

Executive

Minutes of the meeting held on Wednesday 21 August 2019 at the Town Hall, Royal Leamington Spa, at 6.00pm.

Present: Councillors Cooke, Day, Falp, Grainger, Hales, Matecki and Rhead.

Also present: Councillors: Nicholls (Chairman of the Finance & Audit Scrutiny Committee); Davison (Chair of the Overview & Scrutiny Committee); Boad (Liberal Democrat Group Observer); Heath (Whitnash Residents' Group Observer) and Cullinan (Labour Group Observer).

29. **Declarations of Interest**

Minute Number 35 - Master's House, Saltisford, Birmingham Road, Warwick (Leper Hospital site) – Urgent Works Notice

Councillor Cooke declared an interest because the owner of the property was well known to him.

Minute Number 43 - Restructure of the Contract Services Management Team

Councillor Falp declared an interest because a close relative was working in that department.

Minute Number 31 - Warwick District Leisure Development Programme – Kenilworth Facilities

Councillor Grainger declared an interest because she was a Member of the Executive when the item was previously discussed but she would review the item with an open mind.

Minute Number 36 - Relocation of Kenilworth School

Councillor Hales declared an interest because he was Vice-Chairman of the Board of Trustees and left the room whilst the item was discussed.

30. **Minutes**

The minutes of the meeting held on 10 July 2019 were taken as read and signed by the Chairman as a correct record.

Part 2

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

31. **Warwick District Leisure Development Programme – Kenilworth Facilities**

The Executive considered a report from Cultural Services recommending proceeding with the RIBA Stage 3 design process for Abbey Fields

Swimming Pool and continuing with that in respect of Castle Farm Recreation Centre.

The current focus of the Warwick District Leisure Development Programme was the two leisure facilities that the Council owned in Kenilworth, being Castle Farm Recreation Centre and Abbey Fields Swimming Pool.

In January 2019, the Executive gave permission to officers to instruct the Design Team (provided and led by Mace Group) to begin the RIBA Stage 2 design process for these two sites, based on the options recommended following the stakeholder and public consultation held in October and November of 2018.

The RIBA Stage 2 design process had been completed and signed off by the Project Board for both sites. The RIBA Stage 3 design process had now begun for Castle Farm Recreation Centre. The design process for Abbey Fields Swimming Pool was paused following the local elections, in order to consult with each of the political groups. That process was now complete and the report recommended proceeding with the RIBA Stage 3 design process for Abbey Fields Swimming Pool and continuing with that in respect of Castle Farm Recreation Centre. At the end of RIBA Stage 3, the Design Team would provide a RIBA Stage 3 Report to the Project Board for approval. Once that approval was given, the Design Team would proceed with RIBA Stage 4 and a further report would be provided to Executive and Council at the end of RIBA Stage 4, in summer 2020.

Since the District Council elections, officers had carried out individual briefings on the leisure development proposals in Kenilworth for each of the political Groups. This was due to the large number of new Councillors in all Groups and was aimed at ensuring that all Councillors were informed about the proposals. The Group Leader of each of the Groups was asked to provide feedback from their colleagues on the facilities being proposed.

The administration (Conservative and Whitnash Residents' Association) discussed the proposals with their respective Groups and were very supportive of the schemes. The administration made it clear, however, that officers should ensure that there was clarity around how the schemes would be funded; that the public was able to properly engage with the proposals through informative visual impressions; and that officers should make it clear that these proposals were for the benefit of the whole District.

Given that this matter (particularly Abbey Fields Swimming Pool) had been a contentious one, it was to be expected that more detailed representations would be received from the Green, Labour and Liberal Democrat Groups. Whilst their respective feedback had been summarised in the table below, for the sake of transparency and openness, the full responses were attached at Appendix A to the report.

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Question	Green	Labour	Liberal Democrats
Which elements are most appropriate?	Improve tired building Sun terrace Café Bi-fold doors to family pool	Impressive plans	Need of development AF designs take account of sensitive site CF rebuild is correct
About which elements do you have concerns?	Public relations problem Need Stakeholder consultation and scientific survey Access and disruption during works Disabled access	Bi-fold doors could be a source of contention Survey was confusing Usage figures suspect Parking at Castle Farm	CF lack of engagement Traffic and parking Consultation with other users Wardens plan should not be separate AF Lack of outdoor pool Supply + demand calcs Café disconnected from play area
Other important matters	Sustainability Transport infrastructure Carbon neutral energy use	Support full-sized lido	Consultation Best environmental standards Inclusivity Transport infrastructure
Other considerations to investigate	Semi-wild swimming provision BAUM pool cleaning Sympathetic design Ecologically sound design	Costs and sustainability of lido would have to be considered	Joint café with Wardens Shelter next to pétanque Tourism potential Impact on mental health Heritage value

Following discussions with the Groups, officers were asked by the Green group to consider the possibility and practicality of including an option at the Abbey Fields Swimming Pool that would allow customers to 'swim through' from a new indoor pool to an outdoor section of the same pool. Designs were produced by project architects Darnton B3 for illustrative purposes. However, the Design Team, officers and Everyone Active, as operators of the building, strongly advised against this proposal for operational reasons. Some of the issues involved would be:

- very significant impact on the cost of construction;
- outdoor pool could not be drained in winter, so it would have to be full, heated and treated all year at very high cost and energy use;
- outdoor pool would have to be hotter than was usually the case as it was linked to indoor pool;
- point of 'swim through' would allow a flow of outside air into the pool hall all year round, adding to energy use and costs;
- lifeguard would need to be present outside at all public times at an additional cost of c £35,000 a year;
- potential for additional cost for separate filtration system;
- very expensive to have "swim through" and movable floor – the technical compromise would be significant; and

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- use of the “swim through” would not be possible during swimming lessons and other organised sessions in the family pool.

A further piece of work was also undertaken following a request during this period. The Design Team investigated the carbon footprint produced by a 25-metre-long outdoor pool and the current proposal of a 15-metre-long indoor pool with sun terrace. The carbon footprint of the outdoor pool was calculated with water heated to the same temperature as the indoor pool, for comparison purposes, and also at the lower temperature that was more usual for outdoor pools. The results were:

15m x 10m indoor pool heated to 27 °C	25m x 10m outdoor pool heated to 27 °C	25m x 10m outdoor pool Heated to 22 °C
1,231,380 kWh of additional gas per annum	2,565,380 kWh of additional gas per annum	1,968,806 kWh of additional gas per annum
228,000 kg carbon produced per annum	475,000 kg carbon produced per annum	358,325 kg carbon produced per annum
£39,500 additional utility consumption per annum	£82,500 additional utility consumption per annum	£63,200 additional utility consumption per annum

The dialogue with Members would continue as the proposals developed. A cross-party Members’ Working Group had been established consisting of Councillors Grainger, Cooke, Heath, Dearing (A) and Milton who would help guide the projects as they moved forward.

The RIBA Stage 2 designs for Abbey Fields Swimming Pool had not changed significantly since the report to Executive in January this year. Officers remained confident that the proposals offered a facility that would cater for all sectors of the community. It would provide the much needed additional water space for the District to accommodate the population growth to 2029; swimming for those with disabilities; access for all age groups; swimming lessons and school provision and an ambitious and modern take on indoor/outdoor family space that would allow the new pool to be opened up to the outdoors in the summer months through a wall of bi-fold doors.

It was therefore considered that the RIBA 3 design process for the Abbey Fields Swimming Pool should commence now.

Furthermore, it was proposed that the Design Team was instructed to report back to the Project Board at the end of RIBA Stage 3 (Developed Design). Once the Project Board had signed off the RIBA Stage 3 Report for the Abbey Fields Swimming Pool, the Design Team should move straight into RIBA Stage 4 (Technical Design). At the completion of RIBA Stage 4, we would have a fully prepared design and an agreed cost with a preferred contractor. It was at this point, therefore, that a further report would need to be considered by Executive and Council in order to decide whether or not to proceed with the construction.

The RIBA Stage 2 designs for Castle Farm Recreation Centre had not changed significantly since the report to Executive in January 2019. There was broad support from all consultees for the proposals made. Most of the

concerns expressed related to vehicular access to the site along residential roads, and parking of vehicles on the site. A decision to continue with RIBA Stage 3 design work at Castle Farm would enable the existing programme to be progressed.

It was proposed that the Design Team was instructed to report back to the Project Board at the end of RIBA Stage 3 (Developed Design). Once the Project Board had signed off the RIBA Stage 3 Report for the Castle Farm Recreation Centre, the Design Team should move straight into RIBA Stage 4 (Technical Design). At the completion of RIBA Stage 4 we would have a fully prepared design and an agreed cost with a preferred contractor. It was at this point, therefore, that a further report would need to be considered by Executive and Council in order to decide whether or not to proceed with the construction.

The RIBA Stage 2 designs for Castle Farm Recreation Centre included a new, stand-alone building to accommodate the Headquarters of the Kenilworth Scouts and Guides. It was now proposed that the Scouts and Guides were accommodated in an extension to the Castle Farm Recreation Centre. This was discussed further in paragraphs 3.5.1 to 3.5.6 in the report.

One particularly important aspect of the design of the Castle Farm Recreation Centre site was the access to the site for vehicles. Access for non-vehicular traffic would also be important, and this was being investigated carefully, but vehicle movements would remain a significant aspect of this site. This would be particularly true given the proposal to locate the Kenilworth Wardens Cricket Club Limited (hereafter referred to as KW) on the adjacent site.

The Local Plan allocated land at Castle Farm to use for outdoor sports (Policy DS23). This was one of two sites allocated for such use in the Local Plan. The relocation of the KW to Castle Farm was an important aspect in delivering allocated housing and the comprehensive development of land east of Kenilworth.

Discussions had been held with KW, the combined design teams for the two sites, the combined ecology teams for the two sites, Development Management and others concerning access to the two sites. A number of access options had been rejected for planning or cost reasons. Two access options remained and these were being considered further.

Option One was to produce a single in/out access off Fishponds Road (the current access point) with a new vehicular road from the leisure centre to the KW Clubhouse, across the current playing fields. Option Two was to have one in/out access for KW off John O' Gaunt Road and a separate in/out access for the Leisure Centre off Fishponds Road (the current access point).

These remaining two options were being appraised by the combined design teams and colleagues, with a view to providing one preferred

option in time for the pre-planning public consultation period in October and November 2019.

The Council had declared a 'climate emergency'. It was therefore very important that the sustainability of the proposals contained within the report were re-examined in the light of the pressing need to reduce carbon generation from these facilities. Mace had worked with the Design Team and officers of the Council to produce a report on sustainability which was shown as Appendix B to the report. It was acknowledged that there were a number of ways to assess the sustainability of a building's design, and it was made clear that the report was primarily focussed on reducing the carbon generated by the buildings, as opposed to other measures of sustainability available in the industry. These other measures were not selected as they were not so completely focussed on reducing the carbon generation.

The report at Appendix B to the report took the current RIBA Stage 2 design as a benchmark. This already contained a number of measures aimed at sustainability, as required by Building Regulations. It then recommended a number of additional items of plant and equipment that could be added to the design of the two facilities to improve their carbon performance. It also recommended a number of changes to the construction details which could also significantly improve the sustainability of the finished building. It proposed to bring plant and equipment together with construction detail during the RIBA Stage 3 process, by undertaking a thermal model of the building. It was this process that would show how the various elements would work together in the finished building. It was not possible to undertake integrated thermal modelling until later in the RIBA Stage 3 design process.

The third section of the report indicated a number of ways in which the construction process itself could be made more sustainable. It undertook to insist on a number of these initiatives as part of the tendering of a contract for the construction of the buildings. The next report to Executive would contain the details of the initiatives that the Design Team propose to include within the tendering process, for the approval of the Executive.

Kenilworth District Scouts and Guides and a number of their constituent Groups currently had their headquarters on the first floor of the Castle Farm Recreation Centre. They contributed capital funds to the extension of the current facility in 1995 and they had a lease for their occupation of the building which included the right to renew. The Council was committed to relocating the Scouts and Guides in a manner that ensured no detriment from their current accommodation. It could not commence demolition of the Castle Farm Recreation Centre until the Scouts and Guides had moved out. The use of temporary accommodation for the Scouts and Guides for a period of time might have to be considered, and officers were investigating possibilities in this regard, but it would be inappropriate for this to be for an unacceptably long period.

At RIBA Stage 0, the Design Team showed a new, stand-alone building on the Castle Farm site for the Scouts and Guides. In subsequent discussions

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with Development Management, this was considered inappropriate development in the Green Belt. Two other options were then considered for a new Headquarters for the Scouts and Guides.

The first option considered was to locate them in an extension to the proposed Recreation Centre. This would avoid the construction of another stand-alone building in the Green Belt. However, it would increase the building footprint of the Recreation Centre and so it would still need to make the case in planning terms for 'Very Special Circumstances' in the same manner as that required for the Recreation Centre itself. There were other examples nationally where the case for 'Very Special Circumstances' had been made successfully for facilities for Scouts and Guides, but the local case would still need to be made. Some additional land on site would have to be made available for the dedicated use of the Scouts and Guides, as at present, for outdoor activities that required the exclusion of the public.

The second option considered was to relocate the Kenilworth Scout and Guide HQ to a new, purpose-built facility on the Rouncil Lane site that was currently occupied by Kenilworth 6th Form College. The Council was intending to purchase this site when the school moved to the South Crest Farm site, in order to develop it as an exemplar housing development. This option would have provided advantages and disadvantages over the first option. However, most significantly, this option would have involved a substantial loss of value to the Council from the housing that could have been located on this portion of the site. When combined with the loss of developer profit, the total opportunity cost to the Council would be approximately £2 million. This option was therefore considered poor value and so had been rejected.

The Design Team would therefore continue to progress the option to locate the Headquarters for the Scouts and Guides as an extension to the Castle Farm Recreation Centre. It was proposed that the Design Team should be instructed to report back to the Project Board at the end of RIBA Stage 3 (Developed Design). Once the Project Board had signed off the RIBA Stage 3 Report for the Headquarters for the Kenilworth Scouts and Guides, the Design Team should move straight into RIBA Stage 4 (Technical Design). At the completion of RIBA Stage 4 the Council would have a fully prepared design and an agreed cost with a preferred contractor. It was at this point, therefore, that a further report would need to be considered by Executive and Council in order to decide whether or not to proceed with the construction.

It was important to note that the proposed Scout and Guide Headquarters to be located as an extension to the Castle Farm Recreation Centre was not a substitute for a Community Centre for the new population that would move to new houses on land east of Kenilworth. This was for two compelling reasons. Firstly, locating the new Scout and Guide Headquarters on land east of Kenilworth would not be appropriate. Castle Farm was to the west of the Warwick Road. There were already other Scout and Guide Groups to the east of Kenilworth, and the Groups currently at Castle Farm wished to remain to the west of the Warwick

Road. Secondly, wherever it was located, the Scout and Guide Headquarters could not operate as a more general community centre as it would not have many available slots in its programme. The current Scouts and Guides Headquarters were occupied on every evening of the working week for most of the evening, which was when many community groups wished to meet in a community centre. Therefore, despite a new Scout and Guide Headquarters being planned for Castle Farm, a new Community Centre would still be required to serve the new residents of land east of Kenilworth.

The design and survey work involved in this part of the Warwick District Leisure Development Programme was currently funded to the end of RIBA Stage 3, which was programmed to be reached in November 2019. The Programme was shown as Appendix F to this report. At the completion of this stage, the Design Team would provide a RIBA Stage 3 Report to the Project Board. Once the Project Board had signed off this report, then work could begin on the RIBA Stage 4 design. At the same time, a procurement process would be undertaken to identify a preferred contractor for the construction work. The preferred contractor would then work alongside the Design Team to ensure the buildability and value for money of the design.

At the end of RIBA Stage 4, the Design Team would therefore have a full Technical Design for the building and the Council would have agreed a proposed price for the works with the preferred contractor. At this point, a further report would be made to Executive and Council showing the final design and the proposed price, so that it would be able to take a decision as to whether or not to proceed with the construction of the facilities.

It was proposed to spend up to £445,000 on the completion of this work to the end of RIBA Stage 4. This would be funded from the Right to Buy Capital Receipts held by the Council.

There was a small but growing lobby of people who promoted the physical and mental health benefits of swimming outdoors. The use of lidos for such swimming was one way of offering such activities, but caused concern from the point of view of sustainability. A more sustainable model for the provision of swimming outdoors was offered by open water swimming.

It was proposed by both the Conservative and Green groups in their discussions and feedback that the Council should investigate the possibility of open water swimming in the District. Officers had prepared an initial Overview into such provision and how other facilities operated in the UK. This Overview was presented in Appendix C to the report. It was proposed that Executive should ask officers to prepare a more detailed feasibility study into the introduction of an opportunity for open-water swimming in the District and that such a study should be brought to a subsequent meeting of the Executive. It was possible that funding for such an initiative might be available from a number of sources.

The programme for this work anticipated a conclusion to the RIBA Stage 3 design work later this summer and a pre-planning public consultation on both facilities in October and November of this year. The public consultation would not be on the facility mix to be included, as this was already decided by this report, but it would cover the design detail of the building, the wider site and access and parking arrangements. Officers were in discussion with representatives of KW to ensure that KW were in a position to carry out a RIBA Stage 2 public consultation in partnership with the Council's pre-planning public consultation. It would be beneficial to be able to present the two neighbouring schemes to the public at the same time.

Carrying out the Council's consultation in October and November would enable the Design Team to incorporate any changes generated by the public consultation and then to submit a Planning Application in January 2020. A preferred building contractor would be procured from September 2019 to April 2020 and they would work with the Design Team during the completion of RIBA Stage 4. At the end of RIBA Stage 4, in the summer of 2020, a further report would be brought to Executive to propose that Executive recommended to Council the release of funding for the works. This programme would lead to the closure of the existing facilities in September 2020. The new facilities would be open to the public by September 2021.

Beginning the RIBA Stage 3 design process for Abbey Fields Swimming Pool now had the further benefit of bringing the project programme for both facilities into the same timetable. A number of different options for the phasing of the two facilities had been considered in recent months. There were a number of reasons why officers were recommending proceeding with both centres at the same time. These included:

- new facilities available to the public as soon as possible;
- minimising the period of disruption to facilities in the area;
- obtaining any revenue uplift in the payment received from Everyone Active as soon as possible;
- removal of the inflation delay costs for Abbey Fields of around £10,600 a month;
- removal of prolongation fees of £16,500 a month;
- delay costs therefore total around £27,100 a month; and
- this was down on previous estimates due to a reduction in construction inflation predictions.

In terms of alternatives, it would be possible not to undertake any improvements to the facilities at Castle Farm and Abbey Fields. If this decision was to be made, then these two buildings would not have the same sort of aspirational, successful and modern facilities as the Council had provided at Newbold Comyn and St Nicholas Park. These two facilities would not be contributing to encouraging the District's residents to adopt an increasingly healthy lifestyle in the same way as the two refurbished facilities. Income from the contract with Everyone Active would not be increased because attendance and income would not be enhanced. The opportunity would be lost to bring the buildings up to modern design

standards and to make them more environmentally friendly and cheaper to run. The buildings would not be prepared for use for another 30 years.

It would have been possible to decide to re-locate the Headquarters for the Kenilworth Scouts and Guides to the Rouncil Lane site. However, this would have incurred an opportunity cost in terms of lost income from housing and lost developer profit of approximately £2 million and this made this proposal unreasonably expensive.

Two options for creating vehicular accesses to the KW site and the Castle Farm Recreation Centre site had been rejected as part of the design process. These were:

- Access from Brays Car Park – most expensive option; impacted the Green Belt too much; crossed public right of way; relied on purchasing land from others at possible ransom values;
- Access from Castle Road – difficult access onto highway; impacted the Green Belt; crossed public right of way; relied on purchasing land from others at possible ransom values.

Two addendums circulated at the meeting advised Members of corrections to Appendix B to the report.

With the Leader's agreement, Ms Jones, representing the Restore Kenilworth Lido Group, addressed the Executive for five minutes.

The Finance & Audit Scrutiny Committee supported the recommendations in the report.

The Overview & Scrutiny Committee noted the report.

In response to a question from Councillors, officers explained that they were aware of the traffic and parking situation at Castle Farm, and this remained a main concern for the development. Officers were committed to involving the local community in the plans as they emerged, at both pre-application stage and through a consultation process.

Councillor Grainger, the Portfolio Holder for Culture, thanked residents, the RKL Group, Councillors and officers for all their hard work and input. She emphasised that there was a need for additional indoor swimming capacity in the District, and that the proposals would benefit a large variety of residents and meet their different needs year-round. The Council had every intention to keep residents involved in the development at Castle Farm as much as possible and as early as possible. Officers produced a very high level piece of work regarding cold water swimming, and that would also be considered.

Councillor Grainger proposed the report as laid out, with the addition of a note regarding the Council's support should Kenilworth Town Council wish to bring forward any proposals for a lido.

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Resolved that

- (1) the discussions held with the political Groups and the feedback received from Group Leaders with regard to the Warwick District Leisure Development Programme projects in Kenilworth as shown in Appendix A to the report, and the additional work completed by officers in response to the comments received, be noted;
- (2) officers are asked to instruct the Design Team to begin the RIBA Stage 3 design of Abbey Fields Swimming Pool on the basis of the RIBA Stage 2 design approved by the Project Board and the facility mix detailed in the January 2019 Executive Report and to continue the design process to the end of RIBA Stage 4, when they are to report back to Executive and Council in Summer 2020, be agreed;
- (3) officers are asked to instruct the Design Team to continue with the RIBA Stage 3 design of Castle Farm Recreation Centre on the basis of the RIBA Stage 2 design approved by the Project Board and the facility mix detailed in the January 2019 Executive Report and to continue the design process to the end of RIBA Stage 4, when they are to report back to Executive and Council in Summer 2020, be agreed;
- (4) the work already undertaken by the Design Team on improving the sustainability of the design of the Castle Farm Recreation Centre and the Abbey Fields Swimming Pool, be noted;
- (5) the Design Team be instructed to develop this work further in preparing the RIBA Stage 3 report on these projects, as shown in Appendix B to the report;
- (6) following a comprehensive feasibility study of an option to relocate the Kenilworth Scout and Guide Headquarters on a site that forms part of the Rouncil Lane sixth-form land (which the Council is hoping to purchase), this has proved cost-prohibitive and, recognising that there are no alternative sites in the locality, officers are asked to instruct the Design Team to continue with design work up to RIBA Stage 3 for an extension to the Castle Farm Recreation Centre in order to accommodate the Headquarters of

the Kenilworth Scouts and Guides and to continue the design process to the end of RIBA Stage 4, when they are to report back to Executive and Council in Summer 2020, be agreed;

- (7) spending up to £445,000 from the Right to Buy Capital Receipts in order to progress the design options identified in recommendations (2) to (6) above to the end of RIBA Stage 4, be agreed;
- (8) the Overview on Open Water Swimming provided as Appendix C to the report be noted and officers are asked to prepare a more specific feasibility study into the introduction of an opportunity for open-water swimming in the District, such study to be brought to a subsequent meeting of the Executive, be agreed; and
- (9) the proposed timetable be noted, recognising that this timetable and the other recommendations of the report are on the basis that work to both buildings is carried out at the same time and it is also noted when further decisions will be required in order to progress the programme.

Note: The Executive would support and encourage Kenilworth Town Council if it was minded to consider putting forward a proposal for an outdoor lido in Kenilworth.

(The Portfolio Holder for this item was Councillor Grainger)
Forward Plan Reference 1,013

32. Amendments to the Custom and Self-Build Register Process

The Executive considered a report from Development Services seeking approval to make changes to the Custom and Self-Build Register process.

The Self-Build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016) required all planning authorities to maintain a register of people who were seeking to acquire a serviced plot of land for their own self-build and custom housebuilding.

Warwick District Council maintained such a register but currently did not charge any fee. The report sought approval to make changes to the process, including adding a local connection test and to charge a fee for applicants to enter the register and an annual fee to remain on it.

The Council currently had 370 entrants on the register who were seeking to acquire a serviced plot of land for custom and self-build housing. This information formed the demand which the Local Authority needed to consider when determining planning applications, amongst other functions.

In 2018, Warwick District Council published a progress report attached as Appendix 2 to the report which was a summary of the data held in the register and demonstrated to what extent demand for custom and self-build was being met within Warwick District.

The proposed changes would ensure that those on the register had a genuine connection with the District, and the introduction of a local connection test was in line with The Self-Build and Custom Housebuilding Regulations 2016.

The proposed charge for entry and to remain on the register would enable the Council to ensure that the register was robust and consisted of entrants who had a genuine interest to acquire a serviced plot, and would cover the reasonable costs of the authority in administering the register.

It would also allow the Council to ensure resource was available to engage more thoroughly with registrants, alert them to opportunities regarding plot purchase and self-build methods, and more broadly facilitate the effective maintenance of the register.

In terms of alternative options, the Executive could approve to only introduce a charge and not set local eligibility criteria, however, this would prevent the Council from understanding the level of local demand for custom and self-build.

The Executive could approve to set local eligibility criteria only and not charge any fee. However, this would mean that the Council would not be receiving the reasonable administrative costs in managing the register and would be unable to conduct any additional help or engagement.

The Executive could decide not to charge any fee and set local eligibility criteria but doing so would obstruct the Council to determine the genuine level of demand for Custom and Self-Build housing across the District.

Councillor Cooke, the Portfolio Holder for Development Services, proposed the report as laid out.

Resolved that

- (1) the proposal to set local eligibility criteria which enables the register to be kept in two parts, as per section 4 of Appendix 1 to the report, be adopted; and
- (2) permission be given to charge applicants a fee to enter and to remain on the Warwick District

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Council's custom and self-build register, as set out in section 5 of Appendix 1 to the report.

(The Portfolio Holder for this item was Councillor Cooke)
Forward Plan Reference 1,036

33. Budget Review to 30th June 2019

The Executive considered a report from Finance. Since the Budgets were set in February 2019, various changes had been identified and were now presented to Members for their consideration and to inform them of the latest financial position for both 2019/20 and in the medium term.

The Accountancy Team had worked with Budget Managers and the following Variations had been identified with Budget being amended accordingly. The following table shows those reported for quarter one.

2019-20	Service	Variance £	
Major Variations			
Electoral Registration – HAY regrades	Chief Exec	7,000 (A)	Rec
Committee Services – HAY regrades	Chief Exec	6,300 (A)	Rec
ICT Salaries – missed during estimate process	Chief Exec	10,000 (A)	Rec
ICT Honoraria	Chief Exec	4,100 (A)	Non-Rec
One-Off cost of Energy Performance Certificates for Commercial Properties	Chief Exec	40,200 (A)	Non-Rec
Inflation increase GF shared legal services legal fees budgets 2% increase from 2019/20	Chief Exec	8,300 (A)	Rec
Payments processing costs due increasing number of online payments	Chief Exec	5,500 (A)	Rec
Asset Management – external recruitment costs	Chief Exec	13,000 (A)	Non-Rec
Asset Management – Furniture costs to support team restructure	Chief Exec	5,000 (A)	Non-Rec
Annual Clean of VP Tennis Courts	Culture	4,800 (A)	Rec
Fee income at Spa Centre (net of credit card costs)	Culture	40,100 (F)	Rec
The Arts- casual budgets at various sites underprovided for.	Culture	40,000 (A)	Rec
Land Charges income	Development	39,000 (A)	Rec
Land Charges- WCC share of income	Development	11,000 (F)	Rec
Changes to Reception Salaries	Finance	4,600 (A)	Rec

Temporary Benefit Assistant -	Finance	6,000 (A)	Non-Rec
VEP & RTI Grant to pay for Benefit Assistant (above)	Finance	6,000 (F)	Non-Rec
Housing Benefit Subsidy & LCTS grant	Finance	33,500 (A)	Rec
Housing Benefit – New Burdens & Welfare Reform Changes Funding	Finance	63,100 (F)	Non-Rec
Server Migration Costs - Accountancy	Finance	14,500 (A)	Non-Rec
Shared Legal Services increase	Health & CP	11,200 (A)	Rec
Housing Advice – salary changes	Housing GF	7,200 (A)	Rec
Total Major Variations		140,000 A	
Total Minor Variations		7,500 A	
Total Major & Minor Variations		147,500 A	
Breakdown of total variations between Recurring and one-off		130,000 A 17,500 A	Rec One-off

As it was early in the year, it was possible for the forecast outturn position to change substantially. Work was on-going by officers to access to what extent this net forecast overspend could be accommodated within the overall budget.

If it was not possible to accommodate these budget variances, it would be necessary for them to be funded from the General Fund Balance in the current year, and the Medium Term Financial Strategy in future years. Details of the Medium Term Financial Strategy was reported to members within the Fit For the Future report in July. This showed the forecast level of savings to be found:

	2020/2 1	2021/2 2	2022/2 3	2023/2 4	2024/2 5
	£'000	£'000	£'000	£'000	£'000
Deficit-Savings Required(+)/Surplus(-) future years	309	494	664	773	486
Change on previous year	309	185	170	69	-250

Any increase in budgets would increase the level of savings to be identified.

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With regards to the HRA Revenue, the current forecast was an underspend of £8,500, made up of the variations detailed in Section 3.2 in the report.

Contingency Budget – Appendix A to the report gave details of the allocations out of this budget with a balance of £1,400 left for the rest of the year, after the top-up in the report and contingency requests elsewhere on the Executive agenda.

Major Income – Appendix B to the report showed a detailed breakdown over several years of the Council’s Major Income Budgets. The first three months’ actuals had been profiled to project the potential out-turn for 2019/20, based upon prior year. Where available, the Manager’s projections were also included. Members were reminded that only three months into the new financial year, these projections might fluctuate with various other factors impacting upon income.

Capital – the following proposed changes to the Capital Budget had been identified:

- Norton Lindsey New Village Hall -Reduction in 2019/20 budget requirement of £88.8k (no slippage). Funds to be reallocated in 19/20.
- St John’s Flood Alleviation - Slip £100k to 2020/21 due to a delay in the commencement of the project as a significant increase in cost had been identified by the Environment Agency and consequently a requirement to seek more third party contributions.
- IT Equipment for Councillors - remove £16.5k as duplicated budget (already included in the ICT desktop infrastructure programme), releasing resources for other projects.

The Final Accounts report in July reported a surplus in 2018/19 of £321,500. As part of closure, this balance was allocated to the General Fund Balance pending the subsequent review of its utilisation. Following the approvals agreed by the Executive in July and the slippage for some allocations from 2018/19, the Community Projects was forecast to be overdrawn by £184,000 and the Service Transformation Reserve by £62,000. In addition, the Contingency Budget was down to a balance of £50,900. It was recommended that £184,000 of the surplus should be allocated to the Community Projects Reserve, £62,000 to the Service Transformation Reserve and £75,500 to the Contingency Budget.

After making these appropriations, the Community Projects Reserve and the Service Transformation Reserves would be reduced to zero balance. The balance on the Contingency Budget would be £126,400. Within other reports on this Executive meeting agenda were the following requests for Contingency Budget funding:

Newbold Comyn -	£15,000
Masters House -	£25,000
Kenilworth School -	£10,000
LLP Update -	£75,000

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These totalled £125,000. If these were all approved, the balance on the Contingency Budget would be reduced to £1,400.

Officers were reviewing allocations from the Contingency Budget and reserves that had not been fully utilised to confirm their requirement or if there was scope for funding to be released back to the reserves or the Contingency. In addition, Capital Budgets were being reviewed to ensure the budgets were fully utilised in the current year.

In terms of alternatives, it would be possible to adjust budgets for the variances identified now. However, being early in the financial year, officers were considering how these variances could be accommodated ahead of taking this possible course of action.

The Finance & Audit Scrutiny Committee supported the recommendations in the report.

Councillor Hales, the Portfolio Holder for Finance, proposed the report as set out.

Resolved that

- (1) the latest variances for the General Fund budget, and the work being undertaken by officers to see how these can be accommodated within the overall budget, and the potential impact on the savings to be found by the Council, as depicted by the Medium Term Financial Strategy, and on the General Fund Balance, should it not be possible to contain these variances, be noted;
- (2) the latest variances for the Housing Revenue Account, the projected outturn and, again, the work being undertaken by Budget Managers to see how these can be accommodated within the overall budget, and the potential impact on the contribution to the Housing Revenue Account Capital Investment Reserve should it not be possible to contain these variances, be noted;
- (3) changes to the Capital Programme, including the slippage to 2020/21 and the saving for 2019/20, as detailed in paragraph 3.5 in the report, be agreed; and
- (4) £184,000 of the 2018/19 surplus be allocated to the Community Projects Reserve, £62,000 to the Service Transformation Reserve and £75,500 to the Contingency Budget, as detailed in paragraph 3.6 in the report, be agreed.

(The Portfolio Holder for this item was Councillor Hales)
 Forward Plan Reference 1,045

34. **Newbold Comyn – Update and Approach to Engagement**

The Executive considered a report from Development Services providing Members with the proposed approach for the completion of the Newbold Comyn Study, with a focus on resident engagement in the master planning process.

The report also updated Members on the results of a commercial appraisal by Bruton Knowles of existing outbuildings adjacent to the Newbold Comyn Arms. The appraisal was commercially sensitive and as such, it was private and confidential. The report concluded that a mix of uses delivered the best commercial outcome for the Council.

The report also updated Members on the revised governance arrangements for the Study, following the 2019 local election.

In line with the recommendations of the Executive Report of 6 March 2019, SLC had been reappointed as consultants to support the Newbold Comyn Study. SLC would be working with landscape architects Southern Green.

The purpose of the Study was to provide the Council with a masterplan identifying and locating viable/ deliverable uses, with supporting high level business case. This masterplan should take account of the wide variety of users and high profile of the area, as demonstrated by the existing online survey.

SLC had prepared a timeline of activities to deliver the conclusion of the Study attached as Appendix 1 to the report. The proposed timeline included a number of key milestones delivered through seven stages, a number of which had been delivered since SLC were reappointed:

Milestone	Timeframe
Stage 1 Project Inception and Site Analysis (primarily desktop exercise)	May 2019
Stage 2 Needs Analysis (to begin post Executive Report): <ul style="list-style-type: none"> • Consultation with key stakeholders • Launch of online survey • Public drop-in sessions • Consultation with potential operators • Briefing paper on consultation results • Workshop with Project Team (Officers) and Member Reference Group 	August 2019 Sept 2019 Sept/ Oct 2019 August 2019 October 2019 October 2019
Stage 3 Draft Masterplan Development: <ul style="list-style-type: none"> • RIBA Stage 2 draft final masterplan drawing showing preferred locations of facilities. 	November 2019

Stage 4 Development Costs and Business Planning	November 2019
Stage 5 Management Models	November 2019
Stage 6 Feasibility Report	November/ December 2019
Stage 7 Final Consultation: <ul style="list-style-type: none"> • Display of final draft masterplan and site analysis • Review and discuss required amendments to final draft masterplan arising from consultation, with Officers and Member Reference Group. 	January 2020 March 2020

In addition to the above, it was anticipated that a report would be presented to the Executive prior to the final consultation to advise Members on the proposed final facility mix.

The above timeline would deliver a final Executive Report in Spring 2020.

If the final masterplan was approved by Executive, the Council would be required to resource the delivery of the masterplan including obtaining relevant permissions, potentially procuring and managing delivery partners etc.

The completed Newbold Comyn survey demonstrated how important the area was to local residents. At its meeting of 6 March 2019, the Executive supported the recommendation that a report would be brought to Members in the summer of 2019 that would set out proposals for a mix of uses, costs and funding for those uses and which would form the basis for the next round of public consultation. The report set out three masterplan options, based on the shortlist of activities presented to Executive 6 March 2019.

A high level assessment of options, on assumed most commercially favourable model (based on SLC's experience in this area) suggested that the right mix of uses in the right layout could generate a significant income for the Council. A summary of this appraisal could be found as private and confidential appendix 4 (restricted due to commercial sensitivity), Minute number 42.

This had informed three masterplan options, which could be found in appendix 3 to the report. The options were:

- Layout 1 - included a redesigned golf offer of a new par-3 golf course, driving range, adventure golf, footgolf and the reinstatement of the former pitch and putt area. It also included a new adventurous play area, a new outdoor activities area (high ropes, low ropes, zip wires, climbing etc.), an extension to the nature reserve, a new 3G artificial turf pitch, visitor centre / café and additional parking.

- Layout 2 - excluded the par-3 golf course, driving range, footgolf and pitch and putt but included a significantly larger extension to the nature reserve. It also included the other facilities shown in Layout 1 but with changes to the location of some of these.
- Layout 3 - also excluded the par-3 golf course, driving range, footgolf and pitch and putt but included an extended area for outdoor activities which occupied Observation Hill. This therefore reduced slightly the extended area of nature reserve shown in Layout 2. It also included the other facilities shown in Layout 1 but with changes to the location of some of these.

The purpose of these masterplans was to provide a framework for feedback and help illustrate the spatial implications of suggested activities. The masterplans had been assessed by the Council's Planning Pre-Application process to ensure that they were in keeping with planning policy. They would also be subject to a high level ecological assessment to ensure that there were no immediate ecological restrictions.

Residents would be able to inform that masterplan through a combination of drop in sessions, online survey and interviews. These would be run through September and October 2019.

Drop in sessions would run over two days, at two different locations. These would be visual and interactive. They would be split into three sections:

What do you think? - this will seek feedback on the proposed facility mix.

Where do you think? - this would enable participants to provide feedback on where they thought facilities should be located.

What else do you think? - this was an opportunity for participants to provide any other comments.

The online survey would also enable participants to feedback on the proposed facility mix and inform the masterplan. The survey would be hosted by SLC and was based on their experience of delivering similar surveys elsewhere in the country.

SLC had worked with Officers to identify a significant list of stakeholders. They would continue to work with Officers to ensure that previously underrepresented groups were engaged through the drop in sessions and interviews.

The masterplans addressed the agreed study area, though officers were conscious of Members' concerns that the final masterplan addressed opportunities/ relationship with the river and nearby reservoir. This would be explored through stakeholder interviews. Members were reminded that the Member Reference Group (MRG, Groups Leaders invited to nominate members) would play a key role in the evaluation of engagement outputs via two planned workshops (with officers).

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The detailed engagement approach could be found in appendix 2 to the report.

At its 6 March 2019 meeting, the Executive approved a commercial appraisal of existing outbuildings at Newbold Comyn. The purpose of this appraisal was to provide a benchmark commercial value to assist with the evaluation of the final masterplan proposal.

Bruton Knowles were appointed to undertake this work in April 2019. The appraisal was attached as private and confidential Appendix 5 (draft) to the report, minute number 42.

The appraisal was based on a number of assumptions:

- the Council would retain the freehold interest of the outbuildings, thereafter, letting and managing occupied space;
- the long-term sustainable use of the outbuildings, for the benefit of the community is critical; and
- the conversion of the outbuildings would be the responsibility of the Council, assuming a modest profit margin on Gross Development Value.

The appraisal provided commentary on a number of options:

- do nothing;
- standalone options: residential; offices; retail; and
- options which complemented the current and possible future use(s) of the study area (retail/ leisure) while still returning a profit to the Council.

The appraisal concluded that both do nothing and residential were not acceptable options moving forwards and had dismissed them. The appraisal suggested that standalone retail use was deliverable. It also suggested that the correct blend of uses could deliver a positive value for development.

When the study was first launched it fell within the Culture Portfolio, reflecting the previous use as a golf course. The former golf course area was currently maintained by a private contractor under the supervision of Cultural Services, being maintained by the Council's Neighbourhood Services. However, it was anticipated that Neighbourhood Services would have a significant role in the future management of at least part of the study area. It had therefore been agreed with the Council's Executive that the study should be moved from the Culture Portfolio to Neighbourhood.

It had also been agreed that a Member Reference Group should be convened. Group Leaders had been invited to nominate members and substitutes. This group would have a significant role in the evaluation of and response to consultation as detailed in Section 3.15 of the report.

The Executive approved a budget of £50,000 to procure specialist consultancy advice at its meeting of 7 March 2018. Of this, £14,979 was allocated to SLC for their initial high level appraisal. A further £10,000 was approved at its meeting of 6 March 2019 for the next phase of the Study,

to meet the estimate costs of Phase 2, based on SLC's initial fee proposal and costs of appraisal of outbuildings.

Subsequent dialogue between Officers and SLC identified the need for an additional stage of consultation (Stage 7: Final Consultation), leading to an increase in costs of £6463.75. High level ecological surveys were also expected to be slightly higher in cost than originally anticipated.

Further internal discussion had also suggested that it would be prudent to allow up to an estimated £5000 for legal services to help ensure the deliverability of the final activity mix.

There was therefore a potential shortfall of £14,175.

It was recommended that the shortfall should be funded from the 19/ 20 Contingency, plus a project contingency totalling £15,000.

In terms of alternatives, one option would be to proceed without additional engagement. This would risk the Council adopting a masterplan for Newbold Comyn that would have a negative impact on relationships with the area, leading to a decrease in use.

Another alternative option would be to reduce the engagement period. However, this would entail a risk that residents felt excluded from a key Council decision.

The Overview & Scrutiny Committee voted unanimously to support the recommendations in the report.

In the absence of Councillor Norris, Portfolio Holder for Neighbourhood Services, Councillor Day proposed the report as set out, subject to an amendment to recommendation 2.1 in the report, to add at the end of the sentence "*to deliver the greatest public benefit*".

Resolved that

- (1) the proposed approach for the completion of the Newbold Comyn Study, to deliver the greatest public benefit, be approved;
- (2) the proposed methodology for resident engagement in the preparation of a final masterplan demonstrating future uses, be approved;
- (3) the results of the commercial appraisal of existing outbuildings, be noted;
- (4) the revised governance for the Newbold Comyn Study, be noted; and

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- (5) additional funding of £15,000 from the 2019/20 Contingency Budget to allow for additional consultation, procurement of the ecological survey, ensure that funds are available for legal advice on the final activity mix (should it be required) and project contingency, be approved.

(The Portfolio Holder for this item was Councillor Norris)
Forward Plan Reference 1,022

35. Master's House, Saltisford, Birmingham Road, Warwick (Leper Hospital site) – Section 54(1) Urgent Works Notice

The Executive considered a report from the Deputy Chief Executive (AJ) recommending that the Executive released up to £25,000 from the Contingency Budget to ensure that funding was available to cover the cost of an Urgent Works Notice ("the Notice") to be served pursuant Section 54(1) of the Planning (Listed Buildings and Conservations Areas) Act 1990 in relation to the St Michael's Chapel and Master's House ("the Site"). This funding would only be utilised if the power to issue the Urgent Works Notice was authorised by the Planning Committee and in the event that the owner of the site failed to carry out the urgent works set out in the Notice of the urgent repairs (subject to the agreement of Planning Committee) should the owner of the land not undertake the repairs.

The Leper Hospital site contained the remains of St Michael's Church (106 & 108 Saltisford (Listed building entry 1035366)) and a 15th Century two-story timber framed building known as a Master's House (4, 5 and 6 St Michael's Court, Saltisford, Warwick (Listed building entry 1364850)), which was the subject of the report. The buildings were Grade II* listed and were situated on a Scheduled Monument (List entry 1011035). The site was also a Designated Heritage Asset (no. 17004). It was one of only three known examples of leper hospitals in the county. An archaeological evaluation was undertaken in 2004 which among other things, revealed stone wall foundations, a pebble yard surface, postholes and pits in the area between the chapel and the Master's House. Members could view the archaeological evaluation via a link provided in the report. It was not possible for a Notice to be issued in relation to an ancient monument and confirmation from the contractor would be sought that none of the urgent works would impact on that part of the Site which was a scheduled ancient monument.

In February 2007, planning permission in respect of application W04/2128 was granted for conversion of the former chapel and Master's House to offices along with construction of an office building to the rear of the site and associated car parking to all buildings. Scheduled Monument Consent was granted in 2009. Despite these planning consents and the owner having undertaken remedial repair works to the Chapel, the site remained undeveloped, with the Master's House exposed to the elements. The buildings therefore remained on the Heritage at Risk Register with the

Master's House condition described as being "very bad"; the most serious of categories.

As recently as 2001, the land formed part of a larger parcel of land owned by Warwick District Council (WDC). The Council had produced a development brief which resulted in regeneration of the area with all the land redeveloped except for the Leper Hospital. This land was purchased by a private company and the ownership remained with the company as at today's date.

This Council had sought a solution for the site over many years. The site contained designated heritage assets of the highest significance yet its current state could reasonably be described as an embarrassment to the town and it had caused great concern to local Councillors and residents.

In 2012, this Council's Executive approved a Warwick Heritage Improvement Programme of projects and feasibility studies to see redundant buildings in Warwick brought back into use. This programme had been successful with the old Gasworks and Printworks being redeveloped for affordable housing. The outstanding project was the Leper Hospital site.

At its meeting of 5 April 2018, the Executive agreed to release up to £530,000 from affordable housing commuted sums received by the Council in respect of housing developments in Warwick to help deliver a supported housing scheme. Unfortunately, this scheme did not progress, however, officers were hopeful that a new scheme would be presented for Members' consideration at the Executive meeting in October. This scheme would be produced by Waterloo Housing Association, West Midlands Historic Buildings Trust (WMHBT), Historic England, Architectural Heritage Fund and Warwick District Council. Nevertheless, whilst this work continued, the Master's House remained in a dire situation.

On 13 August 2019, Planning Committee was considering authorising the Head of Development Services to serve an Urgent Works Notice on the owner of the land requiring the urgent repair of the Master's House. The repair works were urgently necessary for the proper preservation of this listed heritage asset. The Notice required the owner to take action within seven days of receipt of the Notice, after which the Council might undertake the work in default and serve notice on the Owner to pay the Council's costs.

If the landowner entered into a suitable contract for the works to be completed and if works were seriously underway within the next month, then the Council might not need to undertake the works and the funds would not be required.

The process for recovery of the Council's costs incurred in carrying out the work would be as set out in Section 55 of the Planning (Listed Buildings and Conservation Areas) Act 1990. This involved the Council serving a notice on the landowner that required him to reimburse the Council for

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the cost of the works. The Owner might then appeal this notice to the Secretary of State on any of the following grounds:

- (a) that some or all of the works were unnecessary for the preservation of the building; or
- (b) in the case of works for affording temporary support or shelter, that the temporary arrangements have continued for an unreasonable length of time; or
- (c) that the amount specified in the notice is unreasonable; or
- (d) that the recovery of that amount would cause him hardship.

Grounds (a), (c) and (d) were likely to present the most risk to the Council. The risk of a successful challenge on Grounds (a) was mitigated by the fact that the works specified in the repair schedule were the minimum necessary to safeguard the structure, in accordance with the professional views of the Council's Officers, and an expert consultant engineer. The risk of challenge under (c) was mitigated by the fact the Council followed due process and entered into a competitive tender exercise to ensure best value. Ground (d) was a risk that was beyond the control of the Council and could potentially result in it not recouping the expenditure.

The Council would be able to apply for a charge to be placed on the Site if the debt remained unpaid; this would follow after the notice was served, and after any appeal was determined in the Council's favour. Whilst this charge was of little value given the state of the building, should the scheme referenced earlier come forward, it might have some value then.

A structural survey and assessment of the building had been compiled by specialist surveyors following an inspection on 9 May 2019. This concluded that the building was in poor condition and in urgent need of works to stabilise and protect it from the elements to avoid further deterioration and loss of an important heritage asset within the District. The report identified lateral movement of the building in Bay 1 and the lack of a stable structure at foundation level because of the condition of timbers at low level and the condition of the stone/brick plinth.

Several previous attempts had been made by the owner to stabilise the building. However, these did not follow a particular strategy and were predominantly reactive measures. The building had until recently been cocooned in a tarpaulin which had been blown off by the wind.

The survey recommended that internal scaffolding should be erected that supported the roof structure, relieving the load at lower levels and stabilising the building laterally. It was not necessary to dismantle existing scaffolding as this could disturb the various props supporting the structure. It was also recommended that a protective tarpaulin or other suitable protection should be reinstated as soon as possible in order to limit any further damage to the historic fabric from the elements.

Eight specialist contractors were contacted to see if they were interested in the work, but unfortunately only two quotations were received. The

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chosen contractor quoted a cost of £16,649.62 plus VAT. However, this quote had been received without the benefit of a site investigation and it was therefore recognised that should the contractor be required on site, the price might need to be revisited. Consequently, significant contingency was being requested from the Contingency Budget.

In terms of other options, the only alternative was to do nothing as the land owner would not proactively undertake the repairs. Given the condition of the Master's House, this option was rejected.

Councillor Cooke, the Portfolio Holder for Development Services, expressed his concerns that over the years, the state of the building had been deteriorating significantly, and proposed the report as set out.

Resolved that

- (1) the historical context of the site known locally as the Leper Hospital and officially as St Michael's Chapel and Master's House, and its recent history, be noted; and
- (2) subject to the Planning Committee authorising the issue of the Notice, the Executive agrees to release £25,000 from the Contingency Budget to cover the cost of the Council carrying out the works to be set out in the Section 54(1) Urgent Works Notice, served under the Planning (Listed Building and Conservation Areas) Act 1990, in relation to the Master's House should the owner of the building not undertake the said works.

(The Portfolio Holder for this item was Councillor Cooke)
Forward Plan Reference 1,062

(Councillor Hales left the room.)

36. Relocation of Kenilworth School

The Executive considered a report from the Deputy Chief Executive (AJ) seeking Executive approval to enter into commercial arrangements with Kenilworth School thereby facilitating their relocation.

Members had previously received a total of five reports on the subject of Kenilworth School's relocation and consequently a complete history of the scheme was available in the background papers. However, mindful of the fact that a new Council with many new Members had been elected in May 2019, the latest report of 6 June 2019 provided a summary of the latest position. That report specifically covered the Housing Infrastructure Fund (HIF) grant of c£9.6m that Homes England had made available to the School. Officers could now advise that contracts had been entered into between Homes England and the Council (the primary agreement), and

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the Council and the School (the back-to-back agreement) enabling that funding to be drawn down.

In confidential Appendix 1 to the report, Minute number 45, Members would find the cashflow model that had been developed by Arup (built environment consultants supporting the School) detailing the financial deliverability of the School. This model was provided purely for information as it provided context for recommendations 2.2 and 2.3 in the report.

The negotiations for the purchase of the new school site at South Crest Farm were still continuing and there was therefore a likelihood that the cashflow model would need to be updated. Officers would examine the revised model when considering the issues inherent in recommendation 2.3 in the report.

In the report of 31 May 2018, the Executive gave its agreement to officers entering into negotiations for the purchase of the land allocated in the Local Plan for housing at Rouncil Lane (currently the School's Sixth Form site) and possibly Leyes Lane (currently the School's main site). Members were reminded that the Council had agreed to purchase the Rouncil Lane site, Council having made the necessary funding available and that contracts would be exchanged when the School had exchanged contracts for its new site at South Crest Farm.

Officers had also progressed discussions with the School in respect of the Leyes Lane site and the School had concluded that if the Council could meet the site's market valuation (current estimate was contained within the confidential cashflow), then it would not "take the land to market" and would deal exclusively with the Council. This approach gave the School certainty about the covenant of the buyer and increased certainty around its cashflow model, and the Council a further opportunity to deliver Council housing as part of a mixed tenure development.

To determine whether the Council could meet the market valuation of the Leyes Lane site, its appointed consultants would be tasked with undertaking a masterplanning exercise which could be paid for from within current budgets. This masterplan would then be used by the Council's valuers, Bruton Knowles, to arrive at a market valuation of the site. Should the valuation meet the School's requirements, a further report would be submitted to the Executive with a recommendation that Council should be asked to make the necessary funding available, subject to officers confirming that the enterprise was affordable.

To assist the School with its objectives, the Executive had previously agreed to make two loans available. The first loan for £1m had been fully utilised and had enabled the School to submit a planning application which was currently expected to be submitted to the September Planning Committee meeting. Members were reminded that this loan could be fully recovered from the HIF agreement. A further loan of £2m had not yet been utilised, and indeed the terms of that loan had not yet been

discussed due to other priorities with the scheme, but Members would note from the cashflow that the School would need to use it.

The cashflow also showed that a further loan of £5m was expected to be required in June 2020 as the profile of Section 106 payments was uncertain and the School needed to mitigate this uncertainty. It was currently envisaged that the loan facility would be made available by the ESFA, however, there was no certainty of this and it might be that the School had to go to "the market" to secure the funding.

Members were reminded of the significance of the School's relocation in the context of the delivery of the Local Plan. The scheme also gave the Council a once-in-a-generation opportunity with the potential to purchase two prime greenfield/brownfield sites and undertake a programme of Council house building. Therefore, if the Council could help to de-risk the relocation project by using its various powers, these should be considered carefully.

Members were therefore asked to agree to make a further loan of up to £5m available to the School, however, this should only be made if the School gave a binding commitment to contract with the Council for the land at Leyes Lane, should it meet the School's site valuation. Officers would need to ensure that the loan was on commercial terms to ensure that State Aid rules were complied with, and that the Council had an acceptable level of security: Officers would need to be satisfied that development was progressing as envisaged in the Local Plan and viability arguments were not being advanced by developers. If officers were comfortable on these points, the School would have a source of income available to repay the loan through the Section 106 payments that would come forward from the various Kenilworth sites.

The alternative option was for Members not to be asked to consider making a loan. For the reasons laid out above, this option was rejected.

The Finance & Audit Scrutiny Committee supported the recommendations in the report, with a request that the Deputy Chief Executive (AJ) would request of ARUP, the developers, a clear description of the building design standards they were working towards, in view of the District's Climate Emergency.

In response to the comments received from the Finance & Audit Scrutiny Committee, the Portfolio Holder for Development Services, Councillor Cooke, proposed the report as laid out, subject to an additional recommendation 2.4, to read: *"2.4 That Executive recognises the need to make the scheme deliverable and supports the ambitions of the school, however, it would like some reassurance regarding the building design standards and requests that a meeting be arranged with the Portfolio Holders for Environment & Business and Development Services and the trustees of the school."*

Resolved that

- (1) the confidential cashflow model at Appendix 1 to the report, Minute number 45, detailing the scheme to relocate Kenilworth School from its current split sites to a single site at South Crest Farm, be noted;
- (2) the School is prepared to enter into a contract with Warwick District Council for the sale of its main school site at Leyes Lane and that officers have commissioned valuations and surveys to determine whether the School's valuation can be met, be noted;
- (3) should the Education and Skills Funding Agency (ESFA) not make a loan facility available to the School and subject to the School agreeing to enter into a contract with the Council for the sale of Leyes Lane, a further Council loan facility agreement of up to £5m be made available to provide the certainty the School needs for its relocation and that the facility is made available on commercial terms to be determined by the Head of Finance in consultation with the Leader of the Council following receipt of commercial and legal advice; and
- (4) the need to make the scheme deliverable is recognised and the ambitions of the school are supported, however, the Executive would like some reassurance regarding the building design standards and requests that a meeting be arranged with the Portfolio Holders for Environment & Business and Development Services and the trustees of the school.

(The Portfolio Holders for this item were Councillors Cooke)
Forward Plan Reference 1,034

(Councillor Hales re-joined the meeting.)

37. Risk Management Annual Report 2018/19

The Executive considered a report Finance updating the Risk Management Strategy and advising on the progress being made in implementing and developing risk management throughout the organisation.

As part of their responsibility for overseeing the organisation's risk management arrangements, Members were responsible for the Council's

Risk Management Strategy (Recommendation 2.1) and for developing risk management within the Council (Recommendation 2.2).

The overriding objective for risk management was to embed it within the organisation so that it was a seamless, but fundamental, part of the organisation's processes and not viewed as a separate bureaucratic activity with little value. However, as with all objectives of this nature, there was no specific picture of what a fully risk-embedded organisation looked like and the goal of embedding risk management was an ongoing journey rather than one with a definite ending.

To help achieve the objective of embedding risk management throughout the organisation, the Council had a Risk Management Strategy. This was set out as Appendix A to the report.

Evidence of the application of risk management and of a risk management culture was set out as Appendix B to the report.

The Finance & Audit Scrutiny Committee supported the recommendations in the report.

In answer to a question from Councillor Nicholls, the Chair of the Finance & Audit Scrutiny Committee, it was clarified by the Chief Executive that the possibility of a no-deal Brexit was an emerging risk, and that the Council had a nominated Lead Officer regarding Brexit Preparations.

Councillor Hales, the Portfolio Holder for Finance, commended the work of the Audit and Risk Manager and proposed the report as set out.

Resolved that

- (1) the Council's Risk Management Strategy be reaffirmed, including the responsibilities of Members to oversee the risk management framework attached as Appendix A to the report; and
- (2) the progress being made in establishing risk management in the Council and the activities undertaken during the year that provide evidence of a risk management culture attached as Appendix B to the report, be noted.

(The Portfolio Holders for this item were Councillors Day and Hales.)

Forward Plan Reference 1,058

38. Rural/Urban Capital Improvement Scheme (RUCIS) Application

The Executive considered a report from Finance providing details of a Rural/Urban Capital Improvement Scheme grant application by Lowsonford Village Hall to replace the toilets, install a new kitchen, sand and seal the floor and install a sound/projector system.

The Council operated a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grants recommended were in accordance with the Council's agreed scheme and would provide funding to help the projects progress.

The project contributed to the Council's Fit for the Future Strategy; without the village hall, there would be fewer opportunities for the community to enjoy and participate in fitness, arts, cultural and social activities which could potentially result in an increase in anti-social behaviour, an increase in obesity and disengage and weaken the community. If the project work was not carried out in the near future, the hall might eventually become unusable, which would then decrease opportunity for the community to enjoy and participate in fitness, arts, cultural and social activities. The project would also provide disabled toilet and baby changing facilities which would increase the access to the hall and the activities held there.

In terms of alternatives, the Council had only a specific capital budget to provide grants of this nature and therefore there were no alternative sources of funding if the Council was to provide funding for Rural/Urban Capital Improvement Schemes.

Members might choose not to approve the grant funding, or to vary the amount awarded.

Councillor Hales, the Portfolio Holder for Finance, proposed the report as laid out.

Resolved that

- (1) a Rural/Urban Capital Improvement Grant from the rural cost centre budget be approved for Lawsonford Village Hall of 49% of the total project costs to replace the toilets, install a new kitchen, sand and seal the floor and install a sound/projector system, as detailed above, up to a maximum of £30,000 including vat subject to receipt of written confirmation from the Garfield Weston Foundation (or an alternative grant provider) to approve a capital grant of £10,000, as supported by Appendix 1 to the report.

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,043

39. Update on Action Plan following Review of Closure of Accounts

The Executive considered a report from the Deputy Chief Executive (AJ) setting out the progress on the action plan that was agreed in the report on the Review of the Closure of 2017/18 Accounts in October 2018.

Appendix 1 set out the monthly progress report on the action plan agreed following the Review of the Closure of the 2017/18 Accounts. Progress was to be noted and for the Executive and the Finance and Audit Scrutiny Committee to make any comments.

Members were aware that the Council's auditor had signed-off audited accounts by the statutory deadline of 31 July 2019. This was a significant turn-around given the issues revealed by the failure to comply with the sign-off requirements last year. Much praise must go to the Finance team for responding so positively to that setback. A detailed report would be submitted to the November Executive meeting describing the steps that would be taken to ensure that compliance was achieved again next year and for each subsequent year.

In terms of alternatives, various actions were considered in the development of the action plan but what was proposed was considered to be an appropriate response to the issues which had been identified.

The Finance & Audit Scrutiny Committee supported the recommendations in the report.

Councillor Hales, the Portfolio Holder for Finance, was grateful for the extremely beneficial discussions with the Shadow Portfolio Holders, and passed his thanks for the fantastic work that the Head of Finance and his team did.

Resolved that

- (1) the content of the action plan at Appendix 1 to the report, be noted; and
- (2) the Council's audited accounts for 2018/19 were signed-off by the statutory deadline of 31st July 2019, be noted.

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,060

40. **Public and Press**

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

AM,

Minute Nos.	Para Nos.	Reason
43, 44	1	Information relating to an individual
43, 44	2	Information which is likely to reveal the identity of an individual
41, 42, 45, 46, 47	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The items below were considered in confidential session and the full details of these were included in the confidential minutes of this meeting.

41. 2nd Warwick Sea Scouts Headquarters

The Executive considered a confidential report from Development Services.

The Finance & Audit Scrutiny Committee supported the recommendations in the report. Further details were provided in the confidential Summary of Comments.

The recommendations in the report were approved, subject to an additional recommendation 2.4 to read:

"2.4 The Council will develop a policy for the award of large grants for community schemes for consideration", and an additional bullet point to recommendation 2.2, to read:

- *"The Executive require a community access agreement to be implemented."*

(The Portfolio Holders for this item were Councillors Grainger and Norris)
Forward Plan Reference 1,056

42. Private & Confidential Appendices 4 and 5 to Agenda Item 5, Minute number 34- Newbold Comyn – Update and Approach to Engagement

The Executive considered two confidential appendices from Development Services.

The appendices were approved.

(The Portfolio Holder for this item was Councillor Norris)
Forward Plan Reference 1,022

43. Restructure of the Contract Services Management Team

The Executive considered a confidential report from Neighbourhood Services.

The recommendations in the report were approved.

(The Portfolio Holder for this item was Councillor Norris)
Forward Plan Reference 1,057

44. **Urgent Decision made under Delegation CE(16)i & CE(4)**

The Executive considered a confidential report from Human Resources.

The recommendations in the report were approved.

(The Portfolio Holder for this item was Councillor Day)

45. **Confidential Appendix 1 to Item 8 - Relocation of Kenilworth School**

The Executive considered Confidential Appendix 1 to Item 8, Minute number 36 – Relocation of Kenilworth School.

The appendix was approved.

(The Portfolio Holder for this item was Councillor Cooke)
Forward Plan Reference 1,034

46. **PSP Warwick Limited Liability Partnership**

The Executive considered a confidential report from the Deputy Chief Executive (BH).

The Finance & Audit Scrutiny Committee supported the recommendations in the report. Further details were provided in the confidential Summary of Comments.

(The Portfolio Holders for this item were Councillors Cooke, Day and Rhead)

47. **Minutes**

The confidential minutes of 10 July 2019 were approved and signed by the Chairman as a correct record.

(The meeting ended at 8.04pm)

Signature redacted


CHAIRMAN

3 October 2019