRIATIONS							
10-0-6999-40009-68002	External Interest	4,765,564	4,765,600	4,765,600	4,765,600	0	0
10-0-6999-40017-69000	Approp HRA Resource Equiv to Depn to MRR	(6,553,715)	0	0	0	0	0
10-0-6999-40017-69013	Approp from CAA to Offset HRA Resources	6,553,715	0	0	0	0	0
10-0-6999-40003-69001	Capital financing	818,767	0	0	0	0	0
10-0-6999-40003-69310	Cap Fin-Rev Contr to Cap Outlay(GF+HIP)	0	119,600	119,600	119,600	0	0
10-0-6999-40017-69002	Cont from Reserves	(818,767)	73,400	(2,656,500)	32,500	(2,729,900)	(40,900)
10-0-6999-40017-69014	Contrib HRA Capital Invest Reserve (Dr)	(568,059)	(625,200)	(625,200)	232,900	0	858,100
10-0-6999-40002-49008	Unrealised Losses on investments (cr)	3,828,370	0	0	0	0	0
10-0-6999-40002-49321	Recognised gains/losses -asset sales	2,532,701	0	0	0	0	0
10-0-6999-40008-69011	F Assets sales b/s val trf to I & E a/c	(2,532,701)	0	0	0	0	0
10-0-6999-40017-69001	Capital financing	0	0	0	0	0	0
10-0-6999-40017-49002	Cont from Reserves	0	(100,000)	(100,000)	(100,000)	0	0
10-0-6999-40008-49008	rec gains/losses - fa - reversal	(3,828,370)	0	0	0	0	0
10-0-6999-40001-69200	employee benefits accruals (cr)	11,206	0	0	0	0	0
10-0-6999-40016-49200	Net IAS19 Charges for Retirement Benefits	(1,197,419)	(1,490,200)	(1,490,200)	(1,490,200)	0	0
10-0-6999-40006-69102	Employers Contribs payable to Pension Fd	437,795	928,800	928,800	928,800	0	0
10-0-6999-40019-62300	HRA CLS Decants - Rent	22,121	0	0	0	0	0
10-0-6999-40019-63300	HRA CLS Decants - Hired Transport	7,330	0	0	0	0	0
10-0-6999-40012-69302	Pensions Interest+Rate of Return Assets	159,771	359,100	359,100	359,100	0	0
TRANSFER (TO) / FROM HRA RESERVE		(0)	0	0	0	0	0
Balance Brought Forward		(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)		
HRA BALANCE CARRIED FORWARD		(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	0	0

Appendix 4 - 2024/25 Sheltered Heating, Lighting and Miscellaneous Charges

The Charges necessary to fully recover costs are calculated annually from average consumption over the last 3 years, updated for current costs. The use of an average ensures that seasonal and yearly variations are reflected in the calculation

As Heating, Lighting and water charges are intended to be cost recovery it is proposed that from 2019/20 the charges are agreed following the methodology above by the Head of Housing, Head of Finance and in consultation with the relevant portfolio holders, any changes to the income will be reflected in the HRA rent setting report.

Heating, Lighting and Miscellaneous Recharges	Current Charge per Week 2023/24	Proposed Charge per Week 2024/25	Proposed Increase/ (Decrease) per week 2024/25	Total Cost per year
Acorn Court, Stockton Grove, Lillington, Royal Leamington Spa	£	£	£	
No's 1-12, 14-41	21.4	21.95	0.55	1,141.40
No's 43, 44, 46, 47 (Misc. Charge Only)	1.85	1.85	0	96.20
Tannery Court, Bertie Road, Kenilworth				
No's 1, 2, 4-6, 7a, 8-12, 22a, 14-40	11.70	6.05	-5.65	314.60
Yeomanry Close, Priory Road, Warwick				
No's 1-12,14-32	18.1	9.20	-8.9	478.40
James Court, Weston Close, Warwick				
No's 1-12, 14-26	15.00	5.10	-9.9	265.20
Chandos Court, Chandos Street, Royal Leamington Spa				
No's 1-12,11a, 25a,14-46	25.25	24.60	-0.65	1,279.20
Radcliffe Gardens, Brunswick Street, Royal Leamington Spa				
Bedsits and 1 Bed Flats	20.30	15.35	-4.95	798.20
2 Bedroom Flats	30.45	23.05	-7.4	1,198.60

Water Recharges Weekly Cost Analysis	Acorn Court	Tannery Court	Yeomanry Close	James Court	Chandos Court
	£	£	£	£	£
Charge payable for 2023/24 per week	3.97	4.13	2.86	2.91	3.55
Proposed weekly charge 2024/25 per week	3.90	4.03	2.49	6.68	3.73
Difference between 2023/24 & 2024/25	-0.07	-0.10	-0.37	3.78	0.18
Total Cost per year	202.63	209.72	129.45	347.55	194.16

Title: The Setting of the Council Tax for the Area of Warwick District
Council 2024/25

Lead Officer: Andrew Rollins (01926 456013)

Portfolio Holder: Councillor Chilvers

Wards of the District directly affected: N/A

Approvals required	Date	Name
Portfolio Holder	16/02/24	Cllr Chilvers
Finance	16/02/24	Steven Leathley
Legal Services		
Chief Executive	16/02/24	Chris Elliott
Head of Service(s)	16/02/24	Andrew Rollins
Section 151 Officer	16/02/24	Andrew Rollins
Monitoring Officer	16/02/24	Graham Leach
Leadership Co-ordination Group		
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	No	
Accessibility Checked?	Yes	

Summary

The report sets the Council Tax for the area of Warwick District, incorporating its own Budget which is borne by Council Tax, along with the precepts from the other authorities within the area.

Recommendations

- (1)** That the following, as set out in the General Fund Revenue and Capital Budget 2024/25 (Cabinet recommendations, 8 February 2024 and Appendix 3) be approved:-
 - (a) the Revenue Budgets for 2024/25
 - (b) the Capital Programme for 2024/25
 - (2)** That Council notes the amounts for the 2024/25 Warwick District Tax Base
 - (3)** That Council notes the amounts for the 2024/25 Warwick District Council's Council Tax, including Parish / Town Council precepts (Appendix 1)
 - (4)** That Council notes the amounts for the 2024/25 Warwickshire County Council and Warwickshire Police and Crime Commissioner precepts
 - (5)** That Council approves the total Council Tax for the District for each band in each Parish / Town Council (Appendix 2).
-

Reasons for the Recommendations

1.1 Warwick District Tax Base

The Council notes the following amounts for the year 2024/25, in accordance with regulations made under Section 31B (5) of the Local Government Finance Act 1992:-

- a) 58,280.77 being the amount calculated, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 as amended, as its council tax base for the year.

Parish / Town Council	Tax Base 2024/25
Baddesley Clinton	114.56
Baginton	317.74
Barford, Sherbourne & Wasperton	958.41
Beausale, Haseley, Honiley & Wroxall	342.77
Bishops Tachbrook	2,648.66
Bubbenhall	316.55
Budbrooke	986.59
Burton Green	768.08
Bushwood (No Parish Council)	17.05
Cubbington	1,599.37
Eathorpe, Hunningham, Offchurch, Wappenbury	330.61
Hatton	993.11
Kenilworth	10,092.01
Lapworth	1,021.13
Leamington Spa	17,320.56
Leek Wootton	534.09
Norton Lindsey	230.21
Old Milverton & Blackdown	190.63
Radford Semele	1,060.01
Rowington	582.35
Shrewley	431.10
Stoneleigh & Ashow	456.63
Warwick	13,185.04
Weston-under-Wetherley	190.93
Whitnash	3,592.59
Total Warwick District Council Area	58,280.77

- b) Part of the Council's Area being the amounts calculated, in accordance with regulation 6 of the Regulations as amended, as the amounts of its council tax base for the year for dwellings in those parts of its area.

1.2 Calculation of Warwick District Council's Council Tax, including Parish / Town Council precepts.

That the following amounts be now calculated by the Council for the year 2024/25 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended:-

a) £104,278,500

being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2)(a) to (f) of the Act (Gross Expenditure including parish/town council precepts).

b) £91,533,196.71

being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act (Gross Income).

c) £12,754,283.29

being the amount by which the aggregate at 1.2(a) above exceeds the aggregate at 1.2(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax Requirement for the year.

d) £218.84

being the amount at 1.2(c) above divided by the amount at 1.1(a) above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its council tax for the year (Average Warwick District Council Tax, including parish/town precepts).

e) £2,138,400

being the aggregate amount of all special items referred to in Section 34(1) of the Act (Total parish/town council precepts).

f) £182.15

being the amount at 1.2(d) above less the result given by dividing the amount at 1.2(e) above by the amount at 1.1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no special item relates (Warwick District Council Tax excluding parish/town council precepts).

g) Part of the Council's Area

being the amounts given by adding to the amount at 1.2(f) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above 1.2(e) divided in each case by the amount at 1.1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate (Warwick District Council plus parish/town council's Council Tax for each parish/town council at Band D).

Parish / Town Council	Band D 2024/25 £
Baddesley Clinton	217.07
Baginton	239.67
Barford, Sherbourne & Wasperton	252.02
Beausale, Haseley, Honiley & Wroxall *	182.15
Bishops Tachbrook *	182.15
Bubbenhall	242.17
Budbrooke	224.63
Burton Green	221.25
Bushwood	182.15
Cubbington	222.13
Eathorpe, Hunningham, Offchurch, Wappenbury	235.78
Hatton	196.80
Kenilworth	206.88
Lapworth	209.66
Royal Leamington Spa	208.97
Leek Wootton	240.19
Norton Lindsey	228.85
Old Milverton & Blackdown	221.49
Radford Semele	217.76
Rowington	219.93
Shrewley	204.13
Stoneleigh & Ashow	225.99
Warwick	230.75
Weston-under-Wetherley	255.86
Whitnash	273.05

- h) The amounts shown in Appendices 1 and 1a, attached, being the amounts given by multiplying the amounts at 1.2(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council in accordance with Section 36(1) of the Act as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands (Warwick District Council plus parish/town council Council's Tax for each parish/town council for each Band).
- i) It should be noted that Beausale, Haseley, Honiley & Wroxall, and Bishops Tachbrook Parishes have not yet set a precept. As set out in Section 40(5) of the Act, "A precept under this section must be issued before 1st March in the financial year preceding that for which it is issued, but is not invalid merely because it is issued on or after that date". These are highlighted with an Asterisk in the above table.

1.3 Warwickshire County Council and Warwickshire Police and Crime Commissioner Precepts

That it be noted for the year 2024/25, Warwickshire County Council and Warwickshire Police and Crime Commissioner have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below:-

Band	Warwickshire County Council	Warwickshire Police & Crime Commissioner
	£	£
A	1,157.46	193.14
B	1,350.37	225.33
C	1,543.28	257.52
D	1,736.19	289.71
E	2,122.01	354.09
F	2,507.83	418.47
G	2,893.65	482.85
H	3,472.38	579.42

1.4 Total Council Tax for the District for each Band in each Parish / Town Council

That having calculated the aggregate in each case of the amounts at 1.2(g) and 1.3 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the amounts shown in Appendix 2 as the amounts of council tax for the year 2024/25 for each of the categories of dwellings shown.

1.5 The Cabinet papers for 8 February 2024 contain all the background information on the budget within Item 5, 'General Fund Revenue and Capital Budget 2024/25'. The recommendations in this report combine Warwick District Council's element of the Council Tax, with Council Tax levels agreed by Warwickshire County Council, Warwickshire Police and Crime Commissioner, and the town/parish councils for 2024/25. With all these constituent parts, the Council should now be in a position to set the overall levels of Council Tax for the District.

2 Alternative Options

2.1 No alternative options are presented

3 Legal Implications

3.1 The proposals are in line with current legislation where applicable.

4 Financial

4.1 The whole of the Council's budget is concerned with the financing of its priorities. The formal setting of the tax is the arithmetic and technical process of aggregating the council tax levels set for each band by the County Council and the Police and Crime Commissioner with those required by this Council, including parish/town councils. The Chief Financial Officer reports directly to

Council in order that the council tax can be set in accordance with section 30 of the Local Government Finance Act 1992.

5 Corporate Strategy

5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation. Council Tax supports all strands of the Business Strategy by way of ensuring the necessary financial resources are in place.

5.2 Delivering valued, sustainable services.

The Council's Medium Term Financial Strategy seeks to allocate the Council's financial resources, including Council Tax, to ensure the Council's services continue to be provided in accordance with Council policies and priorities, and resources for projects are similarly prioritised.

5.3 Low cost, low carbon energy across the District.

Whilst this report does not directly include proposals relating to the above aim, the 2024/25 budget, including the Council's share of Council Tax, includes funding to support ongoing work to deliver low cost, low carbon energy across the District.

5.4 Creating vibrant, safe and healthy communities of the future.

The General Fund aims to support the provision of improved health and wellbeing within cohesive and active communities, housing needs being met for all and impressive cultural and sporting activities / events. They will support a dynamic and diverse local economy, with vibrant communities, improved performance / productivity of the local economy and increase levels of employment and prosperity.

6 Environmental/Climate Change Implications

6.1 There are no direct environmental or climate change implications arising as part of this report other than the proposed budget and reserve allocations as detailed in the report.

7 Analysis of the effects on Equality

7.1 There are no direct equality implications arising as part of this report.

8 Data Protection

8.1 There are no data protection implications arising as part of this report.

9 Health and Wellbeing

9.1 There are no direct health and wellbeing implications arising as part of this report.

10 Risk Assessment

10.1 The Council's Risks, Controls and Mitigations from the proposals are outlined in section 10 of the General Fund Revenue and Capital Budget 2024/25 Report (Cabinet 8 February 2024 – Item 5).

11 Consultation

11.1 The Warwick District Council element of Council Tax (1.2(f)) has been discussed as part of the General Fund Revenue and Capital Budget 2024/25 Report (Cabinet 8 February 2024 – Item 5).

Background papers:

General Fund Revenue and Capital Budget 2024/25 – (Cabinet 8 February 2024 – Item 5)

WCC and WPCC Precepts – received February 2024

Parish and Town Council Precepts – received December 2023 – February 2024.

Supporting documents:

Appendix 1 – Calculation of Warwick District Council Element including Special Expenses

Appendix 1a – District and Parish/Town Council precept by Band

Appendix 2 - Council Tax Calculations 2024/25 Warwick District Council including Warwickshire County Council And Warwickshire Police and Crime Commissioner precepts

Appendix 3 – General Fund Summary 2024/25 (updated to include precepts)

Appendix 4 – Budget Book 2024/25 (updated to include precepts)

Budget and Council Tax 2024/25
Calculation of Warwick District Council Element including Special Expenses

	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
	£	£	£	£	£	£	£	£
Warwick District Council	121.43	141.67	161.91	182.15	222.63	263.11	303.58	364.30
PARISH/TOWN COUNCIL								
Baddesley Clinton	144.71	168.83	192.95	217.07	265.31	313.55	361.78	434.14
Baginton	159.78	186.41	213.04	239.67	292.93	346.19	399.45	479.34
Barford, Sherbourne & Wasperton	168.01	196.01	224.02	252.02	308.03	364.03	420.03	504.04
Beausale, Haseley, Honiley & Wroxall	121.43	141.67	161.91	182.15	222.63	263.11	303.58	364.30
Bishops Tachbrook	121.43	141.67	161.91	182.15	222.63	263.11	303.58	364.30
Bubbenhall	161.44	188.35	215.26	242.17	295.99	349.81	403.61	484.34
Budbrooke	121.43	141.67	161.91	182.15	222.63	263.11	303.58	364.30
Burton Green	147.50	172.08	196.67	221.25	270.42	319.59	368.75	442.50
Bushwood	121.43	141.67	161.91	182.15	222.63	263.11	303.58	364.30
Cubbington	148.08	172.77	197.45	222.13	271.49	320.86	370.21	444.26
Eathorpe, Hunningham, Offchurch, Wappenbury	157.18	183.38	209.58	235.78	288.18	340.58	392.96	471.56
Hatton	131.20	153.06	174.93	196.80	240.54	284.27	328.00	393.60
Kenilworth	137.92	160.90	183.89	206.88	252.86	298.83	344.80	413.76
Lapworth	139.77	163.07	186.36	209.66	256.25	302.85	349.43	419.32
Royal Leamington Spa	139.31	162.53	185.75	208.97	255.41	301.85	348.28	417.94
Leek Wootton	160.12	186.81	213.50	240.19	293.57	346.95	400.31	480.38
Norton Lindsey	152.56	177.99	203.42	228.85	279.71	330.57	381.41	457.70
Old Milverton & Blackdown	147.66	172.27	196.88	221.49	270.71	319.93	369.15	442.98
Radford Semele	145.17	169.37	193.56	217.76	266.15	314.55	362.93	435.52
Rowington	146.62	171.05	195.49	219.93	268.81	317.68	366.55	439.86
Shrewley	136.08	158.77	181.45	204.13	249.49	294.86	340.21	408.26
Stoneleigh & Ashow	150.66	175.77	200.88	225.99	276.21	326.43	376.65	451.98
Warwick	153.83	179.47	205.11	230.75	282.03	333.31	384.58	461.50
Weston-under-Wetherley	170.57	199.00	227.43	255.86	312.72	369.58	426.43	511.72
Whitnash	182.03	212.37	242.71	273.05	333.73	394.41	455.08	546.10
Proportion of Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

Budget and Council Tax 2023/24
District and Parish/Town Council by Band

	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
	£	£	£	£	£	£	£	£
Warwick District Council	121.43	141.67	161.91	182.15	222.63	263.11	303.58	364.30
PARISH/TOWN COUNCIL								
Baddesley Clinton	23.28	27.16	31.04	34.92	42.68	50.44	58.20	69.84
Baginton	38.35	44.74	51.13	57.52	70.30	83.08	95.87	115.04
Barford, Sherbourne & Wasperton	46.58	54.34	62.11	69.87	85.40	100.92	116.45	139.74
Beausale, Haseley, Honiley & Wroxall	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bishops Tachbrook	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bubbenhall	40.01	46.68	53.35	60.02	73.36	86.70	100.03	120.04
Budbrooke	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Burton Green	26.07	30.41	34.76	39.10	47.79	56.48	65.17	78.20
Bushwood								
Cubbington	26.65	31.10	35.54	39.98	48.86	57.75	66.63	79.96
Eathorpe, Hunningham, Offchurch, Wappenbury	35.75	41.71	47.67	53.63	65.55	77.47	89.38	107.26
Hatton	9.77	11.39	13.02	14.65	17.91	21.16	24.42	29.30
Kenilworth	16.49	19.23	21.98	24.73	30.23	35.72	41.22	49.46
Lapworth	18.34	21.40	24.45	27.51	33.62	39.74	45.85	55.02
Royal Leamington Spa	17.88	20.86	23.84	26.82	32.78	38.74	44.70	53.64
Leek Wootton	38.69	45.14	51.59	58.04	70.94	83.84	96.73	116.08
Norton Lindsey	31.13	36.32	41.51	46.70	57.08	67.46	77.83	93.40
Old Milverton & Blackdown	26.23	30.60	34.97	39.34	48.08	56.82	65.57	78.68
Radford Semele	23.74	27.70	31.65	35.61	43.52	51.44	59.35	71.22
Rowington	25.19	29.38	33.58	37.78	46.18	54.57	62.97	75.56
Shrewley	14.65	17.10	19.54	21.98	26.86	31.75	36.63	43.96
Stoneleigh & Ashow	29.23	34.10	38.97	43.84	53.58	63.32	73.07	87.68
Warwick	32.40	37.80	43.20	48.60	59.40	70.20	81.00	97.20
Weston-under-Wetherley	49.14	57.33	65.52	73.71	90.09	106.47	122.85	147.42
Whitnash	60.60	70.70	80.80	90.90	111.10	131.30	151.50	181.80
Proportion of Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

**Council Tax Calculations 2024/25 Warwick District Council
Including Warwickshire County Council And Warwickshire Police and Crime Commissioner**

PARISH/TOWN COUNCIL	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
	£	£	£	£	£	£	£	£
Baddesley Clinton	1,495.31	1,744.53	1,993.75	2,242.97	2,741.41	3,239.85	3,738.28	4,485.94
Baginton	1,510.38	1,762.11	2,013.84	2,265.57	2,769.03	3,272.49	3,775.95	4,531.14
Barford, Sherbourne & Wasperton	1,518.61	1,771.71	2,024.82	2,277.92	2,784.13	3,290.33	3,796.53	4,555.84
Beausale, Haseley, Honiley & Wroxall	1,472.03	1,717.37	1,962.71	2,208.05	2,698.73	3,189.41	3,680.08	4,416.10
Bishops Tachbrook	1,472.03	1,717.37	1,962.71	2,208.05	2,698.73	3,189.41	3,680.08	4,416.10
Bubbenhall	1,512.04	1,764.05	2,016.06	2,268.07	2,772.09	3,276.11	3,780.11	4,536.14
Budbrooke	1,472.03	1,717.37	1,962.71	2,208.05	2,698.73	3,189.41	3,680.08	4,416.10
Burton Green	1,498.10	1,747.78	1,997.47	2,247.15	2,746.52	3,245.89	3,745.25	4,494.30
Bushwood	1,472.03	1,717.37	1,962.71	2,208.05	2,698.73	3,189.41	3,680.08	4,416.10
Cubbington	1,498.68	1,748.47	1,998.25	2,248.03	2,747.59	3,247.16	3,746.71	4,496.06
Eathorpe, Hunningham, Offchurch, Wappenbury	1,507.78	1,759.08	2,010.38	2,261.68	2,764.28	3,266.88	3,769.46	4,523.36
Hatton	1,481.80	1,728.76	1,975.73	2,222.70	2,716.64	3,210.57	3,704.50	4,445.40
Kenilworth	1,488.52	1,736.60	1,984.69	2,232.78	2,728.96	3,225.13	3,721.30	4,465.56
Lapworth	1,490.37	1,738.77	1,987.16	2,235.56	2,732.35	3,229.15	3,725.93	4,471.12
Royal Leamington Spa	1,489.91	1,738.23	1,986.55	2,234.87	2,731.51	3,228.15	3,724.78	4,469.74
Leek Wootton	1,510.72	1,762.51	2,014.30	2,266.09	2,769.67	3,273.25	3,776.81	4,532.18
Norton Lindsey	1,503.16	1,753.69	2,004.22	2,254.75	2,755.81	3,256.87	3,757.91	4,509.50
Old Milverton & Blackdown	1,498.26	1,747.97	1,997.68	2,247.39	2,746.81	3,246.23	3,745.65	4,494.78
Radford Semele	1,495.77	1,745.07	1,994.36	2,243.66	2,742.25	3,240.85	3,739.43	4,487.32
Rowington	1,497.22	1,746.75	1,996.29	2,245.83	2,744.91	3,243.98	3,743.05	4,491.66
Shrewley	1,486.68	1,734.47	1,982.25	2,230.03	2,725.59	3,221.16	3,716.71	4,460.06
Stoneleigh & Ashow	1,501.26	1,751.47	2,001.68	2,251.89	2,752.31	3,252.73	3,753.15	4,503.78
Warwick	1,504.43	1,755.17	2,005.91	2,256.65	2,758.13	3,259.61	3,761.08	4,513.30
Weston-under-Wetherley	1,642.60	1,916.37	2,190.14	2,463.91	3,011.45	3,558.99	4,106.51	4,927.82
Whitnash	1,532.63	1,788.07	2,043.51	2,298.95	2,809.83	3,320.71	3,831.58	4,597.90
Proportion of Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

General Fund Summary

Appendix 3

Department	Outturn 2022/23 £ A	Original Budget 2023/24 £ B	Latest Budget 2023/24 £ C	Original Budget 2024/25 £ D	Variance 2023/24 £ C - B	Variance 2024/25 £ D - B
Neighbourhood & Assets	7,957,999	9,186,000	8,409,000	6,714,100	(777,000)	(2,471,900)
Safer Communities, Leisure & Environment	5,806,414	5,904,500	6,049,200	6,612,300	144,700	707,800
Place, Arts & Economy	9,329,429	12,526,600	12,935,000	10,945,900	408,400	(1,580,700)
Finance	620,482	3,173,300	1,579,400	2,945,600	(1,593,900)	(227,700)
Housing Services - GF	3,024,872	3,213,000	3,453,800	3,620,300	240,800	407,300
Customer & Digital Services	1,063,740	722,500	737,600	1,314,600	15,100	592,100
People and Communication	(180,518)	0	53,500	(19,700)	53,500	(19,700)
Strategic Leadership	961,565	1,292,200	2,032,400	2,031,600	740,200	739,400
TOTAL GENERAL FUND SERVICES	28,583,982	36,018,100	35,249,900	34,164,700	(768,200)	(1,853,400)
Replacement of Notional with Actual Cost of Capital:						
- Deduct Notional Capital Financing Charges in Budgets	(5,077,515)	(7,587,200)	(7,587,200)	(6,097,000)	0	1,490,200
- Add Cost of Loan Repayments, Revenue Contributions and					0	0
- Interest paid	618	3,058,400	3,058,400	3,335,100	0	276,700
Revenue Contributions to Capital	180,850	80,000	80,000	80,000	0	0
Contributions to / (from) Reserves	3,069,696	(2,234,100)	(1,465,900)	(597,300)	768,200	1,636,800
Net External Investment Interest Received	(4,116,414)	(5,889,900)	(5,889,900)	(6,353,500)	0	(463,600)
IAS19 Adjustments reversed	(3,117,055)	(3,450,000)	(3,450,000)	(3,440,600)	0	9,400
Employee Benefits Accruals reversed	56,005	0	0	0	0	0
Contributions to / (from) General Fund	0	0	0	0	0	0
NET EXPENDITURE FOR DISTRICT PURPOSES	19,580,166	19,995,300	19,995,300	21,091,400	0	1,096,100
Less Revenue Support Grant	0	0	0	0	0	0
Less Business Rate Income	(7,000,271)	(6,718,700)	(6,718,700)	(7,362,500)	0	(643,800)
Less General Grants	(11,638)	0	0	0	0	0
Less New Homes Bonus	(2,680,733)	(1,078,500)	(1,078,500)	(902,000)	0	176,500
Funding Guarantee	0	(1,845,600)	(1,845,600)	(2,289,000)	0	(443,400)
Less Lower Tier Services Grant	(395,303)	0	0	0	0	0
Services Grant	0	(134,100)	(134,100)	(22,000)	0	112,100
Collection Fund (Surplus) / Deficit	22,751	(19,000)	(19,000)	99,900	0	118,900
Surplus / (Deficit) for the Year			0	0	0	0
NET EXPENDITURE BORNE BY COUNCIL TAX - WARWICK DISTRICT COUNCIL	9,514,972	10,199,400	10,199,400	10,615,800	0	416,400
Aggregate Parish Council Expenditure	2,002,150	2,143,700	2,143,700	2,138,400	0	(5,300)
COMBINED DISTRICT AND PARISH EXPENDITURE BORNE BY COUNCIL TAX:	11,517,121	12,343,100	12,343,100	12,754,200	0	411,100
Warwickshire County Council Expenditure	89,727,800	95,360,800	95,360,800	101,186,500	0	5,825,700
Warwickshire Police and Crime Commissioner Expenditure	14,816,700	15,957,700	15,957,700	16,884,500	0	926,800
BORNE BY COUNCIL TAX	116,061,621	123,661,600	123,661,600	130,825,200	0	7,163,600
Council Tax - Band D						
Warwick District Council	176.86	176.86	176.86	182.15		
Parish/Town Councils (average)	35.50	37.17	37.17	36.69	* 2 precepts yet to be set	
District & Parish/Town Band D Council Tax	212.36	214.03	214.03	218.84		
Warwickshire County Council	1,590.93	1,653.57	1,653.57	1,736.19		
Warwickshire Police & Crime Commissioner	262.71	276.71	276.71	289.71		
Total Band D Council Tax	2,066.00	2,144.31	2,144.31	2,244.74		
Tax Base - Band D	56,399.56	57,669.62	57,669.62	58,280.77		



Addendum to Item 12
Council
21 February 2024

Title: Appointment to Committee

Reason For Addendum

Following the publication of the agenda a request for further Committee memberships were received as follows:

- (1) To appoint Councillor C Wightman as a substitute for Audit & Standards Committee;
- (2) To appoint Councillors J Harrison, C Wightman, P Wightman and Sinnott as substitutes to Planning Committee; and
- (3) To appoint Councillor C Wightman as a number substitute for Licensing & Regulatory Committee.