

Executive

Thursday 30 August 2018

A meeting of the Executive will be held at the Town Hall, Royal Leamington Spa on Thursday 30 August 2018 at 6.00pm.

Membership:

Councillor A Mobbs (Chairman)	
Councillor N Butler	Councillor A Rhead
Councillor M Coker	Councillor A Thompson
Councillor M-A Grainger	Councillor P Whiting
Councillor P Phillips	

Also attending (but not members of the Executive):

Chair of the Finance & Audit Scrutiny Committee	Councillor Quinney
Chair of the Overview & Scrutiny Committee and Whitnash Residents' Association (Independent) Group Observer	Councillor Mrs Falp
Labour Group Observer	Councillor Naimo
Liberal Democrat Group Observer	Councillor Boad

Emergency Procedure

At the commencement of the meeting, the Chairman will announce the emergency procedure for the Town Hall.

Agenda

1. 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 entered on the form to be circulated with the attendance sheet and declared 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.

2. Minutes

To confirm the minutes of the meetings held on 25 July 2018 (To follow)

Part 1

(Items upon which a decision by Council is required)

3. Stock Condition Survey

To consider a report from Housing

(Pages 1 to 10)

Part 2

(Items upon which the approval of the Council is not required)

4. Budget Review to 30 June 2018

To consider a report from Finance

(Pages 1 to 15)

5. Council Tax Reduction Scheme 2019/20

To consider a report from Finance

(Pages 1 to 35)

6. Adoption of Leamington Spa Art Gallery & Museums Collections Management Framework 2018-2023

To consider a report from Cultural Services

(Pages 1 to 30)

7. Assets Redesign - Additional Budget Requirement

To consider a report from the Deputy Chief Executive (BH)

(Pages 1 to 7)

8. Bid for Local Authority Housing Programme

To consider a report from Housing

(Pages 1 to 20)

9. General Reports

(A) Rural and Urban Capital Improvement Scheme (RUCIS) Application

(Pages 1 to 8)

10. Public and Press

To consider resolving 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 paragraphs of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Item Nos.	Para Nos.	Reason
12	1	Information relating to an Individual
12	2	Information which is likely to reveal the identity of an individual
11, 12, 13 & 14	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

11. **Europa Way - Update**

To consider a report from the Chief Executive

(Pages 1 to 13)
(Not for publication)

12. **Assets Redesign Additional Budget – Confidential Appendix 3**

To consider the confidential appendix relating to Item 7

(Pages 1 to 4)
(Not for publication)

13. **Bid for Local Authority Housing Programme – Confidential Appendix**

To consider the confidential appendices 1 & 3 relating to Item 8

(Pages 1 to 7)
(Not for publication)

14. **Minutes**

To confirm the confidential minutes of the Executive 25 July 2018 (To follow)

(Not for publication)

Agenda published 21 August 2018

General Enquiries: Please contact Warwick District Council, Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire, CV32 5HZ.

Telephone: 01926 456114


E-Mail: committee@warwickdc.gov.uk

For enquiries about specific reports, please contact the officers named in the reports
You can e-mail the members of the Executive at executive@warwickdc.gov.uk

Details of all the Council's committees, Councillors and agenda papers are available
via our website www.warwickdc.gov.uk/committees

Please note that the majority of the meetings are held on the first floor at the Town Hall. If you feel that this may restrict you attending this meeting, please call (01926) 456114 prior to this meeting, so that we can assist you and make any necessary arrangements to help you attend the meeting.

The agenda is also available in large print, on request, prior to the meeting by calling 01926 456114.

 Executive 30th August 2018		Agenda Item No. 3
Title		Stock Condition Survey
For further information about this report please contact		Lisa Barker, Head of Housing Services Tel: 01926 456043 e-mail: lisa.barker@warwickdc.gov.uk Andrew Rollins, Principal Accountant Tel : 01926 456803 Andrew.rollins@warwickdc.gov.uk
Wards of the District directly affected		All
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?		No
Date and meeting when issue was last considered and relevant minute number		N/A
Background Papers		Housing Revenue Account (HRA) Base Budget Report 2018/19, 29 th November 2017 Stock Condition Survey report to Overview and Scrutiny 24 th July 2018 and Finance and Audit 24 th July 2018
Contrary to the policy framework:		No
Contrary to the budgetary framework:		No
Key Decision?		No
Included within the Forward Plan? (If yes include reference number)		952
Equality Impact Assessment Undertaken		No
The initiative is designed to ensure that tenants live in good quality housing stock with a good standard of thermal capacity to help reduce fuel poverty.		
Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	08.08.18	Bill Hunt
Head of Service	09.08.18	Lisa Barker
CMT	.18	Chris Elliott
Section 151 Officer	09.08.18	Mike Snow
Monitoring Officer	.18	Andrew Jones
Finance	08.08.18	Andrew Rollins
Portfolio Holder(s)	10.08.18	Cllr Phillips – Housing & Property
Consultation & Community Engagement		
The proposals have not been the subject of discussion. Instead, recommendations are based upon a physical survey of each of the Council's housing properties.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 This report presents to Members a proposed update to the Housing Investment Programme (HIP) as a result of the Stock Condition Survey, to enable building components that are considered to be in a less than satisfactory condition to be renewed by March 2020, and sets out the financial implications of undertaking the proposed works and improvements.
- 1.2 It provides details on each component of the survey including both the condition and the age of each element, details of the energy performance of the stock and the proposals for making improvements.
- 1.3 The report is a follow-up to the presentation of the findings of the Stock Condition Survey and the proposals to address them, made to a Joint Scrutiny meeting on 24th July 2018.

2. Recommendations

- 2.1 That Executive approves the principle of continuing to meet the Decent Homes Standard and completing work to remedy those building components identified in the stock condition survey as being in a very poor or poor condition by March 2020.
- 2.2 That Executive agrees to recommend to Council approval of an updated Housing Investment Programme providing £3,113,700 plus 5% contingency of additional funding being provided during the period up to 31 March 2020, summarised below with further details set out at Appendix 1.

Priority	Current HIP Budget 2018/2020	Proposed Expenditure 2018/2020	Additional Funding Requirement
Roof coverings	£295,400	£1,750,200	£1,454,800
Windows / Doors	£746,800	£1,217,800	£471,000
Kitchens / Bathrooms	£1,616,200	£2,238,500,00	£622,300
Thermal Improvement	£282,600	£848,200	£565,600
Total	£2,941,000	£6,054,700	£3,113,700
Contingency			£155,685
Grand Total			£3,269,385

- 2.3 Subject to approval of 2.2, that Executive agrees to recommend to Council that the additional funding is financed from the Major Repairs Reserve as shown at Appendix 2, with the use of the further 5% contingency subject to the agreement of the Heads of Housing and Finance, in consultation with the respective portfolio holders.
- 2.4 That Executive notes that the Housing and Property Services Portfolio Holder committed at Council in April 2018, to ensure all Council homes are to be improved such that they achieve an EPC rating of at least D wherever possible. Funding for this can be delivered within the revised HIP (subject to the agreement of 2.2 and appendix 1) and existing HRA revenue budgets
- 2.5 That Executive notes that a further report will be presented at a later date to the Executive which considers in more detail the desired approach to properties

that are in satisfactory condition but are over their cyclical date and to examine the possibility of meeting an EPC rating of “C”.

- 2.6 That Executive notes that the budgets for works funded through the Housing Revenue Account (HRA) do not require adjustment as there is sufficient budget availability for this to be incorporated into existing programmes of work.

3. **Reasons for the Recommendations**

- 3.1 A stock condition survey was undertaken across all the Council’s housing stock in 2016/17 supplemented by subsequent specialist surveys (e.g. for lifts). This identified the condition of a range of building components enabling a targeted, data and intelligence led approach to be formulated for future improvement work programmes. Whilst the majority of the features of the stock are of a good standard, some of the attributes on properties are not of a satisfactory standard and are in need of renewal.
- 3.2 The process has enabled consideration of the thermal capacity of the stock and for the energy performance of properties to be reviewed.
- 3.3 Each year a Housing Investment Programme (HIP) is set, outlining the budget and funding requirements for these works to be undertaken. The stock condition survey enables more accurate budget setting to assist with maintaining the stock to a decent standard.
- 3.4 HIP budgets have been reviewed in light of the proposed works and improvements to deal with the very poor and poor attributes first. Further detail relating to the condition and age of attributes can be found in section 8. Analysis of the costs of dealing with the very poor and poor attributes has determined that some additional budget allocation is required in order to undertake the works within the desired timeframe.

4. **Policy Framework**

Fit for the Future (FFF)

- 4.1 The Council’s FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects. This report shows the way forward for implementing a significant part of one of the Council’s Key projects.
- 4.2 The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council’s FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all	<u>Intended outcomes:</u> Area has well looked after public spaces	<u>Intended outcomes:</u> Dynamic and diverse local economy

met Impressive cultural and sports activities Cohesive and active communities	All communities have access to decent open space Improved air quality Low levels of crime and ASB	Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
Supporting the delivery of improvements to Council homes will ensure that homes are of good standard and contribute to its tenants enjoying good health.		
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The project could give rise to significant opportunities for Council staff to enhance skills around communication, planning and negotiation	Services will be improved by ensuring that the housing product offered is of a good standard.	The proposals will enable income to be maximized as our properties will be more desirable.

4.3 Supporting Strategies

- Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained here.
- The HRA Business Plan contributes to the Fit for the Future change programme and assists the Council to deliver its Vision
- The Council, as a stock-holding authority, has specific responsibilities towards its own tenants and leaseholders and in respect of the maintenance and the safety compliance of the housing assets it owns.
- The Housing Revenue Account (HRA) budget and the HRA Business Plan are the financial expressions of the Council's housing policies.

Changes to Existing Policies

- 4.7 There is nothing in this report which seeks to change existing Council policies. It does however set out how existing actions can be enhanced using the data and intelligence from the Stock Condition Survey to better target work.

Impact Assessments

- 4.8 An impact assessment has not been completed because the proposals provide for a good standard of product to residents and also to offer to households registered with Homechoice.

5. Budgetary Framework

- 5.1 HRA Housing Stock is maintained and improved through the use of two funding streams.

Revenue repairs and maintenance, an expense to the HRA, are funded through the HRA from income generated from housing rents and service charges.

Capital improvements to the HRA housing stock are managed through the HRA HIP. This is funded from the Major Repairs Reserve (MRR). The MRR is topped up annually by a sum that is equivalent to the level of annual depreciation across the HRA stock, which is charged directly to the HRA as an expense. Legislation dictates that this is ring-fenced, so as to ensure that Local Authorities make a suitable provision each year so that Housing Stock is maintained to a decent standard.

- 5.2 Balances on the MRR have been growing as the condition of the HRA stock, as re-affirmed by the outcomes of the latest Stock Condition Survey, is generally good and the level of expenditure on capital improvements through the Housing Investment Programme, is lower than the annual level of depreciation, as was highlighted by some members of the Finance & Audit Scrutiny Committee earlier this year. Appendices 1 and 2 show the Housing Investment Programme and financing with the inclusion of the £3,113,700 proposed additional expenditure. The 5% contingency (£155,685) would be in addition to these figures, and held within the MRR.
- 5.3 The budget that was set for the HIP 2018/19 and 2019/20 in November 2017 for improvement works is not sufficient to enable all features that are either in very poor or poor condition to be replaced by 2020. There is sufficient resource within the MRR to allow for this budget amendment.
- 5.4 The budget for the HRA was set in November 2017 and is sufficient to enable revenue repairs and maintenance necessary to complete the works outlined by the stock condition survey.
- 5.5 The table below sets out the cost requirement to replace the attributes assessed as being very poor or poor.

Priority	Funding requirement Very Poor Condition	Funding requirement Poor Condition
Roof coverings	£45,121	£670,954
Facia Soffit Gutters	£49,386	£339,974
Block Communal Area Decorating	£2,621	£9,610
Windows	£12,250	£196,500
Exterior Doors	£78,500	£571,500
Doors in L/M Rise Flats	£7,800	£142,500
Bathrooms	£73,820	£694,374
Kitchens	£249,811	£1,220,506
Loft Insulation	£3,646	£142,921
Smoke Detection	£25,920	£46,560
Programme Preliminary Costs	£228,902 / year	
Roofing Prelim/Scaffold	£29,879 to £104,879	£274,046 to £1,219,046
Total	£807,656 - £882,656	£4,538,347 - £5,483,347

5.6 Works to High Rise tower blocks

The additional costs for carrying out required works at the council's high rise blocks are shown below.

	CONCRETE REPAIRS	ROOF REPAIRS	Block Total
Ashton Court	£4,043	Nil	£4,043
Southorn Court	£4,043	Nil	£4,043
Eden Court	£33,149	£106,376	£139,525
Radcliffe Gardens	£1,155	Nil	£1,155
Westbrook House	£15,084	Nil	£15,084
Stamford Gardens	£20,039	£113,768	£133,807
Christine Ledger Square	Nil	Nil	Nil
Works Total	£77,512	£220,143	£297,657

5.7 Passenger Lifts

The contract value for the housing stock is £24,575 per annum.

The following are additional costs identified in the Stock Condition Survey carried out by Elevate Lift Consulting to improve Health and Safety, compliance or full refurbishment works.

Count of Lifts	H&S Works	SAFed Tests	2018	2019
25	£95,000	£21,000	£2,500	£23,000

5.8 Energy Performance Certificates (EPC)

The cost of obtaining a new EPC for each of the 3,724 properties is calculated as a maximum of £253,200 however it will be possible to reduce this through economies of scale and accessing the national register.

Costs of bringing all 93 properties currently with an EPC standard of E or less is £225,000 and to bring as many properties as possible to a D standard is estimated at £701,650.

6. Risks

- 6.1 The risks associated with this report relate to not undertaking the work to remedy attributes that are classed as poor or very poor as this will affect the value of the asset, its thermal capacity and the experience of our tenants who live in the property.
- 6.2 The timeline to complete these works is challenging and there is a risk that the commissioned companies will not have the capacity to deliver the work. Discussions have been held with our commissioned providers to facilitate the improvements taking place within the desired timeframe.
- 6.3 There are risks associated with undertaking the work itself however, the companies involved all have robust risk management systems in place.

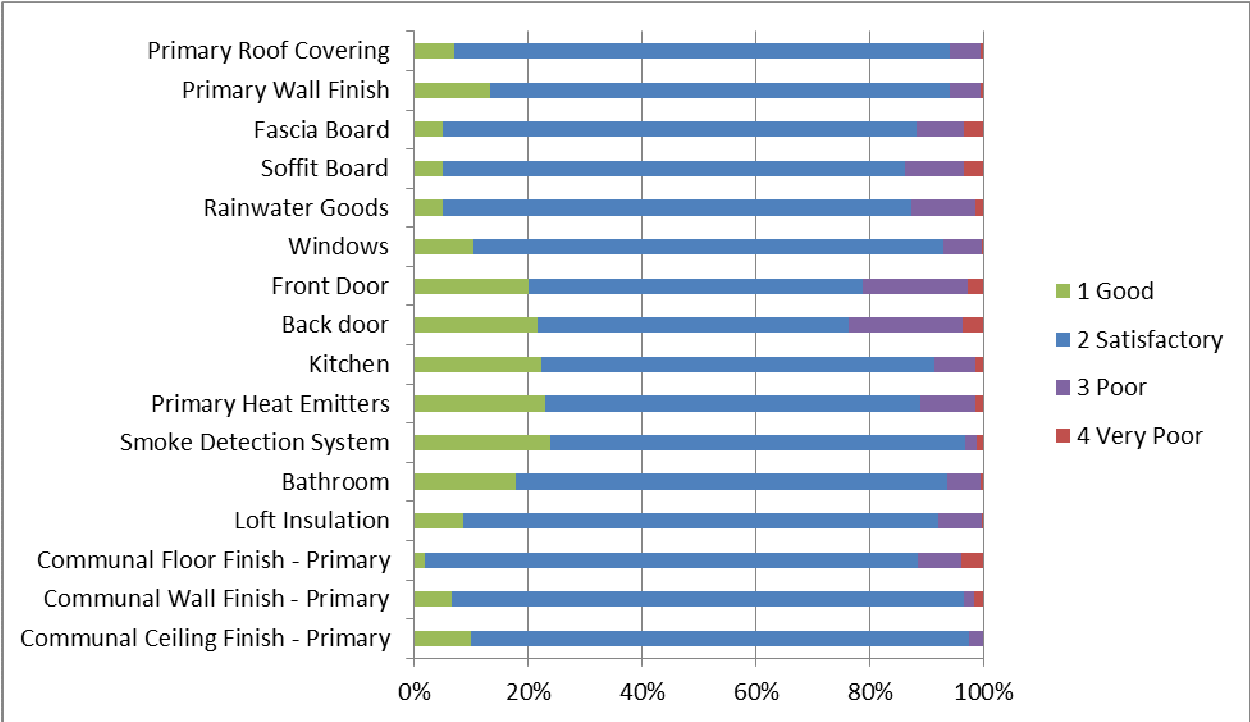
7. Alternative Option(s) considered

- 7.1 The Council could decide not to undertake the works however; this would impact on the value of the property and could in some instances, for example roofs, lead to more costly works being required over time.
- 7.2 The Council could decide only to renew attributes that are considered to be in a very poor condition however, this would not achieve the standard of property condition that is desired.
- 7.3 There are reputational risks for the council in not proceeding with the works to address features that are in a poor or very poor condition. Tenants could lose faith in the Council as a decent landlord and could raise concerns through the press or with the Housing Regulator.

8. Background

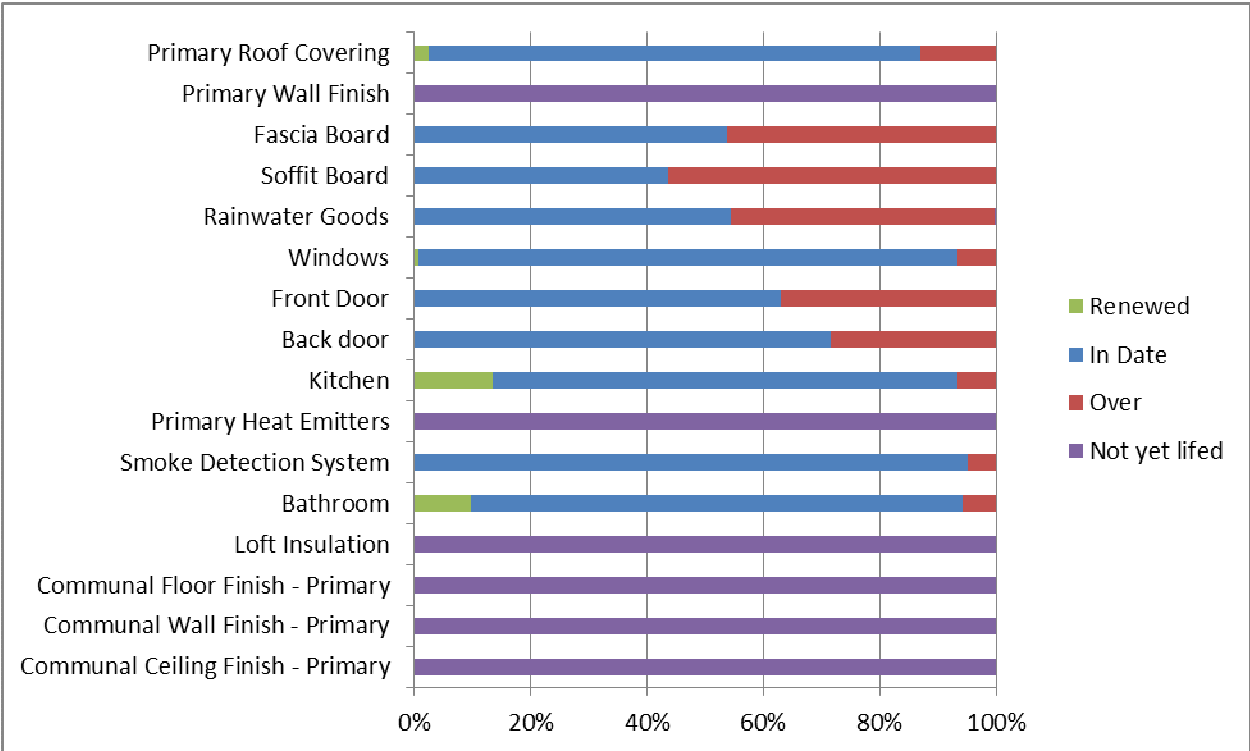
- 8.1 The Stock Condition Survey considered 16 features of each building, assessing their condition and the age against life expectancy for each attribute and these are shown at tables 1 and 2 below.

Table 1 *Representing the overall **Condition** of key attributes:*



8.2 It can be seen that the vast majority of attributes are of a satisfactory or good standard. This is a positive outcome meaning that the majority of our residents live in a property that is maintained to a good standard. Overall front and back doors have the highest numbers that are of poor or very poor condition.

Table 2 *Representing the **Age** of key attributes against life expectancy:*



8.3 It can be seen that a greater number of attributes feature when we consider the age of the attribute against the manufacturers stated life expectancy. Even though the attribute is older than the life expectancy date, the attributes are

mainly in a good or satisfactory condition and on a worst first basis can be assessed as being of lesser concern than those features that are both in poor or very poor condition and over life expectancy date.

High Rise Living

- 8.4 A separate survey has focused on our high rise schemes and has identified works that are required to the concrete of the building and to two of the roofs. This work is in addition to the fire safety works that are currently ongoing. The costs are identified at section 5.

Passenger lifts

- 8.5 WDC has a comprehensive Service & Maintenance programme in place with Stannah Lifts Ltd for all its lift stock.

We have recently undertaken a survey of our passenger lifts and have identified work to the lifts at the following blocks:

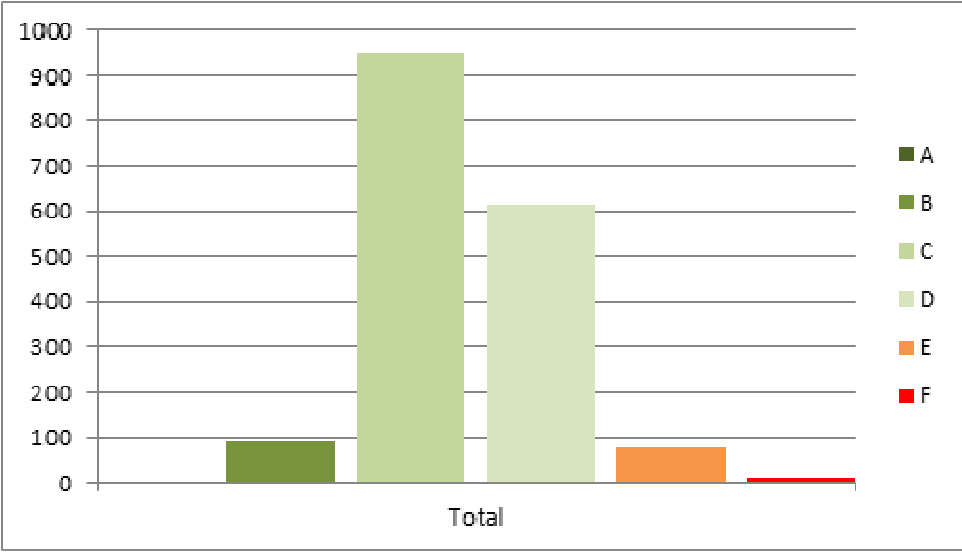
Year	Block	Recommendations	Cost
2018	Radcliffe Gardens	Suspension Ropes	£2,500
2019	Westbrook House	Door Operator replacement	£6,000
	Eden Court (Odds)	Door Operator replacement	£6,000
	Eden Court (Evens)	Door Operator replacement	£6,000
	James Court	Push Button replacement	£2,000
	Tannery Court	Hydraulic hose replacement	£3,000

Energy Performance


- 8.6 The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 came into effect from the 1st April 2018. This established a minimum level of energy efficiency for privately rented property in England and Wales. Landlords of privately rented domestic and non-domestic property in England and Wales must ensure that their properties reach at least an Energy Performance Certificate (EPC) rating of E before granting a new tenancy to a new or an existing tenant. From April 2020 all existing tenancies for domestic properties will also have to have meet a rating of E or better. It will be unlawful to rent a property which breaches the requirement for a minimum E rating, unless there is an applicable exemption.
- 8.7 There is no similar requirement for council housing. The Portfolio holder for Housing and Property Services has committed to ensuring that all Council homes exceed the same exacting standard wherever possible achieving a rating of D. Key to this is having up-to-date Energy Performance Certificates (EPC) for all properties. We currently have valid EPC ratings for approximately 30% (1,700) of our properties and we add a further 400 a year from new voids.
- 8.8 At full Council in April 2018, the Portfolio Holder announced intentions to accelerate the number of properties with an EPC rating so that all properties have a rating in the near future. The average cost of an EPC is around £68 so the maximum cost if surveys were required for all 3,724 properties would be in the region of £253,200. However, it may be possible to obtain previous EPCs for some further properties from a national register held by MHCLG, and it would be expected that the cost would reduce as we realise significant economies of scale.
- 8.9 It was also announced that any property for which we already have an EPC rated below D, is upgraded as a matter of urgency ahead of next winter.

There are 93 properties of the 1700 surveyed that are rated E or less.

Graph 5: Number of EPC's held in each rating band



The calculated cost to bring all 93 properties to standard or higher would be £225,000, an average of £2,420 per property.

 EXECUTIVE 30th August 2018		Agenda Item No.
Title	Budget Review to 30 th June 2018	
For further information about this report please contact	Andy Crump (01926 456810) Jenny Clayton (01926 456013)	
Wards of the District directly affected	N/A	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	February 2018 Executive – Budget Setting	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Deputy Chief Executive	10.08.18	Andrew Jones
Head of Service	10.08.18	Mike Snow
CMT	10.08.18	Chris Elliott, Bill Hunt, Andrew Jones
Section 151 Officer	10.08.18	Mike Snow
Monitoring Officer	10.08.18	Andrew Jones
Finance	10.08.18	Jenny Clayton
Portfolio Holder(s)	13.08.18	Councillor Whiting
Consultation & Community Engagement		
Not applicable		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 Since the Budgets were set in February of this year, various changes have been identified and are now presented to Members for their approval.
- 1.2 The report also informs Members of the latest financial position for both 2018/19 and in the medium term to 2022/23.
- 1.3 The Medium Term Financial Strategy was reported to the June 2018 Executive as part of the Fit for Future Report. This Report updates Members on changes since then.

2. RECOMMENDATIONS

- 2.1 That the Executive notes the latest variances for the General Fund budget, the projected outturn on budget and approves the budget changes detailed in section 3.2.
- 2.2 That the Executive notes the latest variances for the Housing Revenue Account (HRA), the projected outturn and approves the budget changes detailed in section 3.3.
- 2.3 That the Executive notes the expenditure to date on Earmarked Reserves brought forward from 2017/18, detailed in section 3.4.
- 2.4 That the Executive agrees to changes to the Capital Programme, including slippage to 2019/20 and a saving for 2018/19, detailed in section 3.5.
- 2.5 That the Executive notes the latest savings/ income required as shown within the Medium Term Financial Strategy, detailed in section 3.6.
- 2.6 That Executive agrees the recommendation from the Licensing & Regulatory Committee in April for an additional one-off sum of £30,000 to aid the administration of the proposed changes in the run-up to the May 2019 elections and that this is funded from the Contingency budget as detailed in section 3.7.
- 2.7 That Executive agrees the use of the Car Park Repairs & Maintenance Reserve to fund the upgrading of the off-street parking equipment as detailed in section 3.8.

3. REASONS FOR THE RECOMMENDATIONS

- 3.1 This is the first report updating Members on the 2018/19 Budgets since the Original Budgets were approved in February 2018.
- 3.2. Recommendation 2.1
 - 3.2.1 The Accountancy team have worked with Budget Managers and the following variations have been identified for budgets to be amended accordingly. The following table shows the major variations reported during Quarter One:

2018-19	Variance £	One-Off/ Recurring
Major Variations	Favourable/Adverse	
Using Web forms instead of Firmstep at One Stop Shops	7,000 (F)	Rec
Shared Legal Services' - Fees Increased	10,000 (A)	Rec
Town Council contribution to Economic Development team reduced	15,000 (A)	Rec
Auto enrolment not required to until Oct 19	126,800 (F)	1 off
Reduced income for Kenilworth Christmas Lights	6,600 (A)	Rec
HR restructure – salary calculations revised	6,000 (A)	Rec
Health Improvement Plan saving offsets against VSC contracts variance	10,000 (F)	Rec
Green Space Development –Metered Water Savings	17,000 (F)	Rec
Negotiated Settlement re contractor withdrawal from Golf contract – 2nd payment of 3	17,500 (F)	1 off
Increased income for bulky waste collections	15,000 (F)	Rec
Organisational Review (support services) assumed savings that cannot be achieved without impacting on Service delivery	31,000 (A)	Rec
Magistrates Fee income (C Tax)	20,000 (A)	Rec
Increased electric vehicle leasing costs	6,600 (A)	Rec
Spa Centre – increased bar sales	43,300 (F)	Rec
Town Hall – duplication of lettings information	13,000 (A)	Rec
Visitor Information Centre – stock accrual	6,500 (A)	1 off
Reduction in car mileage budgets	18,600 (F)	Rec
Website & metalearning Earmarked Reserve no longer required	4,700 (F)	1 off
Reduced superannuation additional allowance costs	8,200 (F)	Rec
FFF Lottery project slippage delaying realisation of assumed savings	15,000 (A)	1 off
Increased Contract cleaning costs	7,900 (A)	Rec
Contract variations for additional areas included within Grounds Maintenance contract	25,500 (A)	Rec
Extra costs for VSC contracts partly offset by Health Improvement Plan saving	24,100 (A)	Rec
Recharge of salary to Whitnash Town Council for Whitnash Hub	11,500 (F)	1 off
Assumed savings on mileage claims from Terms & Conditions review not achieved	9,200 (A)	Rec
Increased contract maintenance costs for Water Fountains -	38,500 (A)	Rec
LCTS Grant and HB Admin Subsidy – adjustment for actual figures as per DCLG & DWP for 2018/2019	7,500 (F)	1 off
Total Major Variations	52,200 (F)	
Minor Variations	12,400(A)	All rec
Total Major & Minor Variations	39,800 (F)	

3.2.2 Appendix A gives details of the allocations made from the 2018/19 Contingency Budget. The unallocated balance at the end of Quarter One was £245,800, although a further £22,000 was allocated as a result of the July Executive meeting leaving £223,800 for the rest of the year. There are reports elsewhere on the agenda seeking further allocations from this budget.

3.2.3 The other contingency budgets have the following unallocated balances:-

Salaries – pay award	£132,300
National Living Wage	£48,000
Apprenticeships	£100,000
Price Inflation	£50,000

3.2.4 Only 1% was built into the 2018/19 detailed service area budgets for the pay award although the national award was subsequently agreed at 2%. It is planned that the £132,300 salary contingency will be fully reallocated to service budgets by October. The £100,000 budget for Apprenticeships is planned to be fully utilised in 2018/19.

3.2.5 There are a number of potential staffing cost pressures that have emerged since the end of Quarter One the impact of which is currently being assessed. The potential impact of the Assets Team re-design is considered elsewhere on this agenda and additional costs may materialise for the Accountancy Team within the Finance service area as a result of the engagement of temporary staff to deal with the closure of accounts. If appropriate, adjustments will be made to the budget at a later date and reported to members through a subsequent Budget Monitoring report

3.2.6 Appendix B shows details of the Council's major income budgets. The first 3 months' actuals have been profiled to project the potential out-turn for 2018/19, based upon the prior year income levels for the same period. Where appropriate the budget manager's projections are also shown. It should be borne in mind that being only 3 months into the new financial year these projections are likely to change as the various factors, potentially impacting on income, can fluctuate throughout the year.

3.2.7 Members should note that the planning income budget was increased by 20%, compared to last financial year, following the increased flexibility announced by the Government earlier in the year. This will be closely monitored during the years and Members updated accordingly as part of the Budget Review process.

3.3 Recommendation 2.2

3.3.1 The HRA Revenue budget is currently forecast to underspend by **£49,700**, due to the variations below:-

Lifeline savings - wages	-10,700	
Lifeline savings - overtime	-21,800	
Housing Income recovery salaries one off costs in dealing with Universal Credit	15,800	HRA salaries pay award (extra 1%)
HRA contract cleaning additional budget provision no longer required	-50,000	17,000
Total Variations	49,700 (F)	

3.4 Recommendation 2.3

3.4.1 Earmarked Reserve Requests were approved under delegated authority by the Head of Finance in conjunction with the Finance Portfolio Holder as part of the 2017/18 Closure of Accounts process. These will be closely monitored and regularly reported during 2018/19. Appendix C shows details of the approved Earmarked Reserves and the expenditure against them during Quarter One. To date this expenditure equates to just over 20% of the total Earmarked Reserve budget. It is expected that the rate of spend will increase over the next few months.

3.5 Recommendation 2.4

3.5.1 The following proposed changes to the Capital Budget have been identified:

- a) Castle Farm Sports Pitch, Kenilworth-- £73,000 slippage to 2019/20. The Playing Pitch upgrade to improve the drainage of the existing Council owned grass pitches will be deferred to fit in with the main Leisure Centre development works under Phase Two of the Leisure Development Programme
- b) St John's Brook, Warwick - £100,000 slippage to 2019/20. Officers are awaiting responses to the proposed flood alleviation scheme from the Environment Agency and it is now considered to be unlikely that the scheme will start during the current financial year.
- c) ICT Infrastructure - £12,500 saving. An assumed slippage from 2017/18 should not have been made as the equipment concerned remains fit for purpose.

3.6 Recommendation 2.5

3.6.1 Members were last updated on the Medium Term Financial Strategy (MTFS) in the June 2018 Fit for the Future Report. At that point the MTFS showed that a further £471,000 of savings/ income was needed for delivery by 2022/23 to enable the Council to balance the Budget. Since then a £39,000 requirement for additional of savings/additional income has been identified, as summarised in the table below:

3.6.2

Description of Change	£'000's
Recurrent cost from variations to the Grounds Maintenance (GM) contract to account for additional areas added to the contract	26
Procurement savings on ICT contracts	-30
Additional Health & Wellbeing Agenda costs -BUPA Cash Plan Scheme for employees from 2019/20 onwards	20
HR Re-design, £18,000 saving from 2020/21 recurring	-18
Additional contract costs for the repair and maintenance of Water Fountains	39
Minor changes (net)	2
Total Changes	39

Taking these changes into account, the MTFS now forecasts a savings/additional income requirement of £510,000. The

MTFS is shown at Appendix D and summarised in the table below:

	2018/19 latest £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Deficit-Savings Required(+)/Surplus(-) future years	-10	-108	54	510	388	510
Change on previous year		-108	162	456	-122	122
Current Year Surplus(-) Deficit (+)	-10					

3.6.3 Whilst the future financial prospects are currently looking reasonable the Council will inevitably face further future challenges and it should still look to be as prudent as ever. There are a number of asset related budgets that are not fully funded for the whole of the MTFS period and further work is required on how these and the Council's ambitious programme of projects will be funded in the medium to long term which will be the subject of future reports. In addition there are likely to be a number of issues that could yet emerge in a post-Brexit world that could potentially impact on the Council's finances.

3.6.4 Taking all these factors into account it is possible that new sources of income and/or the adoption of different ways of working may be needed to ensure the current £510k savings target is met.

3.7 Recommendation 2.6

3.7.1 The Licensing & Regulatory Committee in April recommended an additional one-off sum of £30,000 to be allocated to aid the administration of the proposed boundary changes in the run-up to the May 2019 elections. It is proposed that this is funded from the Contingency budget which currently has an unallocated balance of £223,800.

3.8 Recommendation 2.7

3.8.1 Neighbourhood Services is planning to upgrade the pay and display machines at all off-street car parks across the District during the current financial year. The upgraded machines will provide a number of enhancements compared to the current machines which will benefit both the customer and the organisation. These include flexible payment options (chip and pin, contactless card payments, Apple Pay), the latest security features to protect against theft and vandalism and improved environmental credentials.

3.8.2 It is estimated that cost of purchasing and installing new pay and display equipment will be c. £325k and it is proposed that this is funded from the Car Park Repair and Maintenance reserve. It is proposed that installation of the new machines will be completed by the end of the financial year 2018/19 with installation phased as required in order to minimise disruption to customers during busy shopping periods. Currently there is no other expenditure committed from this reserve.

4. **POLICY FRAMEWORK**

4.1 **Fit for the Future**

4.1.1 The Fit for the Future (FFF) Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this report in relation to the FFF Strategy:

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
The General Fund and HRA budgets provide the necessary	The General Fund and HRA budgets provide the necessary resources to	The General Fund and HRA budgets provide the necessary resources to

resources to achieve these outcomes	achieve these outcomes	achieve these outcomes
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The General Fund and HRA budgets provide the necessary resources to achieve these outcomes	The General Fund and HRA budgets provide the necessary resources to achieve these outcomes	The General Fund and HRA budgets provide the necessary resources to achieve these outcomes

4.2 Supporting Strategies

4.2.1 This report is in accordance with the Council's Financial Strategy as last approved by the Executive in February 2018.

4.3 Changes to Existing Policies

4.3.1 There are no changes proposed to existing policies.

4.4 Impact Assessments

4.4.1 Not applicable

5. BUDGETARY FRAMEWORK

5.1 Officers review current year budgets on a monthly basis at the same time as considering implications for the Medium Term Financial Strategy (discussed in section 3.6 above). Members are updated on a quarterly basis.

5.2 The Budget review process provides a planning tool to ensure resources are directed to the Council's priorities. Alongside the Council's own activities, external factors influencing its finances are also taken into consideration, for example Central Government Financing, the Business Rates Retention scheme, changes in legislation and the economy.

- 5.3 The Council maintains its Reserves to deliver Capital and other projects, and to ensure that there are sufficient resources available to manage unforeseen demands and continue to deliver its services. Close monitoring of these Reserve balances and Capital Programme, together with plans to replenish them will preserve the financial stability of the organisation for future years.

6 RISKS

- 6.1 The Council's Significant Business Risk Register contains several risks which are finance related. Shortage of finance will impact upon the Council's plans for the provision of services. Reduced income or increased expenditure will reduce the funding available to run services.

- 6.2 The main sources of income (which may be subject to reductions or fluctuations) include:-

- Government grant (e.g. Revenue Support Grant, Benefits Administration Grant)
- Business Rates Retention
- Fees and charges from the provision of services
- Rent income
- Investment Income

- 6.3 Increased expenditure in service provision may be due to:-

- Inflation and price increases for supplies and services.
- Increased demand for services increasing costs
- Changes to taxation regime
- Unplanned expenditure
- Assumed savings in budgets not materialising

- 6.4 Triggers for increased costs or reduced income include:-

- Economic cycle – impacting upon inflation, interest rates, unemployment, demand for services, Government funding available
- Unplanned expenditure, e.g. Costs from uninsured events, Costs of planning appeals or other legal process
- Project costs – whereby there are unforeseen costs, or the project is not properly costed, or the risks related to them are not properly managed.
- Changes to assumptions underpinning the Medium Term Financial Strategy – these assumptions are closely monitored.

- 6.5 Many controls and mitigations are in place to help manage these risks. These include:-

- The comprehensive Budget review process. This entails all budget managers reviewing their budgets on at least a monthly basis, considering previous, current and future years, along with any possible issues that may impact upon their budgets. As part of this process, Budget Review reports are issued to the Executive and Senior Management Team.

- Financial Planning with the Medium Term Financial Strategy/financial projections, bringing together all issues that will impact on the Council's finances in the medium term.
- Financial controls, including the Codes of Financial and Procurement Practice, system controls, reconciliations, audit (internal and external).
- Project Management and associated controls.
- Trained staff and access to appropriate professional advice (e.g. WCC Legal, Local Government Futures for advice on local government funding).
- Risk Management process across the Council, including the on-going review and maintenance of risk registers.
- Scrutiny by Members of the Council's finances, including Budget and Treasury Management Reports, and the financial implications of all proposals brought to them for consideration.
- Within the 2018/19 Accounts, there is a Contingency Budget with an uncommitted balance of £223,800 (prior to this meeting) for any unplanned or unavoidable expenditure.
- Reserves – Whilst much of these Reserves have already been earmarked for specific projects, it is important that Reserves are held for any unforeseen demands.
- In addition to the reserves, the Council holds the General Fund Balance of £1.5m. This is available to accommodate any unplanned expenditure, or to make up any shortfall in income. However, the Council should seek to maintain the balance at this level.
- The specific causes of reductions to income or increased expenditure should continue to be managed by the relevant Service Area as part of managing the risks within each Service Risk Register. Individual Service Area Risk Registers are brought to Finance & Audit Scrutiny Committee on a rolling programme every 2 years.

7 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 Monitoring expenditure and income and maintaining financial projections is good financial management and part of good governance. Accordingly, to propose otherwise is not considered.

General Contingency**257,400**

Maternity cover for Environment enforcement officer Licensing	-5,800
Maternity cover for Environment enforcement officer Licensing	-5,800
Temporary car Park Project Manager made permanent	-22,000

General available**223,800****Other Contingency Budgets**

Salaries	180,300
Apprenticeships	100,000
Employers Pension Costs	128,000
Price Inflation	50,000

Discretionary Budget Savings (to be achieved)

Fin Management	2,100	
Housing Strategy & Dev	12,200	
Asset management	500	
Community Partnership	2,800	17,600

APPENDIX B

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Major income budgets v actual 2014-2018

	£	£	£	£	%
Crematorium					
	Original budget	latest budget	Actual	variance	variance
crematorium fees 2014/15	-857,000	-1,051,000	-1,051,500	-500	0.0%
crematorium fees 2015/16	-902,600	-752,800	-1,045,200	-292,400	38.8%
crematorium fees 2016/17	-1,184,700	-1,205,200	-1,173,200	32,000	-2.7%
crematorium fees 2017/18	-1,202,000	-1,217,900	-1,289,554	-71,654	5.9%
2018/19	latest budget	YTD 2018/19	budget 2017/18	YTD 2017/18	
crematorium fees 2018/19	-1,292,400	-253,665	-1,217,900	-188,780	
percentage of prior year actual/actual YTD		19.7%		14.6%	
Forecast indicative outturn based on prior year profile		-1,732,800			
Manager's Estimated out-turn		-1,292,400			

Waste recycling credits

	Original budget	latest budget	Actual	variance	variance
Recycling credit 2014/15	-420,000	-420,000	-423,500	-3,500	0.8%
Recycling credit 2015/16	-420,000	-420,000	-473,800	-53,800	12.8%
Recycling credit 2016/17	-420,000	-440,000	-445,100	-5,100	1.2%
Recycling credit 2017/18	-450,400	-450,400	-450,819	-419	0.1%
	latest budget	YTD 2018/19	budget 2017/18	YTD 2017/18	
Recycling credit 2018/19	-464,400	2,856	-450,400	-2,193	
percentage of prior year actual/actual YTD					
Forecast indicative outturn based on prior year profile					N/A due to delays in prior year income
Manager's Estimated out-turn					

Planning

	Original budget	latest budget	Actual	variance	variance
fees & charges general 2014/15	-695,700	-896,300	-1,031,700	-135,400	15.1%
fees & charges general 2015/16	-702,000	-870,000	-1,276,300	-406,300	46.7%
fees & charges general 2016/17	-702,000	-1,094,800	-1,084,600	10,200	-0.9%
fees & charges general 2017/18	-1,100,000	-1,400,000	-1,346,200	53,800	-3.8%
	latest budget	YTD 2018/19	budget 2017/18	YTD 2017/18	
fees & charges general 2018/19	-1,560,000	-494,727	-1,400,000	-442,697	
percentage of prior year actual/actual YTD		36.7%			
Forecast indicative outturn based on prior year profile		-1,504,400			Excludes Income in Adv carry over to 2019/20
Manager's Estimated out-turn		1,300,000			

Car parking

	Original budget	latest budget	Actual	variance	variance
car parking fees 2014/15	-2,494,100	-2,706,100	-2,898,100	-192,000	7.1%
car parking fees 2015/16	-2,606,100	-2,746,100	-2,997,200	-251,100	9.1%
car parking fees 2016/17	-2,776,100	-2,966,100	-3,154,508	-188,408	6.4%
car parking fees 2017/18	-2,973,000	-3,043,000	-3,055,074	-12,074	0.4%
	latest budget	YTD 2018/19	budget 2017/18	YTD 2017/18	
car parking fees 2018/19	-3,113,000	-800,621	-3,043,000	-797,490	
percentage of prior year actual/actual YTD		26.2%		26.1%	
Forecast indicative outturn based on prior year profile		-3,067,100			
Manager's Estimated out-turn		-3,113,000			

APPENDIX B

Major income budgets v actual 2014-2018

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Royal Spa Centre

"Royal Spa Centre - all income (excluding Non-WDC Shows)"

	£	£	£	£	%
	Original budget	latest budget	Actual	variance	variance
2014/15	581,600	585,200	591,600	6,400	1.09%
2015/16	581,500	581,500	633,600	52,100	8.96%
2016/17	582,800	760,900	826,400	65,500	8.61%
2017/18	634,100	773,100	774,968	1,868	0.24%

	latest budget	YTD 2018/19	budget 2017/18	YTD 2017/18
2018/19	761,400	240,433	773,100	180,036

Forecast indicative outturn based on prior years 801,443 *

* artificially low projection as no new year income yet on ledger. This projection based on advance sales from 16/17 only

"Payments to Artistes for WDC promotions"

	Original budget	latest budget	Actual	variance	variance
2014/15	344,800	344,800	364,400	19,600	5.68%
2015/16	344,800	344,800	384,900	40,100	11.63%
2016/17	344,800	466,800	466,500	-300	-0.06%
2017/18	344,800	436,800	405,801	-30,999	-7.10%

	latest budget	YTD 2018/19	budget 2017/18	YTD 2017/18
2018/19	436,800	58,893	436,800	51,793

Forecast indicative outturn based on prior years 425,942

"Net income"

	Original budget	latest budget	Actual	variance	variance
2014/15	236,800	240,400	227,200	-13,200	-5.49%
2015/16	236,700	236,700	248,700	12,000	5.07%
2016/17	238,000	294,100	359,900	65,800	22.37%
2017/18	289,300	336,300	369,167	32,867	9.77%

	latest budget	YTD 2018/19	budget 2017/18	YTD 2017/18
2018/19	324,600	181,539	336,300	128,244

Forecast indicative outturn based on prior years 375,501

2018-19 Earmarked Reserves**Appendix C**


	Original Budget £	Spend to date £	No longer Required	Balance £
EMR District Heating Project Officer	7,400			7,400
EMR District Heating Project	2,200	2,200		0
EMR Electric Vehicles	2,100			2,100
EMR OSS Digital transformation	50,000			50,000
EMR Sports & leisure options consultants fees	100,000			100,000
EMR Contribution to C&W Growth Hub	13,400	13,400		0
EMR Playing Pitch Strategy	16,400	6,400		10,000
EMR Digital by default new crem system	15,000			15,000
EMR Digital by default Barcode generation for Misc payments	2,700			2,700
EMR Private stock condition survey	75,000	67,700		7,300
EMR Arts Active Network Project/Kenilworth Arts Project	7,500			7,500
EMR Data protection officer	5,800			5,800
EMR Royal Pump Rooms Concourse	20,000			20,000
EMR Golf Course maintenance	42,500	26,400		16,100
EMR Grounds maintenance Data capture project	50,000	42,200		7,800
EMR Consultant's fees for work on VCS Re-commissioning	2,700	2,700		0
EMR ICT Implementation of Ricoh's MyPrint	9,900			9,900
EMR ICT Purchase of e-learning modules for cybersecurity, GDPR and PCIDSS	4,000			4,000
EMR Website	2,900		2,900	0
EMR Compliance software (Meta Learning)	10,600		1,800	8,800
EMR Linen Street Refurbishment. (Car Parks)	218,300			218,300
EMR Development Control - Agency Staff	11,400			11,400
EMR PPM Slippage	115,400			115,400
EMR Fly Tipping Response (SLA with RBC)	13,500			13,500
	798,700	161,000	4,700	633,000
Percentage remaining				79.25%

Budget Review to 30th June 2018

Appendix D

Medium Term Financial Strategy

	2018/19 £'000	2018/19 latest £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Net Cost Of General Fund Services	22,070	23,457	20,281	20,444	21,807	22,029	22,491
Investment Interest	-461	-461	-592	-742	-809	-809	-809
New Homes Bonus-unallocated Balance							
Other Financing Adjustments	-2,867	-3,515	-5,421	-6,756	-7,017	-6,767	-6,482
Net Expenditure after adjustments	18,742	19,482	14,269	12,947	13,982	14,454	15,201
Revenue Support Grant	-311	-311					
NNDR (Business Rate Retention, including SBR grant)	-7,277	-8,027	-5,268	-3,337	-3,444	-3,554	-3,666
NNDR (Business Rate Retention, including SBR grant)							
Collection Fund Balance							
New Homes Bonus Earmarked for CVS Contracts							
New Homes Bonus	-2,482	-2,482					
Other Grants and Government Funding	-30	-30	-15				
Amount being from Council Tax	-8,642	-8,642	-9,094	-9,556	-10,028	-10,512	-11,025
Band D Equivalent	£161.86	£161.86	£166.85	£171.85	£176.85	£181.86	£186.86
% increase on previous year	3.18%	3.18%	3.09%	3.00%	2.91%	2.83%	2.75%
Net Expenditure after adjustments	18,742	19,482	14,269	12,947	13,982	14,454	15,201
Total Grant and Council Tax Income	-18,742	-19,492	-14,377	-12,893	-13,472	-14,066	-14,691
Deficit-Savings Required(+)/Surplus(-) future years		-10	-108	54	510	388	510
Change on previous year			-108	162	456	-122	122
Current Year Surplus(-) Deficit (+)		-10					

 Executive 30th August 2018		Agenda Item No. <div style="font-size: 2em; text-align: center;">5</div>
Title	Council Tax Reduction Scheme 2019/2020	
For further information about this report please contact	Andrea Wyatt. Ext 6831	
Wards of the District directly affected		
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	Executive 5 th January 2017 Council 25 th January 2017	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes
Equality Impact Assessment Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Deputy Chief Executive	06.08.18	Andy Jones
Head of Service	06.08.18	Mike Snow
CMT	06.08.18	Chris Elliott; Andy Jones; Bill Hunt
Section 151 Officer	06.08.18	Mike Snow
Monitoring Officer	06.08.18	Andy Jones
Finance	06.08.18	Mike Snow
Portfolio Holder(s)	13.08.18	Peter Whiting
Consultation & Community Engagement		
It is a requirement that any local authority wishing to change its council tax reduction scheme consults with its major preceptors and its tax payers.		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		
A report will be submitted to full Council before the end of January following the consultation so a decision can be made about the council tax reduction scheme for 2019 and 2020.		

1. **Summary**

- 1.1 To consider proposed changes to the Local Council Tax Reduction scheme from April 2019.

2. **Recommendation**

- 2.1 To agree to a period of consultation with the public and major precepting authorities in respect of proposed changes to the Local Council Tax Reduction Scheme (LCTRS) from April 2019. The proposed changes are detailed in Appendix 1 of this report.

3. **Reasons for the Recommendation**

- 3.1 Warwick District Council is required to consult with the major precepting authorities and the public in respect of any changes made to the LCTRS. Since 2013/14, local authorities have been responsible for determining their own scheme; this replaced the former DWP Council Tax Benefit Scheme. Any changes must be approved by Full Council before implementation.
- 3.2 Universal Credit is gradually being rolled out across the country. It replaces a number of means tested benefits which includes Housing Benefit and will be administered by the Department for Work and Pensions (DWP). This provides this Council with the opportunity to review the current LCTRS, most claimants also claim help towards their rent and therefore claims are assessed jointly with Housing Benefit and broadly follow the same rules. Administration subsidy is received from the Government to assist authorities in the cost of administering Housing Benefit and the LCTRS, however over time this is reducing as Housing Benefit claims reduce. Eventually all working age Housing Benefit claimants will be in receipt of Universal Credit instead, and so will only be applying to the Council for LCTR.
- 3.3 The scheme is currently complex to administer, and the application process is cumbersome, evidence is required of the income and capital of all members of the household and this is prescribed by the regulations. In order to pay Universal Credit, the DWP will need to obtain this information. In future, the majority of customers who claim LCTR will be in receipt of Universal Credit and the DWP will notify the Council of the income and capital details of customers who have claimed Universal Credit. Therefore it would be sensible for the Council to use this information to determine entitlement to LCTR, rather than the Council independently seeking the supporting information.
- 3.4 The provision of Universal Credit information to the Council means that it is possible to continue with the current LCTRS. However, Universal Credit is assessed on a monthly basis using real time information, this means for many customers, that their income changes on a monthly basis. Under the current scheme, LCTR must be re-assessed resulting in some customers receiving revised council tax bills on a monthly basis which then is likely to result in confusion over what they must pay. Under a banded scheme, a customer will receive a percentage discount and this will remain the same whilst the calculated income remains within a certain tolerance. Many of the complexities in administration will be removed which will make the scheme both easier to administer and be clearer for the customer when claiming.
- 3.5 Locally, Universal Credit for new customers begins in October 2018 and for customers who have a relevant change of circumstance. All other customers

will gradually be required to claim Universal Credit, but as yet DWP have not issued any guidance about how the migration will be managed. Based on the experience of other local authorities we expect over half of our current caseload to transfer during 2019 and therefore we are proposing that all customers who claim LCTR and are in receipt of Universal Credit are paid under the new banded scheme from April 2019, with the remaining customers transferring in April 2020. Gradually moving customers to the new scheme will enable the Council to closely monitor the impacts, particularly for those who need to claim discretionary help.

- 3.6 The specific changes proposed to the scheme are considered in detail within the Appendix 1, the proposed consultation document. Some examples of the difference between the old and new scheme are attached at Appendix 2, however, it should be noted that LCTR is assessed based on individual circumstances and due to changes in the scheme, their circumstances may be treated differently depending on when they applied.

4. **Policy Framework**

4.1 **Fit for the Future (FFF)**

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

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
The council tax reduction scheme assists customers on low income to pay their council tax. This helps to prevent customers from falling into debt and therefore assists in preventing health	N/A	The scheme helps customers on a low income including those in employment.

conditions which may arise due to debt problems.		
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
Administering the current scheme requires a lengthy training programme and it can be 12 months or more, until staff are fully competent in the administration. Removing the complexities of the scheme will make it easier for staff to administer.	Customers will be clearer about entitlement. Removing the complexities should speed up processing time for claims.	The revised scheme is not intended to reduce the amount of reduction available.

4.2 **Supporting Strategies**

There are currently circa 63,000 tax payers within Warwick District, and of these there are 3,350 people of working age who claim Council Tax Reduction. It is important to ensure that help continues to be available to those who most need it whilst maintaining a cost effective scheme if we are to re-assure all of our tax payers that we continue to provide value for money. To remove the help people currently receive in assistance to pay their council tax could result in plunging some of the most vulnerable people in society further into poverty. This would contravene the Council's vision to make Warwick District a great place to live, work and visit. However, the work of Warwick District Council, the County Council and the Police Authority is also important in achieving this vision and it is important to minimise funding cuts wherever possible to help maintain and improve the level of services provided to the whole of the District.

4.4 **Changes to Existing Policies**

This will replace the current LCTRS.

4.5 **Equality impact**

An equality impact assessment is attached at Appendix 3; a further assessment will be undertaken following the consultation.

5. Budgetary Framework

- 5.1 The cost of the Local Council Tax Reduction scheme in 2018/19 is estimated at £6.1m, with £2.9m for working age customers. This cost is shared with the precepting authorities through the Collection Fund, this being proportionate to the council tax. Warwick District Council's share is £560,000 (9.2%), whilst WCC bare £4.7m (77.6%).
- 5.2 Under the current scheme, all claimants have to pay a minimum of 15% of their total council tax.
- 5.3 The new proposals are expected to be cost neutral. The changes are intended to reduce the level and cost of administration, the Council is not looking to reduce the total overall level of support available.
- 5.4 Although the assistance of some claimants will reduce from current levels, the intention is to protect as many customers as possible. Where a customer experiences exceptional hardship, they will be able to apply for additional support from the Council under the proposed Exceptional Hardship Payment Scheme. This scheme will operate similar to the Discretionary Housing Payments Scheme (which applies in respect of rent as part of the Housing Benefits Scheme), whereby the customers will need to apply and demonstrate hardship. It is proposed that £20,000 is initially allocated to this scheme, with that cost shared between the precepting authorities.
- 5.5 The proposal to move to a banded scheme should make the administration of Council Tax Reduction simpler and more efficient. In due course, this should enable savings to be made in its operation. As yet it is too early to suggest what these savings may be. The Benefits Team will still need to administer Housing Benefits and Council Tax reduction for pension age claimants (currently 3,100). The impact and phasing of the rollout of Universal Credit is currently unknown. During 2020/21 it should be possible to assess the position and review how the service is administered.

6. Risks

- 6.1 The cost neutral approach to revising the scheme means that entitlement will reduce for some claimants. In order to mitigate this, a discretionary fund will be available to assist those most affected.

7. Alternative Option(s) considered

- 7.1 The scheme could remain in its current format but this it is felt offers no opportunity to improve the efficiency of the scheme nor the customer experience.

8. Background

- 8.1 The Council is required to have in place a local council tax reduction scheme for working age customers to assist those on low incomes with their council tax liability; this replaced the national council tax benefit scheme from April 2013. Although changes have been made to our own local scheme, it has continued to be based on the old benefit scheme. This scheme is complex to administer and confusing for customers to understand. The roll out across the District of universal credit provides the opportunity to rectify this since the majority of our working age customers will receive universal credit.

Warwick District Council
Council Tax Reduction Scheme 2019/20 Consultation Questionnaire

Background to the consultation

What is this consultation about?

Each year the Council has to decide whether to change the Council Tax Reduction scheme for working age applicants in its area. This year the Council has decided that changes should be made to significantly change the Council Tax Reduction scheme due to the introduction of Full Service Universal Credit within the Warwickshire area. In effect, the traditional link between Housing Benefit (which will no longer be available to new working age claimants) and Council Tax Reduction will no longer exist and it is essential that the scheme is changed to meet future requirements for these cases, reduce administration costs and to ultimately prevent any additional costs being added to the Council Tax.

The Council is consulting as to whether the scheme should be changed from 1st April 2019 for all applicants who are or become entitled to Universal Credit **and** for all other applicants from 1st April 2020.

What is Council Tax Reduction?

Council Tax Reduction is a discount for Council Tax. The level of discount is based on the income of the household. Currently the maximum discount is 85% of Council Tax for working age households and up to 100% for pensioners.

Why is a change to the Council Tax Reduction scheme being considered?

In April 2013, the Council Tax Benefit Scheme was replaced by a new Council Tax Reduction Scheme. Council Tax Benefit had been funded by the Department for Work and Pensions and supported people on low incomes by reducing the amount of Council Tax they must pay.

The Council Tax Reduction scheme is determined locally by District Councils rather than the Department of Work and Pensions. Although the Government initially provided funding for the scheme, the funding has reduced each year in line with the reduction in Revenue Support Grant provided to councils. From 2019 no funding will be provided for the scheme.

People can claim Council Tax Reduction if they are on certain benefits. The current scheme requires all working age applicants to pay a minimum of 15% of their Council Tax (a maximum level of support of 85%). Applicants in receipt of income based Jobseekers Allowance, Income Support and Income Related Employment and Support Allowance receive the maximum level of support. Others receive a level of Council Tax Reduction based on their income and other factors.

A separate Central Government scheme is retained for people of pension age and Councils are **only** able to vary their schemes for people of working age.

Each Council is required to review their schemes each year and decide if they want to make any changes. Before any changes can be implemented, they must be subject to public consultation.

The District Council is proposing a number of changes to its existing scheme and, in line with legislation, we have a duty to consult you and provide you with the opportunity to tell us your views on the proposed changes to our Council Tax Reduction Scheme.

The Council is consulting on the following changes to its scheme for 2019/20:

- **Option 1** - Introducing an income 'grid' scheme for all working age applicants replacing the current means tested approach which was based on the previous Council Tax Benefit scheme. **This will be effective from 1st April 2019 for all applicants who currently receive Universal Credit or become entitled to Universal Credit and 1st April 2020 for all applicants who do not receive Universal Credit;**
- **Option 2** - Limiting the number of dependent children used in the calculation of support to two for *all* working age applicants;
- **Option 3** - Removing Non-Dependant deductions;
- **Option 4** - Simplifying the claiming process for all applicants who receive Universal Credit;
- **Option 5** - Removing the current earnings disregards and replacing them with a standard £25 disregard irrespective of a person's circumstances;
- **Option 6** - Disregarding Carer's Allowance which is currently taken into account as income;
- **Option 7** - Removing the Extended Payment provision;
- **Option 8** - Making all new applications and changes in circumstances which change any entitlement to Council Tax Reduction, on a daily basis rather than the current (benefit based) weekly basis;
- **Option 9** - Reducing the current capital limit to £6,000 and simplifying the capital rules;
- **Option 10** - Where an applicant is disabled, they have a disabled child or receive the Support Component of the Employment and Support Allowance or the Limited Capability for Work Related Activity element within Universal Credit, the amount they receive as a premium or element under the existing scheme will be replaced by an equivalent income disregard;

In the District, 6,500 people currently receive Council Tax Reduction. The gross cost of the scheme is £6.1 million which is spread across the District Council (9.21%), the County Council (77.57%), and the Police and Crime Commissioner (11.6%) in accordance with the proportion of Council Tax which each organisation levies (which is shown in brackets).

Who will this affect?

The changes will affect working age households only in the District. The new Council Tax Reduction scheme will be introduced from 1st April 2019 for all applicants who either receive Universal Credit on the 1st April 2019 or who become entitled to Universal Credit after that date. All other applicants of working age will move to the new scheme on 1st April 2020. Once an applicant has moved onto the new scheme, they will always be assessed for any entitlement under the new scheme.

Pension age households will **not** be affected as Central Government prescribe the scheme.

Are there any alternatives to changing the existing Council Tax Reduction scheme?

We have considered:

Continuing with the current scheme

The current scheme will not work effectively with the Government's Universal Credit system. The multiple changes in Universal Credit inevitably lead to multiple changes in Council Tax Reduction and this means customers could receive revised bills on a monthly basis leading to confusion about what they should pay and making it difficult to budget. You are asked whether you would prefer to continue with the current scheme in question 2.

Questionnaire
Have Your Say on the Council Tax Reduction Scheme.

Q1.

I have read the background information about the Council Tax Reduction Scheme:

☐ Yes ☐ No

This question must be answered before you can continue.

[Continue the current scheme](#)

Q2.

Should the Council keep the current Council Tax Reduction scheme? (Should it continue to administer the scheme as it does at the moment?)

☐ No ☐ Yes ☐ Don't know

Q3.

Please use the space below to make any comments you have on keeping the Council Tax Reduction Scheme.

Options to change the current Local Council Tax Reduction scheme

As explained in the background information, the Council is primarily consulting on the following proposals to change the existing Council Tax Reduction Scheme from 1st April 2019, which will reduce the administration cost of the scheme generally and importantly make the scheme simpler. **Please note that whilst the changes are intended to reduce the level and cost of administration, the Council is not looking to reduce the total overall level of support available.** Your responses are a part of this consultation. Set out below are the proposals being considered.

Option 1 – The introduction of an Income Grid scheme to replace the current scheme for all applicants of working age

The current scheme for Council Tax Reduction is largely based on the previous Council Tax Benefit scheme which was assessed alongside Housing Benefit. Housing Benefit for working age applicants is being phased out and for new claims will not be available after November 2018. Whilst Housing Benefit was the main provider of housing support for working age persons, it was logical to maintain a Council Tax Reduction scheme that mirrored the approach. Now that Universal Credit is being rolled out, it gives the Council the opportunity to significantly simplify what is in effect a Council Tax Discount.

To ensure that a transition to a new scheme is as smooth as possible, we intend to move all applicants in receipt of Universal Credit onto the new scheme from 1st April 2019 and all other applicants from 1st April 2020. Where an applicant moves onto Universal Credit after 1st April 2019, they will be assessed for Council Tax Reduction under the new scheme immediately.

Once applicants have been assessed under the new Income Grid scheme, any future entitlement (if any) will be assessed under the new rules.

It is proposed that a simplified income 'grid' scheme will be introduced as follows:

Discount Level (based on 85% of total liability)		Single (Income level)	Couple (Income level)	Single + 1 child	Single + 2 children	Couple +1 Child (Income level)	Couple +2 (or more) Children (Income Level)
1 (includes passport legacy benefits)	100%	0.00 - 75.00	0.00 - 115.00	0.00 - 140.00	0.00 - 215.00	0.00 - 185.00	0.00 - 250.00
2	75%	75.01 - 105.00	115.01 - 150.00	140.01 - 170.00	215.01 - 245.00	185.01 - 235.00	250.01 - 300.00
3	50%	105.01 - 135.00	150.01 - 185.00	170.01 - 200.00	245.01 - 275.00	235.01 - 285.00	300.01 - 350.00

4	25%	135.01 – 165.00	185.01 – 220.00	200.01 – 230.00	275.01 – 305.00	285.01 – 335.00	350.01 – 400.00
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The key principles of the scheme are as follows:

- a. The level of discount (shown in the grid) will be based on the total net income (determined by the Council) of the applicant and their partner;
- b. Income levels can vary in accordance with household size and still receive the same level of discount;
- c. Applicants who have total net income less than the levels in Band 1 will receive a discount of 100% against 85% of their liability for Council Tax. This will also apply to those applicants receiving income support, income related employment and support allowance and income based jobseekers allowance. Where applicants are not in receipt of those benefits and their income is above the levels specified in Band 1, Council Tax Reduction shall be awarded at the appropriate level (Bands 2, 3 & 4);
- d. Applicants who have total net income levels above the levels shown in the grid will receive no discount;
- e. The grid will be limited to a maximum of two dependants (see Option 2)
- f. No charges will be made for non-dependants who live with the applicant (see Option 3)
- g. Making claiming simpler for applicants who receive Universal Credit (see Option 4);
- h. Removing the current earnings disregards (which vary depending on the circumstances of the applicant, the number of hours worked and monies they pay for child care) and replacing them with a standard disregard of £25 per week for all applicant (see Option 5);
- i. Certain incomes will continue to be disregarded including Disability Living Allowance; Personal Independence Payments, Support Component of Employment and Support Allowance, Child Benefit and Child Maintenance.
- j. Carer's Allowance received will be disregarded (see Option 6);
- k. Removing the Extended Payments provisions (see Option 7);
- l. Any new applications or changes in circumstances which change Council Tax Reduction entitlement will be made from the date on which the new claim is made / change actually occurs, (rather than on a weekly basis as at present (see Option 8);
- m. Simplifying the capital rules and reducing the capital limit to £6,000 (Option 9); and
- n. Where an applicant is disabled, they have a disabled child or receive the Support Component of the Employment and Support Allowance or the limited capability for work related activities element in Universal Credit, the amount they receive as a premium / element under the existing scheme will be replaced by an equivalent income disregard (Option 10)

It is inevitable that there may be both winners and losers; however, the Council is keen to protect as many applicants as possible. The Council is not minded to reduce the overall total level of support available within the scheme but there will be a redistribution of support in some cases. Where an applicant experiences exceptional hardship, they will be able to apply for additional support from the Council under an Exceptional Hardship Payment Scheme which will be available from April 2019

The benefits of changing the scheme:

- It provides a simpler scheme, easily understood by all applicants;
- It will save significant increases in administration costs due to the introduction of Universal Credit;
- It will prevent applicants receiving multiple Council Tax demands during the year and prevents multiple changes to monthly instalments;
- Applicants in receipt of 'passported benefits' such as income support, income related employment and support allowance and income based jobseekers allowance, will not be affected; and
- It will make claiming simpler for Universal Credit applicants ensuring that their entitlement to Council Tax Reduction is maximised.

The drawbacks of doing this are:

- Whilst the Council will look to protect applicants as far as possible, there may be winners and losers; and
- Some households with more than two children may receive less support.

Q4.**Do you agree with this change to the scheme?**☐ Yes ☐ No ☐ Don't know**Q5.****If you disagree what alternative would you propose?**

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Option 2 - To limit the number of dependant children within the calculation for Council Tax Reduction to a maximum of two for *all* applicants

Within the current scheme, applicants who have children are awarded a dependant's addition within the calculation of their needs (Applicable Amounts). The new scheme will be based on an income grid system which takes into account the number of dependants within the household; however, it will be limited to two, for *all* applicants. The current scheme, whilst restricting the number of dependants for new claims, protects existing applicants until such time as their claim ends. This protection will end altogether under the new scheme. This will bring the scheme in line with Housing Benefit, Universal Credit Tax Credits and Council Tax Reduction for pension age applicants.

The benefits to the Council of doing this are:

- Council Tax Reduction will be brought into line for all applicants; and
- It is simple and administratively easy to incorporate within the scheme

The drawbacks of doing this are:

- Applicants who have three or more dependants may receive less Council Tax Reduction. However, if the applicants face exceptional hardship they may apply for additional support through the Council's Exceptional Hardship Payment scheme.

Q6.**Do you agree with this change to the scheme?**

☐ Yes ☐ No ☐ Don't know

Q7.**If you disagree what alternative would you propose?**

Option 3 – To remove Non-Dependant Deductions from the scheme

Currently where an applicant (and their partner if they have one) has other adults living with them such as adult sons, daughters etc., their Council Tax Reduction may be reduced. Any charge made is called a Non-Dependant Deduction. In theory, the applicant should look to recoup this deduction from those adults.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- Applicants will not be penalised for having additional adults living with them (other than if they are living their commercially); and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There may be an overall cost to the scheme with no non-dependant charges being made.

Q8.

Do you agree with this change to the scheme?

☐ Yes ☐ No ☐ Don't know

Q9.

If you disagree what alternative would you propose?

Option 4 – Changing the claiming process for all applicants who receive Universal Credit

Currently, where an applicant wants to claim Council Tax Reduction, they must make a formal application either on-line or in paper format. Where applicants claim Universal Credit from the Department for Work and Pensions (DWP) there is often either a delay in receiving a Council Tax Reduction claim or no claim is made at all leading to a potential loss in entitlement. The latter occurs largely through confusion, with all other benefits being claimed from DWP and claimants not realising they must make an additional claim to the Local Authority.

When a person claims Universal Credit, their award details are passed to the Council automatically. It would be a distinct advantage and simplification in administration if the Council were to take any Universal Credit data received from DWP as a claim for Council Tax Reduction automatically.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- Universal Credit claimants will receive any Council Tax Reduction automatically; and
- The change is simple and administratively easy to incorporate within the scheme

The drawbacks of doing this are:

- There are no drawbacks to this option.

Q10.

Do you agree with this change to the scheme?

☐ Yes ☐ No ☐ Don't know

Q11.

If you disagree what alternative would you propose?

Option 5 – Removing the current earnings disregards and replacing them with a standard £25 disregard irrespective of a person's circumstances

Where applicants (or their partner if they have one) have earnings and work over 16 hours per week, an earnings disregard is applied depending on their individual circumstances. The standard disregards (only one is awarded) are £5 per week for a single person, £10 per week for a couple, £20 per week if they meet certain conditions such as disablement or part time special employments or £25 for lone parents. If they work additional hours, in some circumstances they may receive an additional £17.10 disregard per week. Also, if child care is paid for above that received free from Central Government, then further disregards can be made against earnings for monies paid out.

The proposed change to the scheme would introduce a standard, single disregard of £25 for the applicant (and their partner if they have one). All other disregards will be removed.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- It will be more generous to some applicants on low incomes and encourage work – this is particularly relevant to single persons and couples with no children. (It should be noted that applicants with dependants will be allowed a higher level of income within the 'grid scheme' proposed); and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There may be applicants with larger families and who have high child care costs (not met by Government schemes) who may see a reduction in support. (It should be noted that applicants with dependants will be allowed a higher level of income within the grid scheme and also if they face exceptional hardship, they may apply for additional support under the Council's Exceptional Hardship Payments Scheme).

Q12.

Do you agree with this change to the scheme?

☐ Yes ☐ No ☐ Don't know

Q13.

If you disagree what alternative would you propose?

Option 6 – Disregarding Carer's Allowance which is currently taken into account as income

Where applicants (or their partner if they have one) receive Carer's Allowance for looking after a person who is ill or disabled, the Carer's Allowance payment they receive is considered as income for Council Tax Reduction. This is partially offset by an award of Carer's Premium within the current scheme. With the move to an income based 'grid' scheme, the use of premiums etc. will end. The Council feels that it is fair, in these cases, to fully disregard any payment of Carer's Allowance received.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- It may be more generous to applicants who receive Carer's Allowance; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There may be a small increase in scheme costs although this is thought to be negligible.

Q14.

Do you agree with this change to the scheme?

☐ Yes ☐ No ☐ Don't know

Q15.

If you disagree what alternative would you propose?

Option 7 – Removing the Extended Payment provision

In certain cases, where applicants have been in receipt of prescribed benefits (such as Income Support, Jobseekers Allowance or Employment and Support Allowance) and move into work which ends their entitlement, Council Tax Reduction can be paid for an additional 4 weeks after commencing work or increasing their hours. **Similar provisions do not exist for Universal Credit claimants.** As Universal Credit is to replace those existing (legacy) benefits, the Council feels that these provisions are no longer appropriate.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- It will treat all applicants in receipt of DWP benefits equally; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- Applicants who are still in receipt of legacy benefits and who move into work before being transferred to Universal Credit may lose any potential extended payment.

Q16.

Do you agree with this change to the scheme?

☐ Yes ☐ No ☐ Don't know

Q17.

If you disagree what alternative would you propose?

Option 8 – Any new claim for a reduction or a change in circumstances which changes Council Tax Reduction entitlement will be made from the date on which the change occurs, (rather than on a weekly basis as at present).

Where an applicant makes a new claim for Council Tax Reduction it will be assessed from the date of the application (rather than the following Monday as with the current scheme). Changes in circumstances that affect entitlement to Council Tax Reduction under the current scheme are largely effected on a weekly basis. Both of these are essentially a 'throwback' to previous benefit schemes that were weekly based. As Council Tax is a daily charge, the Council believes it makes more sense to award or change entitlement to Council Tax Reduction on a daily basis. It should be noted that, the proposed new scheme is designed to reduce the number of changes that will affect entitlement in any event.

The benefit of this option is:

- It will make the administration of the scheme simpler;
- It is in line with the way that Council Tax is charged and operated ; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There are no draw backs to this option.

Q18.

Do you agree with this change to the scheme?

☐ Yes ☐ No ☐ Don't know

Q19.**If you disagree what alternative would you propose?****Option 9 – Simplifying the capital rules and reducing the capital limit to £6,000**

The current scheme has a capital limit of £16,000 and has complex rules in respect of the assessment of capital. It is proposed that the capital limit is reduced to £6,000 and that the disregards applied to certain types of capital be removed. It is proposed that only a small number of capital items will be disregarded including:

- The home of the applicant used for their occupation;
- Possessions of the applicant and partner (if they have one);
- Bereavement Support Payments;
- Payments made under the We Love Manchester Emergency Fund or London Emergency Trust; or
- Payments made under the infected blood schemes

A full list of disregards is shown in the draft scheme.

The benefit of this option is:

- It will make the administration of the scheme simpler; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- Some applicants who may have had certain capital disregarded may receive less reduction; and
- Some applicants that have in excess of £6,000 will not qualify for support.

Q20.**Do you agree with this change to the scheme?**☐

Yes

☐

No

☐

Don't know

Q21.**If you disagree what alternative would you propose?**

Option 10 – Where an applicant is disabled, they have a disabled child or receive the Support Component of the Employment and Support Allowance or the Limited Capability for Work Related Activity element (LCWRA), the amount they receive as a premium or element under the existing scheme will be replaced by an equivalent income disregard

The current scheme provides additional support to applicants, their partner (if they have one) or disabled children within the family by awarding premiums / components when certain benefits (such as Disability Living Allowance, Personal Independence Payments, Support Component of the Employment and Support Allowance or Limited Capability for Work Related Activity Element) are in payment. With a move to an income based scheme, to ensure these cases will not be adversely affected, a similar amount will need to be disregarded from their income.

The benefit of this option is:

- It will make the scheme fairer; and
- The change is simple and administratively easy to incorporate within the scheme.

The drawbacks of doing this are:

- There are no drawbacks to this change

Q22.**Do you agree with this change to the scheme?**

☐ Yes ☐ No ☐ Don't know

Q23.

If you disagree what alternative would you propose?

Q24.

Please use this space to make any other comments on the scheme.

Q25.

Please use the space below if you would like the Council to consider any other options (please state).

Q26.

If you have any further comments or questions to make regarding the Council Tax Reduction scheme that you haven't had opportunity to raise elsewhere, please use the space below.

About You

We ask these questions:

1. To find out if different groups of people in the Council's population have been able to take part in the consultation and identify if any groups have been excluded. This means it is not about you as an individual but to find out if people with similar characteristics have had their say.
2. To find out if different groups of people feel differently about the options and proposals in comparison to each other and all respondents. This means it is not about you as an individual but to find out if people with similar characteristics have answered in the same way or not.

This information is completely confidential and anonymous. Your personal information will not be passed on to anyone and your personal details will not be reported alongside your responses.

Q34.

Are you, or someone in your household, getting a Council Tax Reduction at this time?

☐ Yes ☐ No ☐ Don't know/Not sure

Q35.

What is your sex?

☐ Male ☐ Female ☐ Prefer not to say

Q36.

Age

☐ 18-24 ☐ 25-34 ☐ 35-44 ☐ 45-54 ☐ 55-64 ☐ 65-74 ☐ 75-84 ☐ 85+ ☐ Prefer not to say

Q.37

Disability: Are your day to day activities limited because of a health problem or disability which has lasted, or is expected to last, at least 12 months?

☐ Yes ☐ No ☐ Don't know/Not sure ☐ Prefer not to say

Q38.

Ethnic Origin: What is your ethnic group?

☐ **Prefer not to say**

White

☐ British ☐ Irish ☐ Gypsy or Irish Traveller ☐ Any other White background

Mixed/Multiple ethnic groups

☐ White & Black African ☐ White & Black Caribbean ☐ White & Asian ☐ Any other multi mixed background

Asian or Asian British

☐ Pakistani ☐ Indian ☐ Bangladeshi ☐ Chinese ☐ Any other Asian background

Black/African/Caribbean/Black British

☐ African ☐ Caribbean ☐ Any other Black background

Other Ethnic Group

☐ Arab ☐ Other – please specify below:

Next steps....

Thank you for completing the questionnaire.

Progress reports on the consultation will be added to our website.

You may submit further evidence, ideas or comments (marked CTR consultation) by email to email@council.gov.uk

The consultation closes on dd/mm/yyyy.

We will listen carefully to what residents tell us and take the responses into consideration when making a final decision on the 2019/20 scheme.

Following the decision, the full results from the consultation will be available on the Council's website.

The new scheme will start on **1 April 2019 for all applicants in receipt of Universal Credit or those applicants who receive Universal Credit thereafter.**

For all other applicants the new scheme will start on 1st April 2020.

The Council will consider the impact of the scheme annually and consult again if it thinks further changes need to be made.

Examples of new LCTR awards compared to the old scheme

The current scheme is a means tested scheme, complex rules determine the amount which a claimant should be able to live on, this is known as the applicable amount and once determined it is compared to the income after the deduction of various income disregards. Claimants whose income is determined as equal to or less than the applicable amount, are entitled to the maximum 85% Council Tax reduction, unless their capital excludes them from the scheme. Pass-ported benefits are paid by the DWP to claimants whose income is less than the amount determined they should be able to live on to meet the shortfall. Of the 3364 working age claimants, 2188 claimants are in receipt of a pass-ported benefit and these will be placed in Band 1 of the new scheme and will therefore continue to be entitled to 85% council tax reduction.

The following tables show how claimant could be affected by the proposed changes to the scheme. Comparisons are very difficult because all claimants circumstances are different so where as a couple with two children may be better off under the banded scheme, another couple may be worse off.

Also to be noted, the LCTRS has changed in line with housing benefit and all other means tested benefits. For example, for any new claim, only the first two children are taken into account when calculating how much a person needs to live on, however claimants with more than two children who have been in continuous receipt of LCTR, continue to have all children included until such time as there is a break in their claim.

The net weekly income in the following tables is the claimants income less tax and national insurance plus any other income received. Where appropriate, child benefit and an earnings disregard is then subtracted to determine which income band they fall into.

Single claimants.

Income Bands	% reduction of 85%
0 - 75.00	100
75.01 - 105.00	75
105.01 - 135.00	50
135.01 - 165.00	25

There are 262 single claimants not working, of these 38 have capital over £6,000 and under the new banded scheme would not be entitled to council tax reduction. This change brings the capital limit in line with the other local authorities within the County.

Single working claimants

Income	Current scheme	Banded scheme
119.99	5.89	7.13
157.96	3.17	4.78
167.56	3.54	5.35
203.62	0.52	0.00

Single claimants not working with at least one disabled benefit

The banded scheme will ignore disability benefits in full and disregard an additional £50.00 in income when calculating which Band the customer will be placed.

Income	Current scheme	Banded scheme
174.93	14.27	14.27
227.80	16.65	16.65
231.87	15.95	15.95
315.34	11.01	7.17

Single one child

The new scheme disregards child benefit in full similar to the current scheme and £25.00 of any earnings.

Bands	% reduction of 85%
0 – 140.00	100%
140.01 – 170.00	75%
170.01 – 200.00	50%
200.01 – 230.00	25%

Income	Current scheme	Banded scheme
167.83	19.14	19.14
210.52	12.10	12.56
236.40	10.09	8.40
323.47	2.60	0.00

Couple one or both working

Bands	% reduction of 85%
0 – 115.00	100%
115.00 – 150.00	75%
150.00 – 185.00	50%
185.00 – 220.00	25%

Income	Current scheme	Banded scheme
153.32	19.63	18.99
184.27	10.32	11.10
207.52	8.84	6.34
233.86	3.72	6.38

Couple two children

Bands	% reduction of 85%
0 – 250.00	100
250.01 – 300.00	75
300.01 – 350.00	50
350.01 – 400.00	25

Income	Current scheme	Banded scheme
253.64	25.52	25.52
341.90	19.79	16.98
440.93	2.71	6.34
618.39	5.61	0.00

Form A1**INITIAL SCREENING FOR STRATEGIES/POLICIES/FUNCTIONS FOR EQUALITIES RELEVANCE TO ELIMINATE DISCRIMINATION, PROMOTE EQUALITY AND FOSTER GOOD RELATIONS**

High relevance/priority



Medium relevance/priority



Low or no relevance/priority

Note:

1. Tick coloured boxes appropriately, and depending on degree of relevance to each of the equality strands
2. Summaries of the legislation/guidance should be used to assist this screening process

Business Unit/Services:	Relevance/Risk to Equalities																										
State the Function/Policy /Service/Strategy being assessed:	Gender			Race			Disability			Sexual Orientation			Religion/Belief			Age			Gender Reassignment			Pregnancy/ Maternity			Marriage/ Civil Partnership (only for staff)		
Council Tax Reduction Scheme - Replacement of Existing Scheme																											
Are your proposals likely to impact on social inequalities e.g. child poverty for example or our most geographically disadvantaged communities? If yes please explain how.																								NO			
Are your proposals likely to impact on a carer who looks after older people or people with disabilities? If yes please explain how. The new scheme will disregard carer's allowance which may be of advantage to the applicant for Council Tax. The current scheme includes Carer's Allowance as an income																								YES			

Form A2 – Details of Plan/ Strategy/ Service/ Policy**Stage 1 – Scoping and Defining**

(1) What are the aims and objectives of Plan/Strategy/Service/Policy?

The Council Tax Reduction scheme provides support for certain taxpayers who have a low income.

Where entitled, the scheme provides a reduction in liability for Council Tax.

The replacement scheme is designed to overcome the significant administrative complications for applicants who are in receipt of Universal Credit within the area. The main issues are;

- The current scheme is too reactive to the constant changes in Universal Credit. With the frequent changes in liability, taxpayers receive multiple Council Tax demands which in turn has a negative effect on the taxpayer's ability to manage their finances and on collections levels;
- There is a need to make the scheme simpler and for taxpayers to be encouraged to claim a reduction;
- The scheme needs to be future proofed to avoid constant amendments.

The intention is to introduce the scheme for Universal Credit applicants from 1st April 2019 and for all other **working age** applicants from 1st April 2020.

The changes will NOT affect Pension Age applicants

(2) How does it fit with Warwick District Council's wider objectives?

The Council's objectives are to, wherever possible, provide;

- support to those applicants on a low income; and
- a scheme that is administratively straightforward

The Council is looking to maintain the same level of overall support to taxpayers generally

(3) What are the expected outcomes?	<p>Any new scheme must:</p> <ul style="list-style-type: none"> • Minimise any potential loss to existing applicants; • Reduce administration costs which will occur through the roll out of Universal Credit; • Ensure that collection rates are maintained in respect of Council Tax; and • Prevent future changes in schemes
(4) Which of the groups with protected characteristics is this intended to benefit? (see form A1 for list of protected groups)	<p>The following groups will not be affected under the changes:</p> <ul style="list-style-type: none"> • Pension Age applicants •
<u>Stage 2 - Information Gathering</u>	
(1) What type and range of evidence or information have you used to help you make a judgement about the plan/ strategy/ service/ policy?	Full modelling of the new scheme has been undertaken using the existing Council Tax Reduction caseload.
(2) Have you consulted on the plan/ strategy/ service/ policy and if so with whom?	<p>Yes</p> <p>Consultation is to be carried out in accordance with the legislation.</p> <p>Major preceptors will be consulted as well as the public and interested groups.</p> <p>Consultation will be carried out over the Summer Time and the results will be analysed and taken into account when the scheme is decided by full Council.</p>
(3) Which of the groups with protected characteristics have you consulted with?	All Council Taxpayers, including all applicants for Council Tax Reduction have been consulted

<u>Stage 3 – Analysis of impact</u>			
<p>(1) From your data and consultations is there any adverse or negative impact identified for any particular group which could amount to discrimination?</p> <p>If yes, identify the groups and how they are affected.</p>	RACE None	DISABILITY The Scheme continues to disregard all disability related benefits	GENDER Neutral - based on current modelling both male and female applicants can either receive increased or decreased support
	MARRIAGE/CIVIL PARTNERSHIP Positive- couples or persons in Civil Partnerships / relationships are able to have a higher level of income than singles to receive the same level of support.	AGE Working Age cases in receipt of Universal Credit are the only applicants affected	GENDER REASSIGNMENT None
<p>(2) If there is an adverse impact, can this be justified?</p>	RELIGION/BELIEF None	PREGNANCY MATERNITY None	SEXUAL ORIENTATION None
<p>(3) What actions are going to be taken to reduce or eliminate negative or adverse impact? (this should form part of your action plan under Stage 4.)</p>	<p>The scheme will include the development of an Exceptional Hardship Scheme which will allow additional support to be provided to any applicant who suffers exceptional hardship through changes in support.</p>		


(4) How does the plan/strategy/service/policy contribute to promotion of equality? If not what can be done?	<p>The new scheme will be implemented in respect of Universal Credit applicants from 1st April 2019 and for all Working Age applicants from 1st April 2020.</p> <p>The new scheme will apply to all working age applicants from 2020</p>
(5) How does the plan/strategy/service/policy promote good relations between groups? If not what can be done?	<p>The scheme will:</p> <ul style="list-style-type: none"> • Ease the application process for applying for Council Tax Reduction; • Reduce bureaucracy; • Provide a simple to understand approach; and • Protect vulnerable groups either within the scheme itself or by the provision of additional support through an Exceptional Hardship Fund.
(6) Are there any obvious barriers to accessing the service? If yes how can they be overcome?	<p>No – all applicants on Universal Credit will automatically be invited to claim Council Tax Reduction.</p> <p>The authority is looking to significantly reduce administration of the scheme which will enable a 'simpler claiming approach'</p>

<u>Stage 4 – Action Planning, Review & Monitoring</u>					
<p>If No Further Action is required then go to – Review & Monitoring</p> <p>(1) Action Planning – Specify any changes or improvements which can be made to the service or policy to mitigate or eradicate negative or adverse impact on specific groups, including resource implications.</p>	EqIA Action Plan				
	Action	Lead Officer	Date for completion	Resource requirements	Comments
(2) Review and Monitoring State how and when you will monitor policy and Action Plan					

Please annotate your policy with the following statement:

'An Equality Impact Assessment/ Analysis on this policy was undertaken on (date of assessment) and will be reviewed on (date three years from the date it was assessed).'

DRAFT

 Executive – 30th August 2018		Agenda Item No. 6
Title	Adoption of Leamington Spa Art Gallery & Museum Collections Management Framework 2018 – 2023	
For further information about this report please contact	David Guilding, Arts Manager david.guilding@warwickdc.gov.uk Victoria Slade, Collections & Engagement Manager victoria.slade@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	Executive 30 May 2012: Leamington Spa Art Gallery & Museum: submission to Museums Accreditation Scheme Agenda 6B, Minute 7	
Background Papers	Not Applicable	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	947
Equality Impact Assessment Undertaken	No – N/A

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	01/08/18	Andrew Jones
Head of Service	01/08/18	Rose Winship
CMT	07/08/19	Chris Elliott/Andrew Jones/Bill Hunt
Section 151 Officer	07/08/19	Mike Snow
Monitoring Officer	01/08/18	Andrew Jones
Finance	07/08/18	Mike Snow
Portfolio Holder(s)	01/08/18	Cllr Coker
Consultation & Community Engagement		
The following museums were consulted when the Collections Management Framework was developed in 2012: Compton Verney; Coventry Transport Museum; The Herbert, Coventry; Nuneaton Museum & Art Gallery; Royal Regiment of Fusiliers Museum (Warwickshire); Rugby Art Gallery and Museum; the University of Warwick Art Collection; Warwickshire County Record Office; Warwickshire Museum Service. The Framework also reflects ongoing consultation with visitors to the Leamington Spa Art Gallery & Museum via Customer Comments Forms, Comments Books in the art gallery and temporary exhibitions gallery, Event Evaluations Forms, Visitor Survey Questionnaires and with representatives of the Friends of Leamington Art gallery.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

The purpose of this report is to ask Executive to adopt the updated Collections Management Framework 2018 – 2023 in order for Leamington Spa Art Gallery & Museum (LSAG&M) to apply for the renewal of its membership of the Arts Council of England (ACE) Accreditation Scheme.

2. **Recommendations**

- 2.1 That the Executive agrees to adopt the Collections Management Framework 2018 – 2023, attached as Appendices A- D.
- 2.2 That, subject to 2.1, Executive delegates authority to the Head of Cultural Services, in consultation with the Portfolio Holder for Culture, to authorise future renewals of the Collections Management Framework on behalf of the Council, for the purposes of ACE Accreditation renewal and provided that no significant changes are made to the individual policies.

3. **Reasons for the Recommendations**

- 3.1 The Accreditation Scheme is managed by ACE and sets nationally agreed standards and best practice for museums in the UK. There are currently more than 1,700 museums participating in the scheme across the UK, including LSAG&M which is owned and operated by Warwick District Council.
- 3.2 The aims of the scheme are:
 - a) To encourage all museums and galleries to achieve agreed standards in
 - i. how they are run
 - ii. how they manage their collections
 - iii. the experiences of users
 - b) To encourage confidence in museums as organisations that manage collections for the benefit of society and manage public funds appropriately
 - c) To reinforce a shared ethical and professional basis for all museums
- 3.3 The Accreditation Scheme helps assure governing bodies, users, partners and potential donors that member museums meet national standards for the sector. It indicates that members provide good quality services for visitors and well cared for and accessible collections for the benefit of the public.
- 3.4 It is normally necessary for a museum to have accredited status in order to borrow exhibits from other museums or art galleries, or to create formal partnerships with them. Accredited status is also recognised beyond the sector, and is a major asset when seeking funds provided by public bodies such as ACE and the Heritage Lottery Fund, or from charitable bodies such as the Wellcome Trust or the Contemporary Arts Society.
- 3.5 It is therefore vital that LSAG&M seek to renew its Accreditation in order to maintain the quality of its collections, exhibitions and events programmes, continue its work with other museums and galleries, and to raise external funds.
- 3.6 LSAG&M last successfully gained Accredited status in 2012. The Accreditation was then valid for up to three years. Once a museum has been awarded Accredited status it must prove that it continues to meet the requirements of

the scheme by completing an Accreditation return every two to three years, as required. In the meantime ACE launched a review of the scheme and so it was mutually agreed to defer the LSAG&M return. ACE has now provided LSAG&M with a deadline of September 2018 by which it must submit its Accreditation return or risk losing accredited status.

- 3.7 The Accreditation return requires a varied range of detailed information and supporting documentation, including the LSAG&M Collections Management Framework. LSAG&M's Collections Management Framework comprises of four complementary policies which include:

- a. Collections Development Policy
- b. Collections Care and Conservation Policy
- c. Collections Access Policy
- d. Collections Documentation Policy

Up to date versions of all four policies are appended to this report (**Appendices A – D**)

- 3.8 The previous Collections Management Framework (2012 -2017) was last considered by Executive in May 2012 when it was adopted in full. The Framework has recently been reviewed and there have been no significant changes made to these policies since they were first adopted, other than to update their layout and format. Given their overarching nature, it is also highly unlikely that further substantial changes will be made to these policies. However, ACE stipulates that the Framework's policies must all be formally reviewed at least once every five years.
- 3.9 It is also a requirement of the Accreditation process that the latest version of the Collections Management Framework always be formally adopted by the museum's 'governing body' and that evidence of this be provided as part of the submission.
- 3.10 Provided that there are no significant changes to the substance of the Framework's policies it is proposed that the Head of Cultural Services, in consultation with the Portfolio Holder for Culture, should be allowed to authorise its ongoing renewal on behalf of Council for the purposes of Accreditation. Officers believe that it is unnecessary to seek approval from Executive if nothing within the policies has changed since it was last considered. It is suggested that the Head of Cultural Services, is best placed to use their judgement to decide whether changes to the Framework are significant enough to bring them to the attention of Executive for re-approval.

4. **Policy Framework**

4.1 Fit for the Future (FFF)

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

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
Maintains the quality of the Council's art and heritage collections, exhibitions and events for enjoyment by communities.	Ensures that the collections are well cared for and preserved for future generations	Ensures that opportunities for funding and partnership are maximised
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The Collections Management Framework is a primary group of policies from which Art section officers take direction	The Collections Management framework ensures that maximum access to the collections is provided to the public and that the collections continue to develop	The Framework ensures that the collections are well cared for (last valued at over £7m).

4.2 Supporting Strategies

None

4.3 Changes to Existing Policies

None

5. Budgetary Framework

- 5.1 There are no financial implications resulting from seeking to renew LSAG&M's membership of the Accreditation Scheme.

6. Risks

- 6.1 Failure to achieve Accreditation would have a potential negative impact as it is likely to impede access to the external grant funding which has in the past supplemented the Council's own funding of the service, especially the exhibitions, events and conservation programmes. As an indication of the amounts at risk, external funding totalling £115,596 was raised between 2012 and 2017.

7. Alternative Option(s) considered

- 7.1 The Collections Management Framework is a key part of the Accreditation return and Leamington Spa Art Gallery & Museum's submission will not be considered by ACE without it being formally adopted by the Council's 'governing body'.
- 7.2 There are no alternatives to Accreditation as this is the only nationally recognised accreditation scheme for museums in the United Kingdom.
- 7.3 Failure to achieve Accreditation would significantly undermine confidence in LSAG&M within the museums sector. It would have a direct impact on LSAG&M's exhibitions and events programme because it would become very difficult to borrow exhibits or partner with other art galleries and museums.
- 7.4 Failure to achieve Accreditation would also impair LSAG&M's ability to raise external funds to supplement the council's own funding of the exhibitions, events and conservation programmes.

APPENDICES:

- a. Collections Development Policy**
- b. Collections Care and Conservation Policy**
- c. Collections Access Policy**
- d. Collections Documentation Policy**

Collections Development Policy



Name of museum: Leamington Spa Art Gallery & Museum

Name of governing body: Warwick District Council

Date on which this policy was approved by governing body: August 2018

Policy review procedure:

The collections development policy will be published and reviewed from time to time, at least once every five years.

Date at which this policy is due for review: July 2023

Arts Council England will be notified of any changes to the collections development policy, and the implications of any such changes for the future of collections.

1. Relationship to other relevant policies/plans of the organisation:

- 1.1. The museum's statement of purpose is:
'To provide opportunities for everyone to benefit from, enjoy and participate in the creation, interpretation and preservation of the Arts and Heritage.'
(WDC Leisure Committee, 17 November 1998)
- 1.2. The governing body will ensure that both acquisition and disposal are carried out openly and with transparency.
- 1.3. By definition, the museum has a long-term purpose and holds collections in trust for the benefit of the public in relation to its stated objectives. The governing body therefore accepts the principle that sound curatorial reasons must be established before consideration is given to any acquisition to the collection, or the disposal of any items in the museum's collection.
- 1.4. Acquisitions outside the current stated policy will only be made in exceptional circumstances.
- 1.5. The museum recognises its responsibility, when acquiring additions to its collections, to ensure that care of collections, documentation arrangements and use of collections will meet the requirements of the Museum Accreditation Standard. This includes using SPECTRUM primary procedures for collections management. It will take into account limitations on collecting imposed by such factors as staffing, storage and care of collection arrangements.
- 1.6. The museum will undertake due diligence and make every effort not to acquire, whether by purchase, gift or bequest any object or specimen unless the governing body or responsible officer is satisfied that the museum can acquire a valid title to the item in question.

1.7. The museum will not undertake disposal motivated principally by financial reasons

2. History of the collections

The collections of Leamington Spa Art Gallery & Museum have their foundations in the pictures and museum specimens that were donated to Leamington Free Public Library from the early 1860s. In 1875/6 the collection was sufficiently well established to cause the managing Free Library Committee to form a separate Museum Committee. By 1914 the museum collection was sharing the Public Library building, which became so overcrowded that an Art Gallery extension was built in 1928.

In 1947 a Museum Sub Committee was formed to consider collecting and disposals. Mr S.C. Kaines Smith, Keeper of the Cook Collection and former Director of Birmingham Museum and Art Gallery, was invited to advise. He recommended that the Natural History collection should be discontinued, with emphasis instead placed on building up a representative collection of 20th century English pictures; developing the pottery and porcelain collections; to begin the acquisition of English glass and silver; and to add to the local history collections and bygone generally. This resulted in significant growth to the decorative arts collection in the 1950s and '60s.

Following the reorganisation of local government in 1974, the administration of the museum was separated from that of the library and given to the newly formed Warwick District Council. In 1988 the policy document, *A Museum and Exhibition Service for the 1990s*, written by the Museums and Exhibitions Manager Jeff Watkin, recommended that the museum service should concentrate on human history which covered areas in which the collections were particularly strong. The following year the botanical and zoological collections were transferred to the Herbert Art Gallery & Museum in Coventry, and the Geological collection was transferred to Warwickshire Museum.

In 1999 the Art Gallery & Museum service moved to new premises in the Grade II* listed Royal Pump Rooms. Drawing on the building's history as a medical treatment centre, a new collecting programme, *Medicate* (1999-2005) was introduced. With funding from the Wellcome Trust and the MLA/V&A Purchase Grant Fund, a group of works by contemporary artists that explored the links between medical science and art was acquired. The *Medicate* programme and the medical history of the building are continuing strands of the Collections Development Policy.

3. An overview of current collections

3.1. VISUAL ARTS

The Visual Arts collections encompass Fine Art and Decorative Art. The collections benefited from a series of important donations during the 1930s and 1950s, after which they grew only slowly until the acquisition of a group of work by contemporary artists made through the *Medicate* programme.

The core collections in this section are Fine Art: Modern and Contemporary British (3.1.a.), and Fine Art: Modern and Contemporary Warwickshire (3.1.b.). A selection of works from across the collections is presented in themed displays at all times in the main art gallery, with extensive changes to the displays at regular intervals.

Fine Art

3.1.a. Victorian, Modern and Contemporary British. This collection mostly ranges in date from the 1880s to the present, with paintings in oil and watercolour, drawings, prints, mixed media and a small number of sculptures. The collection includes works by Terry Atkinson, Vanessa Bell, John Bridgeman, Patrick Caulfield, Jacqueline Donachie, Sir Terry Frost, Duncan Grant, Patrick Heron, Damien Hirst, Ivon Hitchens, Colin Hitchmough, L S Lowry, Paul Nash, Winifred Nicholson, Marc Quinn, Bridget Riley, Abraham Solomon, Simeon Solomon Stanley Spencer, Mark Titchner, Edmund de Waal, Gillian Wearing, and Carel Weight. As artists are beginning to work in a variety of new media LSAG&M is gathering a small collection of digital works, including films by Jordan Baseman and Jo Roberts.

3.1.b. Victorian, Modern and Contemporary Warwickshire. This collection mostly ranges in date from the 1840s to the present, and is mainly drawings and paintings in oil and watercolour, many showing local scenes. It includes significant groups of pictures by Thomas Baker, John Burgess, Colin Moss, Harry Weinberger, Simon Lewty, Elizabeth Whitehead and Frederick Whitehead.

3.1.c. European. The collection of oil paintings attributed to Dutch and Flemish artists working in the 16th and 17th centuries includes a number of pictures acquired through the Mark Field Bequest of 1953 and the George Watson bequest through the Art Fund in 2015. There are also works by Abraham Bloemaert, Phillippe de Champaigne and Godfried Schalcken.

There are about 2,000 works in the Fine Art collection.

Decorative Art

3.1.d. Ceramics. This collection includes a wide variety of functional and decorative ceramics, most made in England in the 18th and 19th centuries. Amongst the factories represented are Bow, Bristol, Chelsea, Worcester and Wedgwood. There are about 450 objects in the collection.

3.1.e. Glass. This collection falls into two groups: (a) the Francis Jahn collection of late 17th to early 19th century drinking glasses, jugs and bottles, acquired in 1955; and (b) a small group of cut glass drinking glasses and jugs made in major glass factories of the West Midlands, acquired in 1963. There about 230 pieces in the collection.

3.1.f. Contemporary Designers and Makers. This collection consists of: (a) a small number of vessels made by contemporary artists Peter Beard, David Jones and Clare Seneviratne; and (b) a small number of pieces of jewellery by locally based maker Jane Moore. There are about 10 pieces in the collection

3.2. HUMAN HISTORY

The Human History collections encompass Social History, Numismatics, Ethnography and Archaeology. These diverse collections have been largely donated by local residents and reflect their histories, lives and interests. The core collections in this section are Social History: Community Life (3.2.a.), Social History: Domestic and Family Life (3.2.b.), Social History: Personal Life (3.2.c.), Social History: Working Life (3.2.d.), Social History: Photographs and Prints (3.2.f.), and Social History: Medical Equipment and Ephemera

(3.2.g.). The present permanent museum displays include objects from all of LSAG&M's Human History fields, with the largest number drawn from the Social History collection.

Social History

The Social History collection embraces a wide range of objects, most British and ranging in date from the late 18th century to the present. Many relate to the history of the district, especially Royal Leamington Spa. The collection comprises:

3.2.a. Community Life. Material related to the community rather than individuals or families. This includes objects used in education, warfare, health, entertainment and sport. Examples include mineral water bottles, local guidebooks, commemorative objects and civic memorabilia, school uniforms, objects from the Home Front during the Second World War, police truncheons and sports medals.

3.2.b. Domestic and Family Life. This category includes artefacts used in building, heating, lighting and managing houses. Examples include kitchen implements, toys, infant feeding bottles, and candlesticks.

3.2.c. Personal Life. This category includes objects belonging to or normally used by one person, rather than general domestic objects. Examples include clothes, shoes, jewellery and other accessories, and personal correspondence.

3.2.d. Working Life. This category includes objects made for work or business. Examples are agricultural tools, shop receipts, whitesmiths' tools, shoemakers' tools, shop signs and packaging

There are about 3950 objects in Social History categories 2.2.a - 2.2d.

3.2.e. Travel Posters. This includes railway and shipping posters, many of the 1920s - 1930s and relating to British and foreign services and resorts. There are about 300 posters in this group.

3.2.f. Photographs and Prints. This largely comprises photographs and prints depicting the people, landscape and buildings of Warwickshire (in particular the Warwick District). The collection is particularly rich in images of Royal Leamington Spa. There are about 3700 objects in this group.

3.2.g. Medical Equipment and Ephemera. This includes equipment, furniture and archives associated with the Royal Pump Rooms and other medical establishments in the district. Objects include heat lamps, X-ray machines and spa treatment guides. There are about 100 objects in this group (excluding photographs and prints).

3.2.h. Numismatics. This diverse collection mainly comprises British and foreign coins and tokens dating from the late 18th to early 20th centuries. There are also a number of Roman, Medieval and Elizabethan coins. There are about 1200 coins in the collection.

3.2.i. Ethnography. Most of this material appears to have been made and collected during the 19th and early 20th centuries. It includes artefacts produced by the indigenous, pre-industrial, cultures of Africa (including Egypt), Asia, Oceania, Australia, the Americas and Europe. Some objects are of particular significance, for example ceremonial stilts from the Marquesa Islands, a Chinese libation cup of rhinoceros horn, Chinese silk shoes for bound feet, and African cooking pots. There are about 950 objects in the collection.

3.2.j. Archaeology. This collection comprises pottery and other objects excavated locally or in London between the late 19th century and the 1930s. There are about 70 objects in the collection.

4. Themes and priorities for future collecting

GENERAL CRITERIA

- Leamington Spa Art Gallery & Museum will only collect objects for which suitable storage and exhibition facilities are available.
- Because Leamington Spa Art Gallery & Museum has no in-house conservation resources it will in general acquire only objects which are in fair, good or excellent condition. In exceptional circumstances objects which are in poorer condition may be acquired provided (a) resources are available to carry out the necessary restoration work; and (b) they are important acquisitions of a type otherwise unlikely to become available.
- In recognition of the opportunities provided by Leamington Spa Art Gallery & Museum's relocation to the Royal Pump Rooms in 1999, there is particular interest in collecting Visual Arts and Human History material relating to medical science and health, especially objects associated with spas in the 19th and 20th centuries. The aim is to explore the relationship between the visual arts, science, and social history. Topics of particular interest include hygiene, swimming, and spa treatments past and present. A significant start to collecting in this area has been made through the Medicate health and medical science programme of 1999 – 2005.
- There is particular interest in collecting Visual Arts and Human History material relating to local communities currently under-represented in the collections, notably Black and Minority Ethnic communities and those from other European countries who have settled in the area as a result of the Second World War and more recently because of membership of the European Union.

4.1. FINE ART

Future acquisitions will reflect three particular considerations:

- Leamington Spa Art Gallery & Museum's Visual Arts collections are a resource of countywide importance.
- Leamington Spa Art Gallery & Museum's picture store and ceramics store, created as part of the 1997 - 99 refurbishment of the Royal Pump Rooms, offer good quality storage space with only limited room for further acquisitions.
- Leamington Spa Art Gallery & Museum has only modest financial resources for purchases in the art market, even with financial assistance from external bodies such as the Friends of Leamington Spa Art Gallery & Museum, the V&A Purchase Grant Fund or The Art Fund.

Taking these factors into account Leamington Spa Art Gallery & Museum aims to collect in the following fields:

4.1.a. Victorian, Modern and Contemporary British. Work by British artists active during the periods already represented in the collection, especially those from the 1840s to 1960s; contemporary British artists of the 1960s and later, particularly those not yet represented in the collection with national or international reputations; medically related visual arts, particularly those related to spa treatments and bathing.

4.1.b. Victorian, Modern and Contemporary Warwickshire. Artworks relating to Warwickshire, with a particular interest in work that casts new light on artists already well-represented in the collections, or artists new to the collections; work by the camouflage artists based in Leamington Spa during the Second World War.

4.1.c. European and International. Artworks which add strength to the existing collections of works by European and International artists.

Decorative Art

4.1.d. Ceramics. Leamington Spa Art Gallery & Museum will not actively seek to add to the collection of 18th and 19th century factory wares. It will only accept donations of this type in exceptional circumstances, for example, donations of objects from local households.

4.1.e. Glass. Leamington Spa Art Gallery & Museum will not actively seek to add to the collections of late 17th to early 19th glass and West Midlands produced glass. It will only accept donations of this type in exceptional circumstances, for example, donations of objects from local households.

4.1.f. Contemporary Designers and Makers. Studio produced pieces in ceramic, glass and other materials by designers and makers with national or international reputations, particularly those with local associations.

4.2. HUMAN HISTORY

Leamington Spa Art Gallery & Museum aims to collect the following categories of material:

4.2.a. Social History. It is preferable that acquisitions have clear associations with Warwick district, although where there are gaps in the collections otherwise unlikely to be filled, objects from further away may be accepted. There is particular interest in acquiring material in the following categories:

- Communities that have settled in the district since the Second World War, including Black and Ethnic Minority communities and those from the European Union.
- Spas and medical treatments available in the Royal Pump Rooms in the 19th - 20th centuries.
- Community life since the Second World War
- Domestic and Family Life since the Second World War
- Personal Life since the Second World War
- Working Life since the Second World War
- Local travel and tourism, particularly around Warwick district and 'Shakespeare's England'

Supplementary information concerning the origins, provenance and former use of objects in the collection may also be acquired, including in the form of documents, photographs, oral history recordings or digital archives.

4.2.b. Numismatics. Coins and tokens will be collected as an aspect of local life and industry. Collections compiled by local residents will be considered.

4.2.c. Ethnography. The ethnography collection, although not directly related to the historic culture of the locality, reflects the relationship between some of Leamington's residents and the wider world during the 19th and earlier 20th centuries. Therefore, although Leamington Spa Art Gallery & Museum will not actively seek additional ethnographic material, it may accept donations or bequests which are associated with or

complement the existing collection. It will also collect objects which reflect the continuing relationship between the district's residents and the wider world through travel and tourism, for example, modern holiday souvenirs.

4.2.d. Archaeology. The Warwickshire Museum Service provides the principal storage for archaeological material from Warwickshire, and Warwick District Council will not acquire further archaeological finds for the collections of Leamington Spa Art Gallery & Museum.

5. Themes and priorities for rationalisation and disposal

- 5.1 The museum recognises that the principles on which priorities for rationalisation and disposal are determined will be through a formal review process that identifies which collections are included and excluded from the review. The outcome of review and any subsequent rationalisation will not reduce the quality or significance of the collection and will result in a more useable, well managed collection.
- 5.2 The procedures used will meet professional standards. The process will be documented, open and transparent. There will be clear communication with key stakeholders about the outcomes and the process.
- 5.3 The museum will only dispose of objects for curatorial reasons and will not undertake disposal motivated principally by financial reasons. Disposal will be made by gift or sale and in accordance the procedures outlined in Section 16 below. The Museums Association's Code of Ethics for Museums and Disposal Toolkit will be used to guide disposal.

Objects from the collections will be considered for disposal on a case by case basis under the following criteria:

- Poor condition
- Duplicates exist
- Falls outside the Collections Development Policy
- Public benefit better served by transfer to another organisation

6 Legal and ethical framework for acquisition and disposal of items

- 6.1 The museum recognises its responsibility to work within the parameters of the Museum Association Code of Ethics when considering acquisition and disposal.

7 Collecting policies of other museums

- 7.1 The museum will take account of the collecting policies of other museums and other organisations collecting in the same or related areas or subject fields. It will consult with these organisations where conflicts of interest may arise or to define areas of specialism, in order to avoid unnecessary duplication and waste of resources.
- 7.2 Specific reference is made to the following museum(s)/organisation(s):

Compton Verney; Coventry Transport Museum; Herbert Art Gallery & Museum, Coventry; Nuneaton Museum & Art Gallery; Queens Own Hussars Museum (Warwick); Royal Regiment of Fusiliers Museum (Warwickshire); Rugby Art Gallery and Museum; the University of Warwick Art Collection; Warwickshire County Record Office; Warwickshire Museum Service; Warwickshire Yeomanry Museum.

7.3 There are currently no joint acquisition agreements, but the museum does not rule out the possibility in the future.

8 Archival holdings

As Leamington Spa Art Gallery & Museum holds archives, including film, photographs and printed ephemera, its governing body will be guided by the Code of Practice on Archives for Museums and Galleries in the United Kingdom (third edition, 2002).

9 Acquisition

9.1 The policy for agreeing acquisitions is:

All potential acquisitions are considered by the Collections & Engagement Managers, Visual Arts Curator and Human History Curators at bi-monthly Acquisitions meetings, with regard to the areas for collecting outlined in section 4; the resources of the museum and the collecting policies of other museums and institutions.

9.2 The museum will not acquire any object or specimen unless it is satisfied that the object or specimen has not been acquired in, or exported from, its country of origin (or any intermediate country in which it may have been legally owned) in violation of that country's laws. (For the purposes of this paragraph 'country of origin' includes the United Kingdom).

9.3 In accordance with the provisions of the UNESCO 1970 Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property, which the UK ratified with effect from November 1 2002, and the Dealing in Cultural Objects (Offences) Act 2003, the museum will reject any items that have been illicitly traded. The governing body will be guided by the national guidance on the responsible acquisition of cultural property issued by the Department for Culture, Media and Sport in 2005.

10 Human remains

10.1 As the museum holds or intends to acquire human remains from any period, it will follow the procedures in the 'Guidance for the care of human remains in museums' issued by DCMS in 2005.

11 Biological and geological material

11.1 The museum will not acquire any biological or geological material.

12 Archaeological material

12.1 The museum will not acquire any archaeological material.

13 Exceptions

13.1 Any exceptions to the above clauses will only be because the museum is:

- acting as an externally approved repository of last resort for material of local (UK) origin
- acting with the permission of authorities with the requisite jurisdiction in the country of origin

In these cases the museum will be open and transparent in the way it makes decisions and will act only with the express consent of an appropriate outside authority. The museum will document when these exceptions occur.

14 Spoliation

14.1 The museum will use the statement of principles 'Spoliation of Works of Art during the Nazi, Holocaust and World War II period', issued for non-national museums in 1999 by the Museums and Galleries Commission.

15 The Repatriation and Restitution of objects and human remains

15.1 The museum's governing body, acting on the advice of the museum's professional staff, if any, may take a decision to return human remains (unless covered by the 'Guidance for the care of human remains in museums' issued by DCMS in 2005), objects or specimens to a country or people of origin. The museum will take such decisions on a case by case basis; within its legal position and taking into account all ethical implications and available guidance. This will mean that the procedures described in 16.1-5 will be followed but the remaining procedures are not appropriate.

15.2 The disposal of human remains from museums in England, Northern Ireland and Wales will follow the procedures in the 'Guidance for the care of human remains in museums'.

16 Disposal procedures

16.1 All disposals will be undertaken with reference to the SPECTRUM Primary Procedures on disposal.

- 16.2 The governing body will confirm that it is legally free to dispose of an item. Agreements on disposal made with donors will also be taken into account.
- 16.3 When disposal of a museum object is being considered, the museum will establish if it was acquired with the aid of an external funding organisation. In such cases, any conditions attached to the original grant will be followed. This may include repayment of the original grant and a proportion of the proceeds if the item is disposed of by sale.
- 16.4 When disposal is motivated by curatorial reasons the procedures outlined below will be followed and the method of disposal may be by gift, sale or as a last resort - destruction.
- 16.5 The decision to dispose of material from the collections will be taken by the governing body only after full consideration of the reasons for disposal. Other factors including public benefit, the implications for the museum's collections and collections held by museums and other organisations collecting the same material or in related fields will be considered. Expert advice will be obtained and the views of stakeholders such as donors, researchers, local and source communities and others served by the museum will also be sought.
- 16.6 A decision to dispose of a specimen or object, whether by gift, sale or destruction (in the case of an item too badly damaged or deteriorated to be of any use for the purposes of the collections or for reasons of health and safety), will be the responsibility of the governing body of the museum acting on the advice of professional curatorial staff, if any, and not of the curator or manager of the collection acting alone.
- 16.7 Once a decision to dispose of material in the collection has been taken, priority will be given to retaining it within the public domain. It will therefore be offered in the first instance, by gift or sale, directly to other Accredited Museums likely to be interested in its acquisition.
- 16.8 If the material is not acquired by any Accredited museum to which it was offered as a gift or for sale, then the museum community at large will be advised of the intention to dispose of the material normally through a notice on the MA's Find an Object web listing service, an announcement in the Museums Association's Museums Journal or in other specialist publications and websites (if appropriate).
- 16.9 The announcement relating to gift or sale will indicate the number and nature of specimens or objects involved, and the basis on which the material will be transferred to another institution. Preference will be given to expressions of interest from other Accredited Museums. A period of at least two months will be allowed for an interest in acquiring the material to be expressed. At the end of this period, if no expressions of interest have been received, the museum may consider disposing of the material to other interested individuals and organisations giving priority to organisations in the public domain.
- 16.10 Any monies received by the museum governing body from the disposal of items will be applied solely and directly for the benefit of the collections. This normally means the purchase of further acquisitions. In exceptional cases, improvements relating to the care of collections in order to meet or exceed Accreditation requirements relating to the risk of damage to and deterioration of the collections may be justifiable. Any monies received in compensation for the damage, loss or destruction of items will be applied in the same way.

Advice on those cases where the monies are intended to be used for the care of collections will be sought from the Arts Council England.

- 16.11 The proceeds of a sale will be allocated so it can be demonstrated that they are spent in a manner compatible with the requirements of the Accreditation standard. Money must be restricted to the long-term sustainability, use and development of the collection.
- 16.12 Full records will be kept of all decisions on disposals and the items involved and proper arrangements made for the preservation and/or transfer, as appropriate, of the documentation relating to the items concerned, including photographic records where practicable in accordance with SPECTRUM Procedure on deaccession and disposal.

Disposal by exchange

- 16.13 The museum will not dispose of items by exchange.

Disposal by destruction

- 16.14 If it is not possible to dispose of an object through transfer or sale, the governing body may decide to destroy it.
- 16.15 It is acceptable to destroy material of low intrinsic significance (duplicate mass-produced articles or common specimens which lack significant provenance) where no alternative method of disposal can be found.
- 16.16 Destruction is also an acceptable method of disposal in cases where an object is in extremely poor condition, has high associated health and safety risks or is part of an approved destructive testing request identified in an organisation's research policy.
- 16.17 Where necessary, specialist advice will be sought to establish the appropriate method of destruction. Health and safety risk assessments will be carried out by trained staff where required.
- 16.18 The destruction of objects should be witnessed by an appropriate member of the museum workforce. In circumstances where this is not possible, e.g. the destruction of controlled substances, a police certificate should be obtained and kept in the relevant object history file.

Collections Care & Conservation Policy



Name of museum: Leamington Spa Art Gallery & Museum

Name of governing body: Warwick District Council

Date on which this policy was approved by governing body: August 2018

Policy review procedure:

The collections development policy will be published and reviewed from time to time, at least once every five years.

Date at which this policy is due for review: July 2023

General

Caring for the collections is a fundamental duty of all museums. Leamington Spa Art Gallery & Museum's collections care policy is based on a combination of preventative and remedial conservation.

Collections care and conservation will be undertaken by or in consultation with a professional conservator.

Care and conservation of the collections will take place in compliance with all appropriate laws and in line with best practice and the Museums Association's *Code of Ethics for Museums*.

Collections care and conservation issues will be communicated to staff via email, Daily Diary sheet, Team Diary meetings and Staff meetings.

Collections care and conservation issues will be communicated to users via, for example:

- labels in cases where objects have been removed / on any collections care equipment
- verbally by Customer Service Assistants, Duty Managers and other gallery staff
- press releases, website, social media and written articles where appropriate

Collections Condition Overview

The MLA's *Benchmarks in Collections Care* will be used to assess the care of collections stored at the Royal Pump Rooms and the external store, and on display at the Royal Pump Rooms and Town Hall.

Environmental Monitoring

A programme of collecting, recording, evaluating and monitoring temperature, Relative Humidity and light levels will be maintained as follows:

- Trend sensors installed as part of the Building Energy Management System keep a constant

record of temperature and relative humidity in Leamington Spa Art Gallery & Museum. Weekly printouts in the form of graphs are made and retained.

- Hanwell dataloggers record temperature and relative humidity every five minutes. This data is downloaded monthly and appended to a continuous log on the I drive (I:\dataloggers).
- Light readings are taken monthly and recorded on the I drive (I:\Light Readings).

Environmental Control

Preventative conservation involves the control of environmental factors to stop or minimise the deterioration of objects in the collection. A system of environmental control will be maintained using the following:

- The Building Energy Management System controls the temperature and relative humidity of Leamington Spa Art Gallery & Museum. Should this fail to achieve the set targets at any time an alarm is sent to Warwick District Council's Energy Manager who organises remedial action.
- Mobile de-/humidifiers are used to supplement the Building Energy Management System in the stores and Temporary Exhibition Gallery as necessary. These are checked daily.
- There are no windows in the galleries or stores of Leamington Spa Art Gallery & Museum and light levels in display areas are controlled by moving or dimming lights. Light-sensitive objects on display are identified and regularly changed.

Provision of suitable building

Leamington Spa Art Gallery & Museum is housed in the Grade II* listed Royal Pump Rooms. The building was refurbished in 1997-99 to create high quality display and storage areas for the collections. The building is beside the river Leam and river levels are monitored and Floodline consulted if there appears to be a risk of flooding. Precautions against floods include flood barriers to protect the stores and display areas from river floodwater.

Housekeeping

Cleaning and pest monitoring programmes are in place to guard against damage caused by pollutants and infestations. Objects that are vulnerable to infestation have been identified and regular checks are made. A quarantine area is used to house and monitor objects when they first come into Leamington Spa Art Gallery & Museum.

Disaster Planning

An Emergency Manual exists and is regularly updated.

Remedial Conservation

- Visual inspections are used to identify objects in need of remedial conservation.
- Priority is given to the conservation of objects for display or use.
- Leamington Spa Art Gallery & Museum will only use conservators on the Conservation Register operated by the Institute of Conservation or conservators with a proven reputation.
- All remedial conservation will be recorded on Modes Complete and documentation filed and retained.

References

Collections Development Policy
Documentation Policy
Collections Care and Conservation Plan
Emergency Manual

Collections Access Policy



Name of museum: Leamington Spa Art Gallery & Museum

Name of governing body: Warwick District Council

Date on which this policy was approved by governing body: August 2018

Policy review procedure:

The collections development policy will be published and reviewed from time to time, at least once every five years.

Date at which this policy is due for review: July 2023

General

Leamington Spa Art Gallery & Museum is committed to providing the best possible physical, intellectual and virtual access to the collections while preserving them for future generations. The collection exists for everyone regardless of education, income, residence, or personal circumstances.

LSAG&M encourages and enables intellectual access to the collection and seeks ways to improve and extend access to information and scholarly research.

LSAG&M seeks to provide all visitors with equal physical access to the building, making alternative provision where necessary within the constraints of the Grade II* Listed Building. It ensures that current and future building projects provide appropriate physical access for all visitors. Expert advice is sought whenever necessary.

LSAG&M takes account of the needs of visitors with disabilities in all safety procedures and consults experts on ways to improve disability awareness for staff.

Access to the collections will be provided in accordance with all legal requirements, including the Equality Act (2010), the Data Protection Act (2018), the Freedom of Information Act (2000) and copyright law.

Display

Leamington Spa Art Gallery & Museum will provide access to objects in the collection through permanent displays and temporary exhibitions.

Displays will provide maximum access, whilst ensuring the safety and security of the objects.

LSAG&M strives to provide information in forms that are accessible to all visitors and to cater for most needs. Signage is designed and situated to be as legible as possible. LSAG&M undertakes to review regularly its methods of communication and to adopt best practice in this area, in consultation with specialist organisations.

A range of interpretive methods will be used to engage with diverse audiences, including: text panels and captions, printed guides and catalogues, interactives and digital projects, oral histories and archive film, educational activities, projects, trails, talks and guided tours. Large print interpretation is available and the main Art Gallery includes a dementia friendly display area.

When planning exhibitions and displays consideration will be given to the requirements of the intended audience and the most appropriate methods of providing access to the objects will be adopted. These may include: interpretation in other languages, Braille, low level displays, handling objects, wheelchair accessible display furniture, and family friendly interactives. Specialist advice will be sought when appropriate.

Virtual access

Access to information and, where possible, images of all objects and artworks in the collection is provided virtually through Windows on Warwickshire. Information and images of objects and artworks will be added to the website as items enter the collections.

Stored collections

Leamington Spa Art Gallery & Museum will provide access to stored collections and associated documentary information by prior appointment.

Suitable, secure and furnished space will be provided for users to consult the collection.

Users consulting the stored collections will be supervised at all times and will not be left alone in the stores or with objects from the collections.

Reasonable requests for copies of associated documentary information will be granted.

Loans

See the Documentation Policy

Surrogates

Leamington Spa Art Gallery & Museum aims to provide access to the historic objects and artworks in its collections. However, on occasion surrogates may be used when the care or preservation of the objects will be compromised. For example, photographs of objects may be reproduced on text panels for exhibitions or digital reproductions of objects in the collection may be used to reduce unnecessary handling. Decisions will be made with reference to the Collections Management risk assessment.

Commercial access

Requests to use objects from the collection for commercial purposes may be granted when the purpose is consistent with the mission and policies of Leamington Spa Art Gallery & Museum and its parent body (Warwick District Council).

References

Access Assessment www.accessibilityguides.org
Documentation Policy
Collections Care and Conservation Policy
Documentation Procedures
Tapping In User Guide

This collections access policy has been produced with reference to Warwick District Council's Equality and Diversity Scheme.

Collections Documentation Policy



Name of museum: Leamington Spa Art Gallery & Museum

Name of governing body: Warwick District Council

Date on which this policy was approved by governing body: August 2018

Policy review procedure:

The collections development policy will be published and reviewed from time to time, at least once every five years.

Date at which this policy is due for review: July 2023

Introduction

Documentation underpins every aspect of museum activity. The purpose of our documentation system is to:

1. Establish exactly what is in the collections at any one time
2. Establish Leamington Spa Art Gallery & Museum's legal rights and responsibilities for those collections
3. Maintain an up to date location record for every object in the collections
4. Link objects with their associated information, including provenance, associations and collections management history
5. Enable retrieval of objects and their associated information
6. Enable access to objects and their associated information for staff and volunteers through the Modes Complete database
7. Enable access to objects and their associated information for the public through an online database
8. Provide insurance information for Warwick District Council
9. Provide audit information for Warwick District Council

Aims and Objectives

The aim of this Policy is to ensure that we fulfill our guardianship, stewardship and access responsibilities. Through implementation of this policy, our objective is to:

- Improve accountability for the collections
- maintain at least minimum professional standards in documentation procedures and collection information and attain the very highest standards wherever possible
- Extend access to collection information
- Strengthen the security of the collections

Accountability

The museum will follow the accountability principles defined by the Museums and Galleries Commission:

"to enable museums to fulfill their fundamental responsibilities for collections and the information associated with them. The principles are that a museum should know at any time exactly for what it is legally responsible (this includes loans as well as permanent collections), and where each item is located." (MGC 1993)

Levels of Documentation

The museum is committed to record significant information about the objects in our care so that each object we are legally responsible for (including loans as well as long term collections) can be identified and located.

For the majority of our collections, curatorial staff will document to individual item level. However, when it is neither feasible nor practical to document the material in this detail, we will document items at group level.

We will document our collections in compliance with SPECTRUM Primary Procedures. In addition, wherever possible we will record additional information such as the known history of an object or artwork, contextual information, and references to any relevant publications, etc.

Computerisation of Records

Collections information will be recorded on Leamington Spa Art Gallery & Museum's collections management system (currently Modes Complete). In order to preserve the database, the system will be maintained by Warwick District Council's ICT services and through subscription to the MODES Users Association. Manual back-ups will be made by curatorial staff when substantial changes have been made.

Controlled Access to Sensitive Information

All requests for information will be considered in terms of compliance with the Freedom of Information Act (2000) and Data Protection Act (2018). We will review requests for confidential data such as donor information or valuations on a case by case basis, and in accordance with the applicable legislation and any legal agreements or conditions of gift.

Security Against Loss of Irreplaceable Collection Information

We have in place measures to ensure the physical security and long-term preservation of all documentation records, whether paper or computerised. We will update all manual and computerised records as appropriate. The Modes server will be backed up with the following schedule:

Daily Backups - Taken over the last two week periods capturing daily changes

Weekly backups - Full backup of server taken at the weekend and saved for a four week period

Monthly backups - one of the weekly backups has its retention period extended to a maximum six month as a long-term backup. These are stored in a fire proof safe off-site.

Object entry

Deposits of material for Leamington Spa Art Gallery & Museum will be accepted for the following purposes:

- Consideration for accessioning into the collections
- Objects on loan for display or identification

No object should be deposited without the authorisation of the Arts Manager, Collections & Engagement Manager, or Curators.

An entry form must be completed for all deposits. These are stored in the paper safe in the Fine Art Store and will be held in perpetuity as a record of the object.

A deposit will be returned if:

- The object is deemed not suitable for accessioning into the collections
- The loan period, for display or identification, has ended

Objects that are not accepted into the collections should be returned to the depositor. If the depositor cannot be contacted after a period of no less than 3 months and after formal notice in writing, the object will be disposed of in accordance with the procedures set out in the Collections Development Policy.

Loans and identifications that are not collected / returned after a period of no less than three months from the end of the agreed loan period will be disposed of in accordance with the procedures set out in the Collections Development Policy and after seeking appropriate legal advice.

Acquisition

See Collections Development Policy 2017-2023

History Files

Leamington Spa Art Gallery & Museum will collect and store contextual and historical information relating to objects in the collection.

The information will be cross-referenced with the object and details stored or referenced on the Modes Complete catalogue.

Labelling and Marking

Leamington Spa Art Gallery & Museum will label and / or mark all objects in the collections in order to maintain a connection between an object and its associated information.

Labelling and marking techniques will be used that are:

- Appropriate for the object
- Durable yet reversible

Loans in

Loans in may be accepted for the following purposes:

- Exhibition or display
- Photography or publication
- Research

Loans in will be accepted for a minimum of 1 week and a maximum of 5 years.

Loans in can only be authorised by the Arts Manager, Collections & Engagement Manager, or Curators.

The lender's title to the object will be established using due diligence.

Leamington Spa Art Gallery & Museum will be responsible for the 'nail to nail' insurance of the object(s) and they shall be insured at the valuations advised by the lender.

The object(s) borrowed will normally be housed in secure storage areas or displayed in securely locked and glazed cases or, if two-dimensional works, securely fixed to the wall.

The object(s) will be housed in areas of appropriate temperature and relative humidity, and in appropriate lux and UV levels at all times.

The object(s) loaned will not be taken to any address other than Leamington Spa Art Gallery & Museum, The Royal Pump Rooms, The Parade, Leamington Spa, without the prior consent of the lender.

No label or other identifying marking will be moved or obliterated.

No object will be cleaned, conserved or treated by the borrower under any circumstances whatsoever without the prior written consent of the lender.

The object(s) will not be handled unnecessarily. On return, the loan will be packed in the same way as it was received.

Acknowledgement will be made to the lender in a form and style agreed with the lender.

Access to the loaned object(s) will be allowed at all reasonable times to any properly authorised officer of the lender.

Leamington Spa Art Gallery & Museum shall immediately inform the lender of any damage to, deterioration in the condition of, or loss of any object on loan. This notification will be confirmed in writing.

Taking of photographs using non-flash photography for non-commercial use is permitted for Leamington Spa Art Gallery & Museum staff.

Leamington Spa Art Gallery & Museum usually permits members of the public to take photographs in the galleries using non-flash photography provided it is solely for personal use and not for publication. In the case of borrowed objects permission will be sought from the lender.

Leamington Spa Art Gallery & Museum considers requests to take photographs of or film objects for commercial purposes on a case by case basis. If the request relates to borrowed objects permission will be sought from the lender

It is the lender's responsibility to inform Leamington Spa Art Gallery & Museum of any change of contact details or circumstances. Leamington Spa Art Gallery & Museum do not accept any responsibility to trace the lender should circumstances change and reserve the right to dispose of

the object(s) after a period of three months from the end of the agreed loan period as set out above.

If an owner has died, Leamington Spa Art Gallery & Museum will contact the executor if known, or seek legal advice with a view to either acquiring or disposing of the object(s) as set out above.

Loans out

Requests for loans out will be considered provided that the object(s) are in a suitable condition and are not required for display or other use by Leamington Spa Art Gallery & Museum.

Objects may be loaned to other Accredited museums. Other organisations and venues will be considered, providing that they meet necessary standards for the care of the objects. Objects may also be loaned to conservators as and when necessary for work to be carried out.

Objects may be loaned for exhibition tours.

Loans can be for up to 5 years, after which they may be considered for renewal, if appropriate.

Loans can only be authorised by Arts Manager, Collections & Engagement Manager, or Curators. Conditions:

Applications for loans should be submitted not less than 3 months before the date for which the loan is requested (or as agreed in writing with the Arts Manager).

The borrower shall be responsible for all costs as a result of the loan, including transport from and to Leamington Spa Art Gallery & Museum.

Leamington Spa Art Gallery & Museum may determine that a member of staff will act as a courier and supervise the unpacking / mounting and subsequent dismounting / packing of the object(s) in the borrower's institution, in which case the costs of travel, accommodation and subsistence of the courier will be met by the borrower.

The borrower shall be responsible for the insurance of the object(s) if required by Leamington Spa Art Gallery & Museum.

Unless otherwise stated on the Outward Loan Form the borrower shall insure the object(s) loaned at a valuation determined by Leamington Spa Art Gallery & Museum against all risks 'nail to nail', throughout their absence from and return to Leamington Spa Art Gallery & Museum.

The insurance policy must be approved by the Arts Manager or his / her representative. The object(s) will not be released to the borrower until evidence of insurance cover is produced. The valuation for insurance purposes will be stated on the Outward Loan form or an aggregate thereof.

The object(s) must be housed in areas of appropriate temperature and relative humidity, and in appropriate lux and UV levels at all times.

The object(s) borrowed for exhibition must normally be housed or displayed in securely locked and glazed cases or, if two-dimensional works, securely fixed to the wall.

The object(s) borrowed for exhibition must be shown in a properly invigilated gallery.

Any special protective measures that the Arts Manager may require shall be provided by the borrower.

The object(s) loaned must not be taken to any address(es) other than specified on the Outward Loan Form.

No label or other identifying marking will be moved or obliterated.

No object is to be cleaned, conserved or treated by the borrower without the prior written consent of the Arts Manager.

The object(s) will not be handled unnecessarily. On return, the loan must be packed in the same way as it was received and in its original packing materials.

Acknowledgement will be made to 'Leamington Spa Art Gallery & Museum (Warwick District Council)' in the display, exhibition notices and literature in a form and style specified by the Arts Manager. Leamington Spa Art Gallery & Museum will also be supplied with a copy of any publication issued in connection with the loan.

The object(s) will not be reproduced in any medium, including photographs, without the prior written consent of the Heritage & Arts Manager and, if applicable, the copyright holder.

Access to the loaned object(s) will be allowed at all reasonable times to any authorised officer of Leamington Spa Art Gallery & Museum.

Leamington Spa Art Gallery & Museum shall be immediately informed of any damage to, deterioration in the condition of, or loss of any object on loan. This notification must be confirmed in writing.

Requests to renew, transfer or cease the loan should be made in writing to Leamington Spa Art Gallery & Museum at the earliest opportunity.

The borrower indemnifies Warwick District Council, Leamington Spa Art Gallery & Museum and its officers against all claims or losses, howsoever caused, arising out of the loan of the object(s) specified on the Outward Loan Form and for so long as the object(s) are in the custody of the borrower.

Cataloguing

New acquisitions will be catalogued as soon as possible and within not more than six months after acquisition.

Each record will include:

- Accession number (under object identity)
- Object name (under identification)
- Number of objects or parts (include in brief description)
- Brief description (under identification)
- Acquisition method and date (under acquisition)
- Permanent location (under object location)
- Reference to available images (under reproduction)

If appropriate, each record will also include:

- Entry form number (under other identity)
- Name and date of recorder (under recorder)
- Classification information, e.g. SHIC code (under identification)

- Further description information, e.g. dimensions, inscriptions, material, date (under description)
- Any field collection information (under field collection)
- Production information, e.g. maker, technique (under production)
- Other historical information, e.g. previous use or associations (under association)
- References to published bibliographic information (under references)
- References to collections management information e.g. loans in or out, condition check, conservation, exhibition, reproduction, rights

As much information as possible about the object and its history should be recorded, or referenced within the record.

One of the following Modes templates will be used as a basis for recording each object (available in the Modes Complete programme).

- Archaeology 2
- Fine Art
- Social History
- Pictorial Representation
- Numismatics
- Decorative Art
- Ethnography
- Oral History

Location and Movement Control

- No person should move an object or access or amend a location record without the authorisation of the Arts Manager, Collections & Engagement Manager, or Curators.
- A record of up-to-date locations must be maintained for all objects in the collection.
- All storage areas must be locked at all times and only accessed under the authorisation of the Arts Manager, Collections & Engagement Manager, Curators, Facilities Supervisor or Duty Manager
- Objects on display must be within locked or screwed shut display cases or secured to the wall with security fittings.
- A record of all previous locations of an object should be maintained on the Modes Complete database, to act as an audit trail.

Object Exit

Object exit occurs during

- Return of unwanted gifts
- Return of loans in
- Return of objects left for identification
- Loans out
- Transfer to another organisation
- Deaccession / disposal (including destruction of the object)

- Move to the external store

Any object exit must be authorised by the Arts Manager, Collections & Engagement Manager, or Curators.


Retrospective Documentation

In the event of a documentation backlog, this will be addressed as soon as possible using a retrospective documentation plan, detailing the appropriate timescales and staff resources.

The retrospective documentation plan will ensure that the documentation backlog meets Spectrum Standards.

References

Documentation Procedural Manual
Collections Development Policy
Access Policy
Retrospective Documentation Plan

 Executive 30th August 2018		Agenda Item No. 7
Title	Assets Redesign – Additional Budget Requirement	
For further information about this report please contact	Bill Hunt Deputy Chief Executive 01926 456014 Bill.hunt@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No – other than confidential Appendix Three	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	Redesign consultation proposal documents and responses	

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

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Author
Head of Service		n/a
CMT	10/8/18	
Section 151 Officer	10/8/18	Mike Snow
Monitoring Officer	10/8/18	Andrew Jones
Finance	9/8/18	Andrew Rollins
Portfolio Holder(s)	13/8/18	Cllr. Phillips
Consultation & Community Engagement		
The proposals have been the subject of the agreed staff consultation process		
Final Decision?		No – approvals are subject to Employment Committee approval of the establishment changes.
Suggested next steps (if not final decision please set out below)		
Report to Employment Committee 12 September 2018		

1. **Summary**

- 1.1 This report sets out the budgetary implications of the proposed re-design of the Assets Team within the Chief Executive's Office.
- 1.2 A consultation exercise with staff and the recognised Trades Union commenced in May 2018 and was completed earlier this month, allowing the Job Descriptions for proposed new or significantly revised posts to be considered by the HAY Panel on 7 August. The outcome of the HAY Panel decisions enabled the potential cost implications of the new structure to be finalised and these are presented in this report, together with proposals as to how the additional costs can be funded.

2. **Recommendations**

- 2.1 That, subject to Employment Committee approval of the proposed new structure and establishment for the Assets Team, Executive approve a potential additional staffing budget of up to £37,472 per annum, with up to £22,483 to be funded from the Housing Revenue Account and £14,989 from the General Fund.
- 2.2 That, subject to approval of recommendation 2.1, Executive approve the use of the Contingency Budget if additional staffing budget requirement is required for the current financial year.
- 2.3 That, subject to approval of recommendation 2.1, Executive note that the full year costs of the additional budget from 2019/20 onwards will be built into the base budget through the Council's budget setting process.

3. **Reasons for the Recommendations**

- 3.1 The Assets Team was moved into the Chief Executive's Office following the decision to disband the former Housing & Property Services service area. This decision and the team's new designation as an internal service team is consistent with the other teams within the Chief Executive's Office - HR and Media, ICT and Democratic Services Members & Elections - which also provide services to a range of internal clients.
- 3.2 Senior Officers and Councillors had for some time held the view that the existing structure of the Assets Team was not sufficiently delivering the expectations of service areas and elected members in the context of changing business needs. However, there is firm recognition of the hard work that all staff put in to their current roles, their achievements and the outputs from that work and the difficulties caused by changes and vacancies in the team's management.
- 3.3 In particular the current structure has not proved flexible enough in resourcing, or delivering the following objectives to the desired, highest efficiency standards:
 - The delivery of the Corporate Responsive & Cyclical Maintenance and Planned and Preventative Maintenance (PPM) Programmes with £485,600 (38%) of slippage at the end of 2016/17 and £595,000 (36%) of slippage last financial year.
 - The aspirations of the Council to adopt a more commercial approach to the non-operational estate.

- The maintenance and updating stock condition information for the HRA homes and corporate homes.
- The use of technology and up to date data to drive efficiencies within the planning and delivery of the Housing Investment Programme and corporate PPM programme.
- The collation and dissemination of comprehensive information to demonstrate that we are compliant with all our health and safety responsibilities.
- The specialist technical input required by high profile corporate projects.
- The resilience required to deal with vacancies or long-term sickness.

- 3.4 It was, therefore, determined that a re-design of the team was required, based on a business case of devising and implementing a structure that can deliver all the work that is currently being done, build on that work, deliver those issues that current resourcing levels prevent being done and provide the resilience and capacity to deal with new issues that may emerge.
- 3.5 The current structure of the team is shown at Appendix One. To deliver these desired outcomes it is proposed to increase both management and building surveying capacity within the team and, following a consultation process, a proposed new structure is shown at Appendix Two. This structure and the establishment changes required to implement it will be presented to Employment Committee on 12 September for approval.
- 3.6 Although the number of posts in the proposed new structure is unchanged the change in the balance of posts within the team results in marginally higher establishment costs. The potential maximum additional cost of the new establishment is £37,472 per annum. Details of this requirement are shown in confidential (as it allows individuals to be identified) Appendix Three. However, this is a notional maximum based on the potential costs payable if every person in post was to be paid at the top point of their salary grade. Members will also note that 3 of the posts in the proposed new structure are 2 year temporary positions so it is possible costs will reduce if these posts are not renewed at the end of this period.
- 3.7 Subject to Employment Committee approval of the new structure shown at Appendix Three, implementation will commence on 13 September. However, it is unlikely that recruitment to new or vacant posts would be completed for some months following that date.
- 3.8 The staffing budget provision for 2018/19 will be closely monitored as it is possible that part-year costs can be met from the existing staffing budget. However, it is recommended that any additional budget requirement is funded through the use of the Contingency Budget.
- 3.9 Any future additional funding requirements from 2019/20 onwards would be addressed through the budget setting process and built into the Base Budget.

4. **Policy Framework**

Fit for the Future (FFF)

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

things the FFF Strategy contains several Key projects. This report shows the way forward for implementing a significant part of one of the Council's Key projects.

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
A strengthened Assets Team will ensure the Council is able to maintain its assets that assist with the delivery of this outcome	A strengthened Assets Team will ensure the Council is able to maintain its assets that assist with the delivery of this outcome	A strengthened Assets Team will ensure the Council is able to maintain its assets that assist with the delivery of this outcome
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The proposed re-design directly contributes to the delivery of this outcome	The proposed re-design directly contributes to the delivery of this outcome	The proposed re-design directly contributes to the delivery of this outcome

Supporting Strategies

- 4.3 Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained here:
- The proposals are consistent with the Council's Workforce Development Strategy

Changes to Existing Policies

- 4.4 The recommendations in this report do not propose any changes to existing Council policies.

Impact Assessments

- 4.5 No impact assessment has been undertaken as the proposed new structure will enhance the Council's ability to deliver services.

5. Budgetary Framework

- 5.1 The funding requirement set out in recommendation 2.1 is a maximum potential costs based, as shown at Appendix Three, on an assessment of the maximum cost of the new structure calculated on every member of the team being paid at the highest possible point of their agreed pay scale.
- 5.2 In reality, this is an unlikely scenario and the actual costs of the staff currently in post are c£110,900 below the potential maximum costs of the current structure when applying the same methodology.
- 5.3 It is, therefore considered to be unlikely that there would be significant financial pressures on the 2018/19 staffing budget. However, there is an unallocated balance of £223,800 within the 2018/19 Contingency Budget which could be utilised if such pressures were to emerge.
- 5.4 The future potential requirement for additional budget will be built into the budget setting process. The current 60:40 split of costs between the Housing Revenue Account (HRA) and the General Fund will be used for the 2019/20 budget setting process, which would allocate the a maximum of £22,483 to the HRA and £14,989 to the General Fund. This split of costs is reviewed annually and could be adjusted in the future.
- 5.5 As the potential maximum additional costs may not materialise, it is not considered to be necessary to build the potential £14,989 cost to the General Fund into the Medium Term Financial Strategy at this stage and instead review whether there has been any adverse financial impact arising from the re-design when the new structure has been fully implemented and the actual costs payable are known. This will be reported to Executive in a future budget monitoring report.

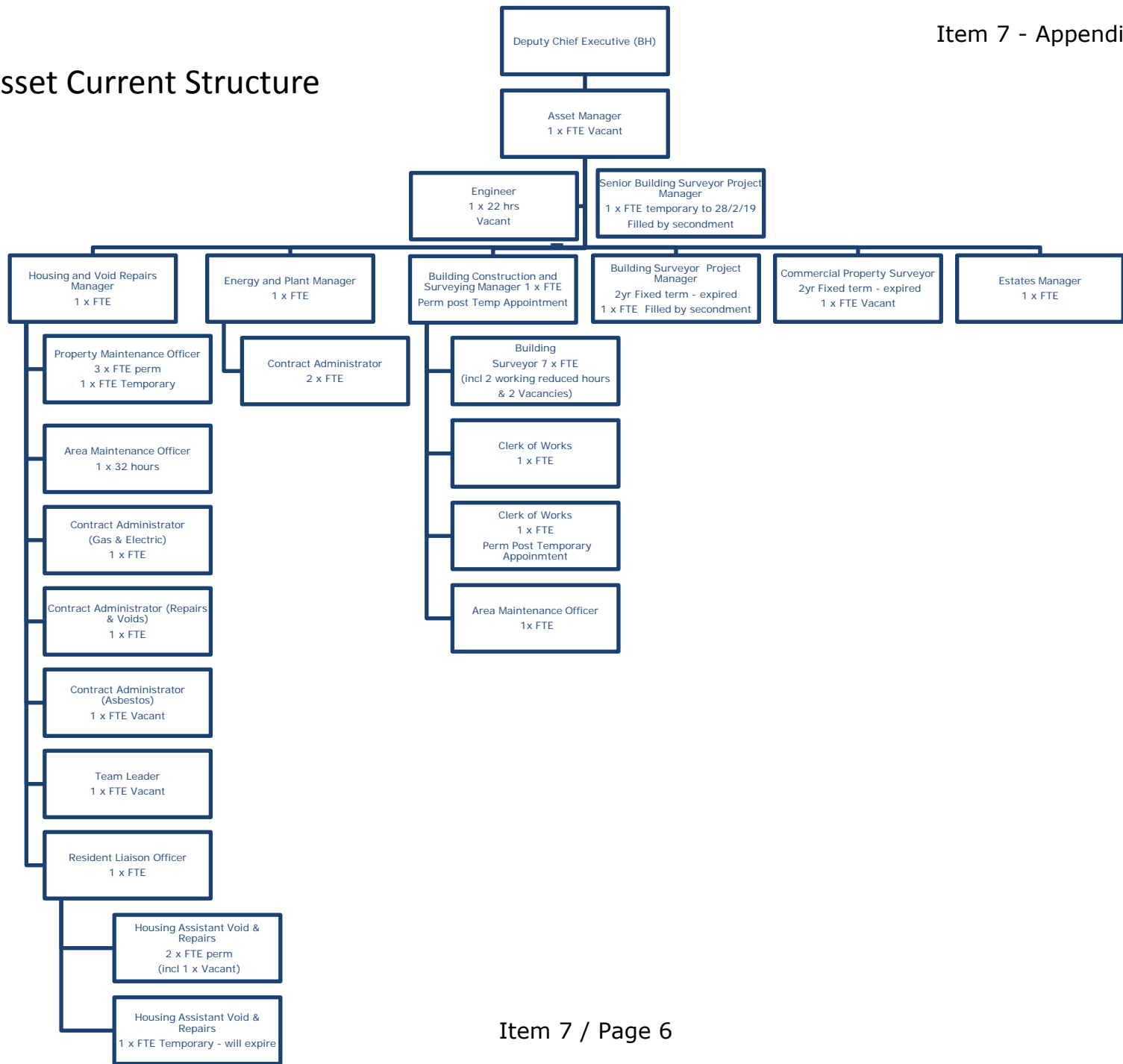
6. Risks

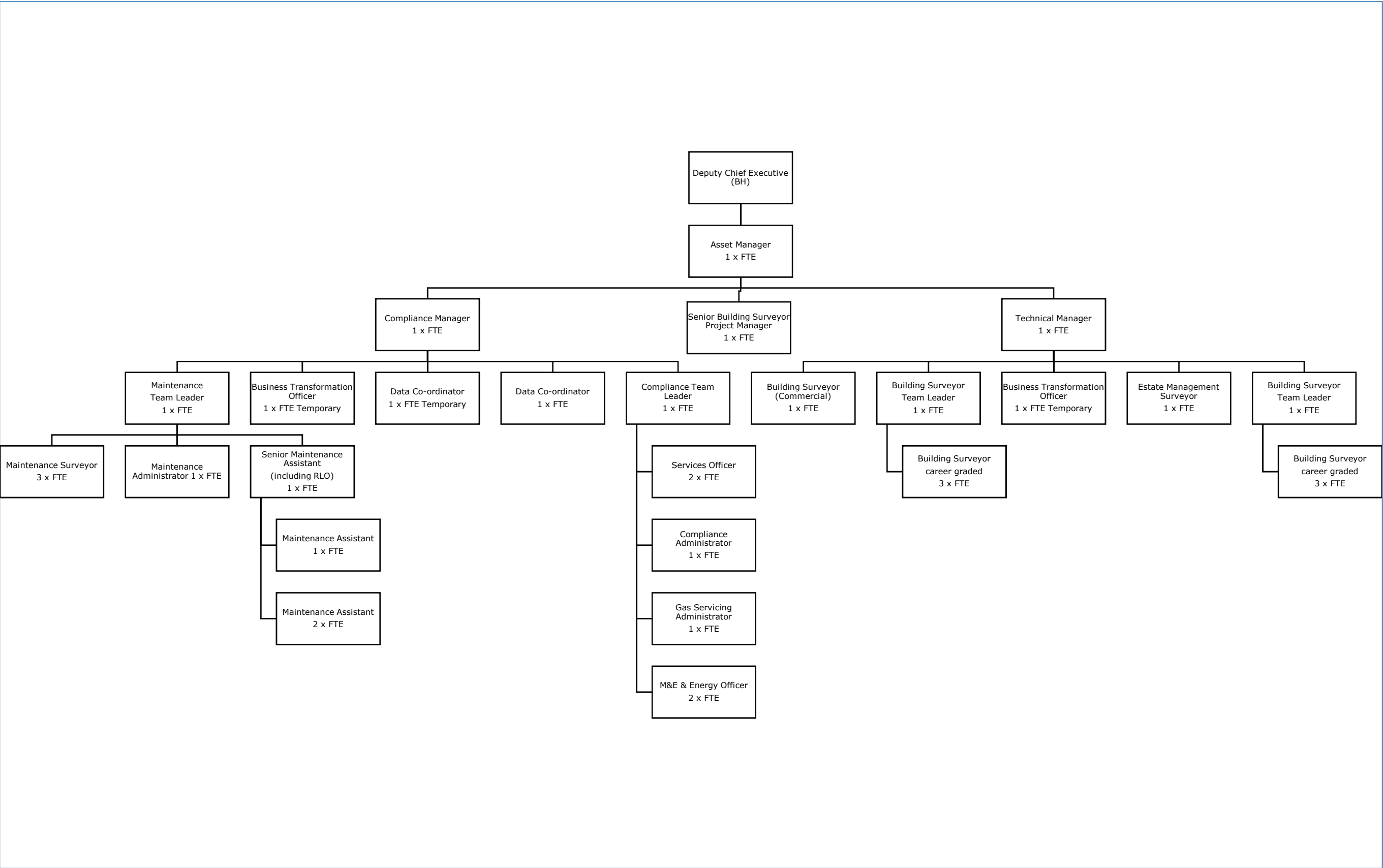
- 6.1 There is a risk that without approval of the potential additional budget it would only be possible to introduce a sub-optimal staffing structure that does not adequately deliver the desired outcomes from the re-design.


7. Alternative Option(s) considered

- 7.1 To not approve the recommendation which could lead to the risk highlighted above, materialising.

Asset Current Structure





 Executive 30th August 2018		Agenda Item No. 8
Title	Bid for Local Authority Housing Programme	
For further information about this report please contact	<p>Lisa Barker, Head of Housing Services Tel: 01926 456043 lisa.barker@warwickdc.gov.uk</p> <p>Ken Bruno, Housing Development and Strategy Manager Tel : 01926 456044 ken.bruno@warwickdc.gov.uk</p> <p>Andrew Rollins, Principal Accountant Tel : 01926 456803 Andrew.rollins@warwickdc.gov.uk</p>	
Wards of the District directly affected	All wards	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No – other than Appendices 1 & 3 – see Item 13 (paragraph 3)	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	<p>Housing Revenue Account (HRA) Base Budget Report 2018/19, 29th November 2017</p> <p>Ministry of Housing, Communities and Local Government HRA additional borrowing headroom prospectus</p>	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	Yes
Equality Impact Assessment Undertaken	No
The initiatives are designed to ensure that new properties are developed to increase the overall stock of Councils housing, enabling more households to be housed at a rent that is affordable.	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	08.08.18	Bill Hunt
Head of Service		
CMT	13.08.18	Chris Elliot
Section 151 Officer	08.08.18	Mike Snow

Monitoring Officer	13.08.18	Andrew Jones
Finance	08.08.18	Andrew Rollins
Portfolio Holder(s)	13.08.18	Cllr Phillips – Housing & Property
Consultation & Community Engagement		
None in relation to this report		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		
Council – Once the outcome of the bid is known		

1. **Summary**

- 1.1 This report presents to Members an opportunity to bid to the Ministry of Housing, Communities and Local Government (MHCLG) for additional borrowing headroom for the Housing Revenue Account (HRA).
- 1.2 It provides details on the financial, resource and reputational implications related to bidding and highlight the potential housing opportunities that the bid could assist to deliver.
- 1.3 If successful, it is estimated that up to c400 homes could potentially be provided on various sites across the district.

2. **Recommendations**

- 2.1 That Executive approve the principle that a bid is made to MHCLG for additional borrowing headroom to fund the delivery of up to c340 new Local Authority affordable homes in Warwick District and note that the bid would need to be submitted by 7th September 2018.
- 2.2 That, subject to the approval of recommendation 2.1, Executive agrees in principle to explore purchase of the sites, listed in confidential Appendix One with site plans shown in confidential Appendix Three, that are not currently in the Council's ownership.
- 2.3 That, subject to approval of the above recommendations, Executive delegate authority to the Head of Housing Services in consultation with the Portfolio Holder for Housing and Property Services to finalise the bid including the detail of the individual sites to be included and their delivery proposals.
- 2.4 That, subject to the approval of the above recommendations and a successful outcome to a bid, Executive note that a report will be presented to a future meeting confirming the overall financing arrangements required and recommend to Full Council appropriate amendments to the Housing Investment Programme and Housing Revenue Account Business Plan to fund those requirements.
- 2.5 That, subject to approval of recommendation 2.1, Executive approve in principle, the use of Capital Improvement Reserve to fund any or all of the agreed affordable housing schemes which are not wholly funded by government borrowing approval.
- 2.6 That that Executive delegates authority to the Head of Housing Services, in consultation with the Portfolio Holder for Housing and Property Services, to develop and submit outline planning applications for housing sites and any other statutory consents necessary. Executive are asked to note that any fully costed schemes would be presented to Executive for approval following outline planning permission being granted.
- 2.7 That the Executive approves the allocation of an annual budget of up to £60,000 for consultancy services to provide support for the process and project management for these schemes. It is proposed that this is funded from the Capital Investment Reserve.

- 2.8 That the Executive agrees for the Council to register with Homes England and agrees in principle for bids to be made to them for grant assistance to fund the development of affordable housing where it is deemed prudent to do so.

3. **Reasons for the Recommendations**

3.1 Recommendation 2.1

- 3.1.1 Since the reform of the council housing finance system, with the introduction of the self-financing settlement in April 2012, local authorities have had freedom and flexibility to develop new homes within their Housing Revenue Account (HRA). At that time, limits were placed on the amount of borrowing that each local authority could undertake for housing expenditure. The government is inviting local authorities to bid for additional borrowing headroom to finance the building of new council housing or to replace homes sold under the right to buy.
- 3.1.2 Government are nationally making available up to £1bn additional borrowing headroom from 2019/20 to 2021/22 to councils that are ready to start building new homes in areas of high affordability pressure. A bidding prospectus has been issued with a closing date of 7th September 2018.
- 3.1.3 The available borrowing has been apportioned between London boroughs and local authorities in the rest of the country on a 50/50 basis with the allocation profile for outside London authorities being: 2019/20 -£200m, 2020/21 - £150m, 2021/22 - £150m.
- 3.1.4 Within this scheme, local authorities can combine the additional borrowing secured through the programme with other funding sources such as retained capital receipts from the sale of council homes sold under the Right to Buy.
- 3.1.5 The Government is targeting funds to local authorities in areas of high affordability pressure which is defined as where there is a difference of £50+ per week between average social and private rents. Government produced a list of authorities where the affordability criteria applies and has invited those to bid, which includes Warwick District.
- 3.1.6 The evaluation criteria for the programme includes: value for money, and deliverability of the bids. Although there are other opportunities, schemes have been identified across the district which could qualify for the additional headroom under the governments bid criteria. These are detailed in confidential appendices one and three. This is confidential as it contains details of sites not currently in the Council's ownership where confidentiality is necessary to ensure any negotiations are not compromised. All but five of the sites comprise of land which is already owned by the HRA (garage sites). Government considers that developments on council owned land have the potential to offer better value for money. Sites are included which are deliverable within the three year timeframe of the programme. This will enable us to demonstrate deliverability and for us to develop a clear track record.
- 3.1.7 If the bid is successful, the additional borrowing headroom would support the build costs on 13 HRA owned garage sites, shown on the site plans in non-confidential Appendix Two, producing around 64 new homes of which 100% are proposed to be affordable. These sites provide the greatest level of confidence as they are already within the Council's ownership. Two other sites, not currently in the Council's ownership (listed as numbers Site 1 and Site 2 in the confidential appendix) have been progressed to a level where there is a good level of certainty of delivery. Together, these are estimated as capable of

producing a further 94 affordable homes. A further 3 sites (numbered 16-18 on the appendix) are also being considered but are at an earlier stage of the development process and as a consequence there is a lesser degree of surety for deliverability and costs. Nevertheless, these sites could deliver a further estimated 240 new homes, of which an estimated 180 would be affordable. If all sites are progressed then c400 new homes could be developed with the additional HRA borrowing headroom used to bring forward c340 of them as affordable homes.

3.1.8 Results of the bidding will be announced in the autumn with local authorities able to draw down on additional borrowing from April 2019 onwards.

3.2 Recommendation 2.2

3.2.1 The largest potential development site (numbered 17 on the confidential appendix) will require further work to determine if it is feasible to develop the whole site as affordable housing. It is currently assumed that c40% of this site would be developed for market housing. Further discussion will be required with MHCLG to understand if they would permit the purchase of whole site within the HRA in such circumstances. It is probable that a site with a mix of both affordable and market housing may not be capable of being wholly funded through the additional headroom.

3.2.2 In the event that MHCLG would limit HRA financial support to affordable housing development costs, there is the potential to purchase the market housing element of the site (40%) through the use of General Fund reserves or borrowing so site 17 is still considered to be a viable option for the proposed bid.

3.3 Recommendation 2.3

3.3.1 Given the timeline set by the Government it has not been possible to finalise the proposed bids sufficiently for them to be considered in full by Executive. Although the proposals are in an advanced state, some of the detail is yet to be finalised with some questions posed to MHCLG outstanding at the time of writing. It is possible that some relatively minor amendments may be required up until the date of submission. The proposal for delegated authority to finalise the detail of the bid enables last minute revisions to proposals to be included.

3.4 Recommendation 2.4

3.4.1 Following the announcement of successful schemes in the autumn, a further report will be presented to the Executive confirming the overall financing arrangements required to deliver the schemes, and proposing recommendations to Council appropriate amendments to the Housing Investment Programme and Housing Revenue Account Business Plan to fund those requirements.

3.4.2 This process will be used to address the issue raised at 3.2.1.

3.5 Recommendation 2.5

3.5.1 It is not known if the Government will support any or all of the schemes or, if they will fully fund those supported. The Executive may wish for these schemes to be taken forward even if Government funding is not forthcoming in full or part. There is currently sufficient funding available in the Capital Investment Reserve to support the delivery of these schemes, but its use has an

opportunity cost that has yet to be analysed. The confirmed financing arrangements for the scheme will be presented to members once the outcome of the bid is known.

3.6 Recommendation 2.6

- 3.6.1 The proposed delegated authority will aid efficiency and timeliness in the delivery of schemes if the Head of Housing Services has the delegated authority to submit outline planning applications to establish the principle of development on individual sites. This applies as much to other sites as to those listed in appendix one and so a general delegation is proposed. Fully costed schemes will then be brought to Executive once both the initial planning outcomes and financial arrangements are clarified.

3.7 Recommendation 2.7

- 3.7.1 Delivery of these sites will require additional capacity and skills currently not available and therefore it is proposed that external consultancy services are sought to support the process and project management for these schemes. It should be noted that costs for professional services in relation to these developments are included within the overall scheme development costs.

3.8 Recommendation 2.8

- 3.8.1 Homes England provides grant funding for the development of affordable housing. Whilst it is not proposed to seek Homes England funding for the schemes in Appendix 1, it may be a useful funding source for other future developments that the Executive may wish to bring deliver.
- 3.8.2 Grants can be sought to complement local authority investment. The homes that Homes England fund include affordable homes for rent and sale, and homes for rent or sale at market prices and are therefore wider than the Housing Revenue Account Borrowing Programme.

4. Policy Framework

Fit for the Future (FFF)

- 4.1 The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects. This report shows the way forward for implementing a significant part of one of the Council's Key projects.
- 4.2 The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u>	<u>Intended outcomes:</u>	<u>Intended outcomes:</u>

Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
Supporting the delivery of new homes for sale and for rent will enable more people to live in a home of good standard and will support the work of the council to meet housing need.		
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The project could give rise to significant opportunities for Council staff to enhance skills around communication, planning and negotiation	Services will be improved by ensuring that the housing product offered is of a good standard.	The proposals will enable income to be maximized as our properties will be more desirable.

Supporting Strategies

- 4.3 Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained here.
- The HRA Business Plan contributes to the Fit for the Future transformation programme and assists the Council to deliver its Vision
 - The Council adopted the current Housing and Homelessness Strategy in April 2017. This includes objectives around providing suitable accommodation for the homeless in an effort to prevent and reduce homelessness and meeting housing needs through new provision.
 - The Housing Revenue Account (HRA) budget and the HRA Business Plan are the financial expressions of the Council's housing policies.

Changes to Existing Policies

- 4.7 There is nothing in this report which seeks to change existing Council policies. It does however set out opportunities for the delivery of new council housing.
Impact Assessments
- 4.8 An impact assessment has not been completed because the proposals provide for a good standard of product to residents and also to offer to households registered with Homechoice.

5. Budgetary Framework

- 5.1 The additional borrowing can be financed by rental income achievable on the properties over their lifetime.

The table below is a hypothetical example demonstrating how rental income can finance borrowing over time. In this model, the projected build cost would be financed by borrowing at 3%. The weekly social rent income is based on the assumption that rents will increase by 3% (see 5.2) per annum from 2020. This produces a payback period of 34 years. Taking management fees, average repairs, void cost, bad debt and capital maintenance into consideration, the payback period would be 40 years. This is within the standard expected lifetime period for new properties.

Build cost	Current Social Rent per Week	Borrowing Payback Period
£100,000	£105.42	34 years

- 5.2 From 2020 Local Authorities are able to increase rents by up to the Consumer Price Index +1% for 5 years. The borrowing costs will be fixed. These factors provide some security and certainty to plan investment and provide greater confidence about future rental income which underpins housebuilding plans.
- 5.3 Any shortfall in funding can be met through the Capital Investment Reserve.

6. Risks

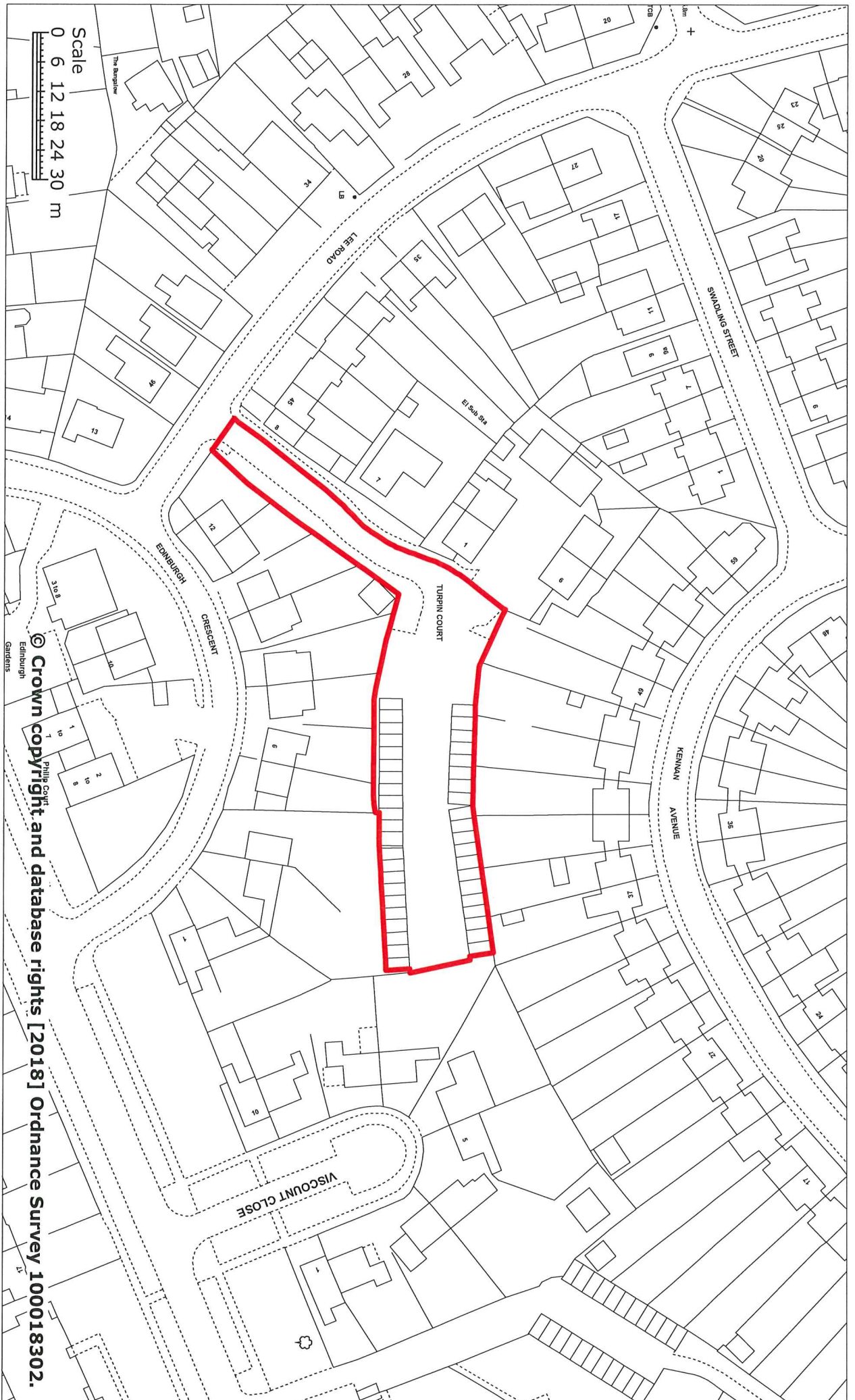
- 6.1 Deliverability is a key component of the requirements of this programme. Whilst there are no financial penalties for agreed sites not coming forward, there is the potential for reputational damage which could influence the outcome of other future government programmes.
- 6.2 The timeline to complete these works is challenging and there are risks in terms of the capacity of any developer and the priority awarded by them to sites where small numbers are planned.
- 6.3 There is a risk in applying to Homes England to obtain complementary funding as this will be subject to the requirements in the Shared Ownership and Affordable Homes Programme 2016-2021. Any bid to Homes England will be subject to independent assessment, on its own merits, within the terms of that programme.
- 6.4 Whilst there is some experience of bidding for government funding within the Council, there is no experience of doing similar with Homes England.

7. Alternative Option(s) considered

- 7.1 The Council could decide not to apply for additional headroom however; this would constrain the numbers of new homes that the council could afford to build.
- 7.2 The Council could decide to submit a bid to MHCLG for the entire cost requirement rather than to apply to Homes England for grant. This option would increase the debt repayment requirement and presents a risk of not being viewed as being value for money at the point of assessment.

8. Background

- 8.1 In the autumn budget the Chancellor announced that the Government would make up to £1bn additional Housing Revenue Account borrowing headroom available in areas of high affordability pressure for local authorities that are ready to start building new homes.
- 8.2 The primary objective that the Government want to achieve through this Housing Revenue Account borrowing programme is to increase the supply of new council and affordable homes delivered by local authorities.
- 8.3 The Government also wishes to increase the number of new homes that local authorities build to replace homes sold under the right to buy scheme and boost housebuilding skills and capabilities across the local government sector.
- 8.4 local Authorities are able to consider a number of bidding routes most suited to their needs. Local authorities can bid for:
- Additional borrowing headroom only;
 - Additional borrowing headroom use alongside grant funding from Homes England (subject to the requirements in the Shared ownership and Affordable Homes Programme 2016-21: Addendum to the Prospectus)
 - Additional borrowing headroom can be used alongside unspent Right to Buy receipts.
- 8.5 Attracting Homes England funding would have the effect of reducing the borrowing requirement by replacing it with grant which in turn would reduce the payments required to service the additional borrowing. There are risks and consequences of bidding to Homes England at this time particularly because there is no guarantee that funding would be provided. The bidding process is significantly more complicated (including the requirement to submit individual bids for each of the 14 sites and the monitoring requirements are onerous given the number of properties involved in all but one of the sites).
- 8.6 The Government has noted the concerns that local authorities have raised in relation to the provisions within the 2016 Housing Act that would, if enacted, require payments to be made to the Secretary of State in respect of vacant properties of high value. As this report was being drafted, the Government has announced that it will not proceed with the "High Value Void" levy and legislation will be brought forward to repeal the relevant part of the 2016 Housing Act which introduced this provision. This has removed one of the major uncertainties for authorities in areas of high affordability pressure.
- 8.7 Local authorities are required to ensure that schemes undertake the necessary capital expenditure in the specified years. Officials will arrange quarterly monitoring arrangements including progress on starts and completions. If there is slippage, the additional borrowing headroom approval may be reallocated.



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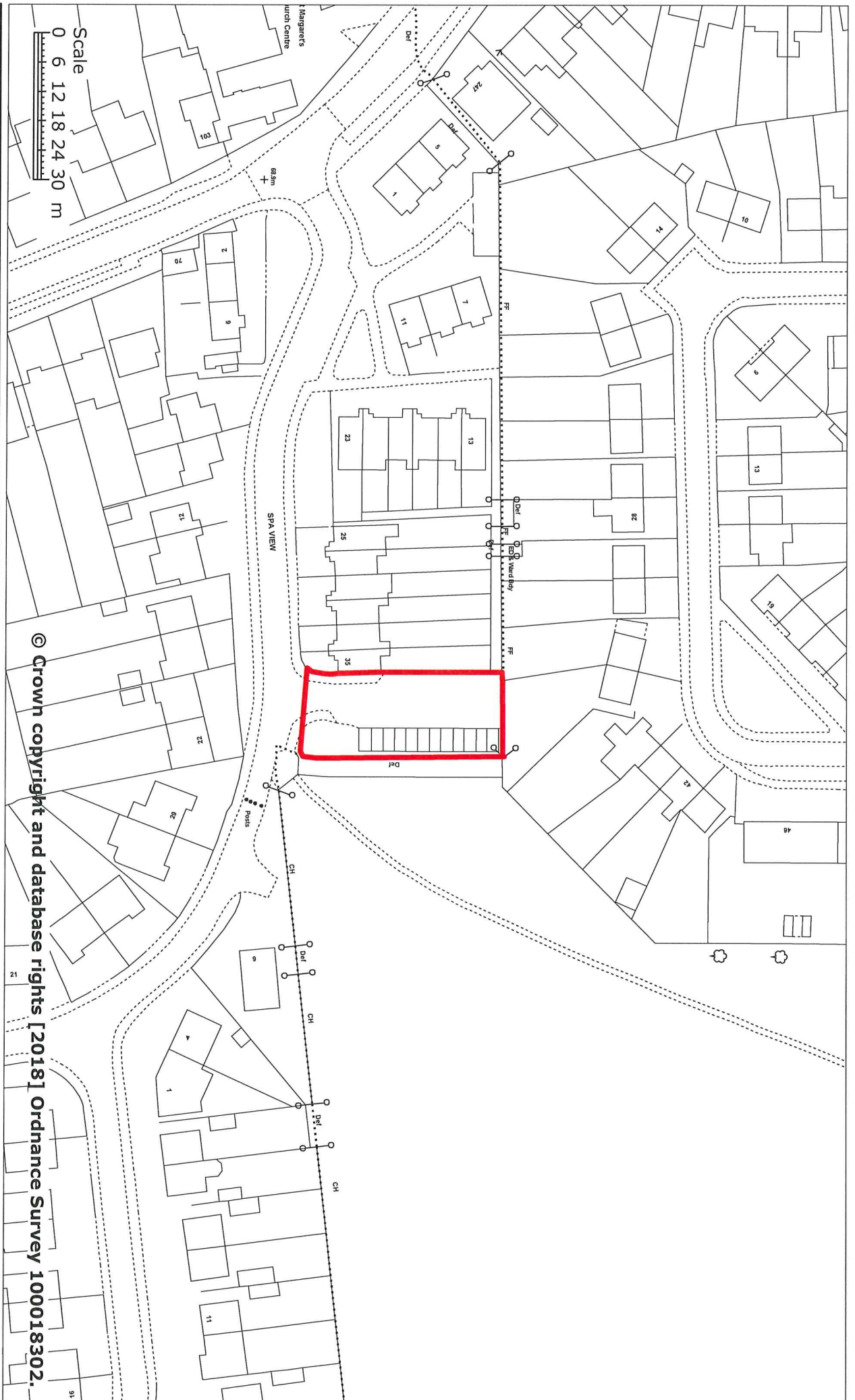
Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire. CV32 5HZ

Turpin Court

Date: 20 August 2018

Tel: 01926 410410





Spa View

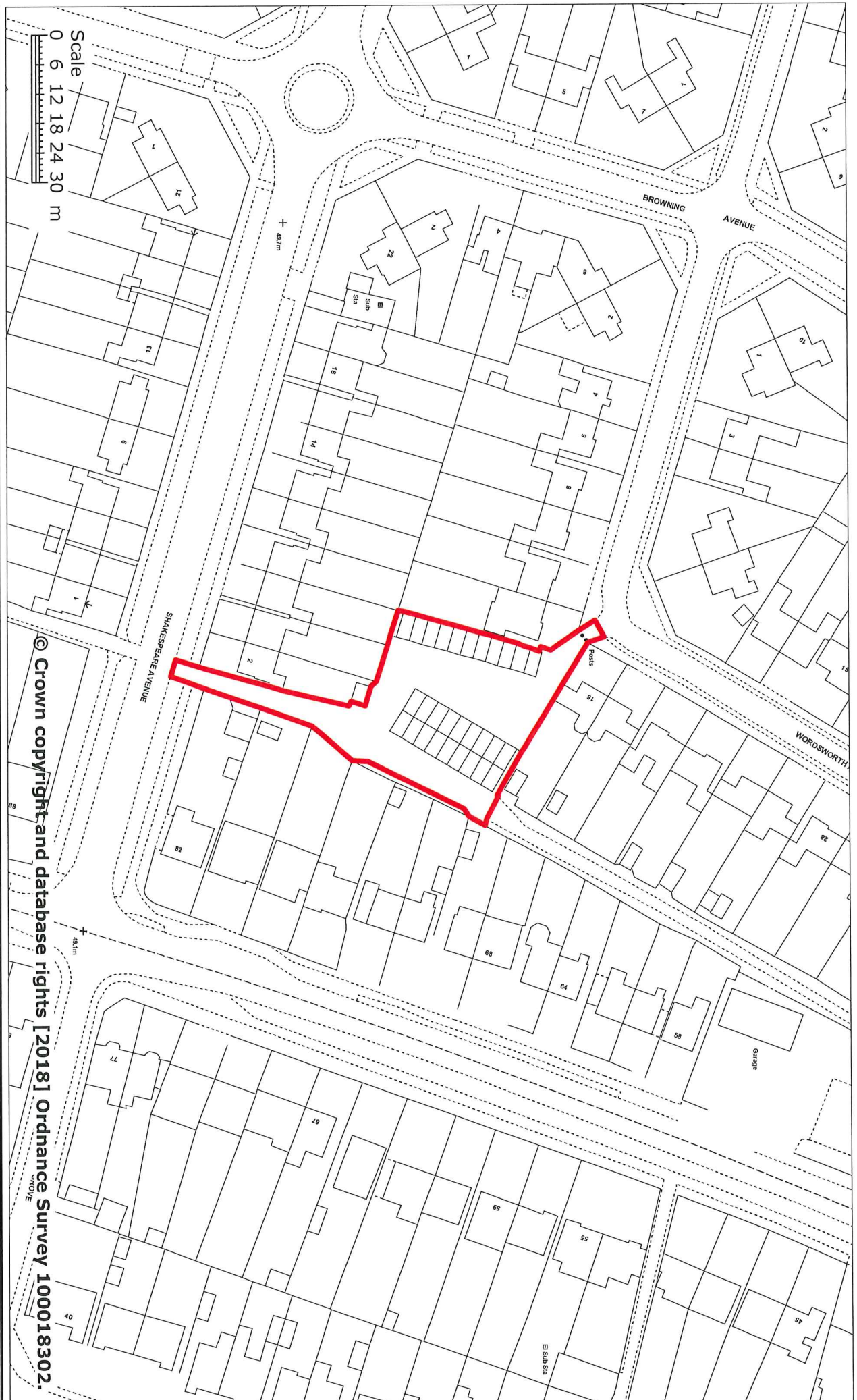
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Date: 20 August 2018

Tel: 01926 410410





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Shakespeare Avenue

Date: 20 August 2018

Tel: 01926 410410





Shelley Avenue



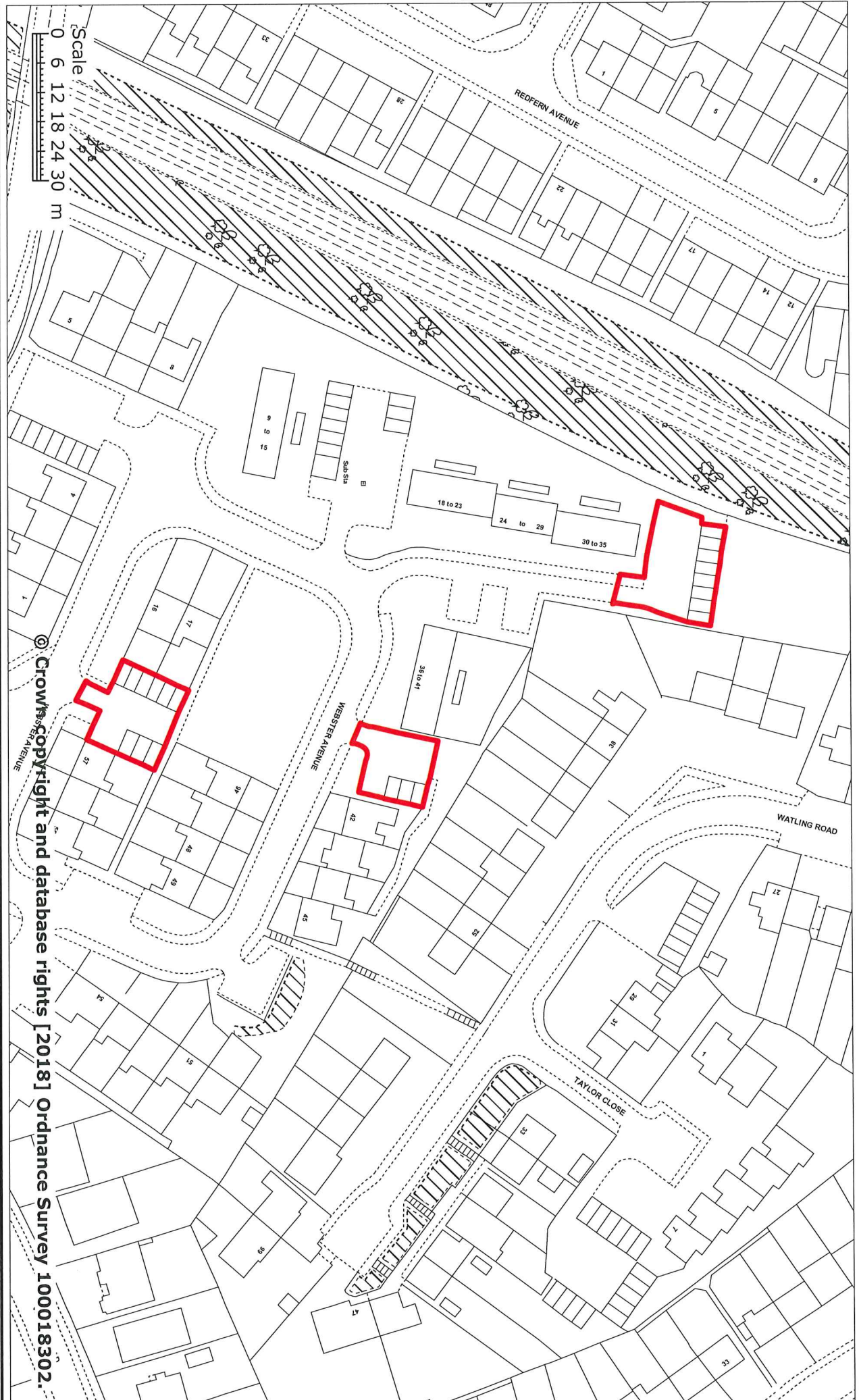
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Date: 20 August 2018

Tel: 01926 410410





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Webster Avenue

Date: 20 August 2018

Tel: 01926 410410





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Moat Close

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Aylesbury Road

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Date: 20 August 2018

Tel: 01926 410410





Quarry Close

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Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire. CV32 5HZ

Date: 20 August 2018

Tel: 01926 410410





Hall Close



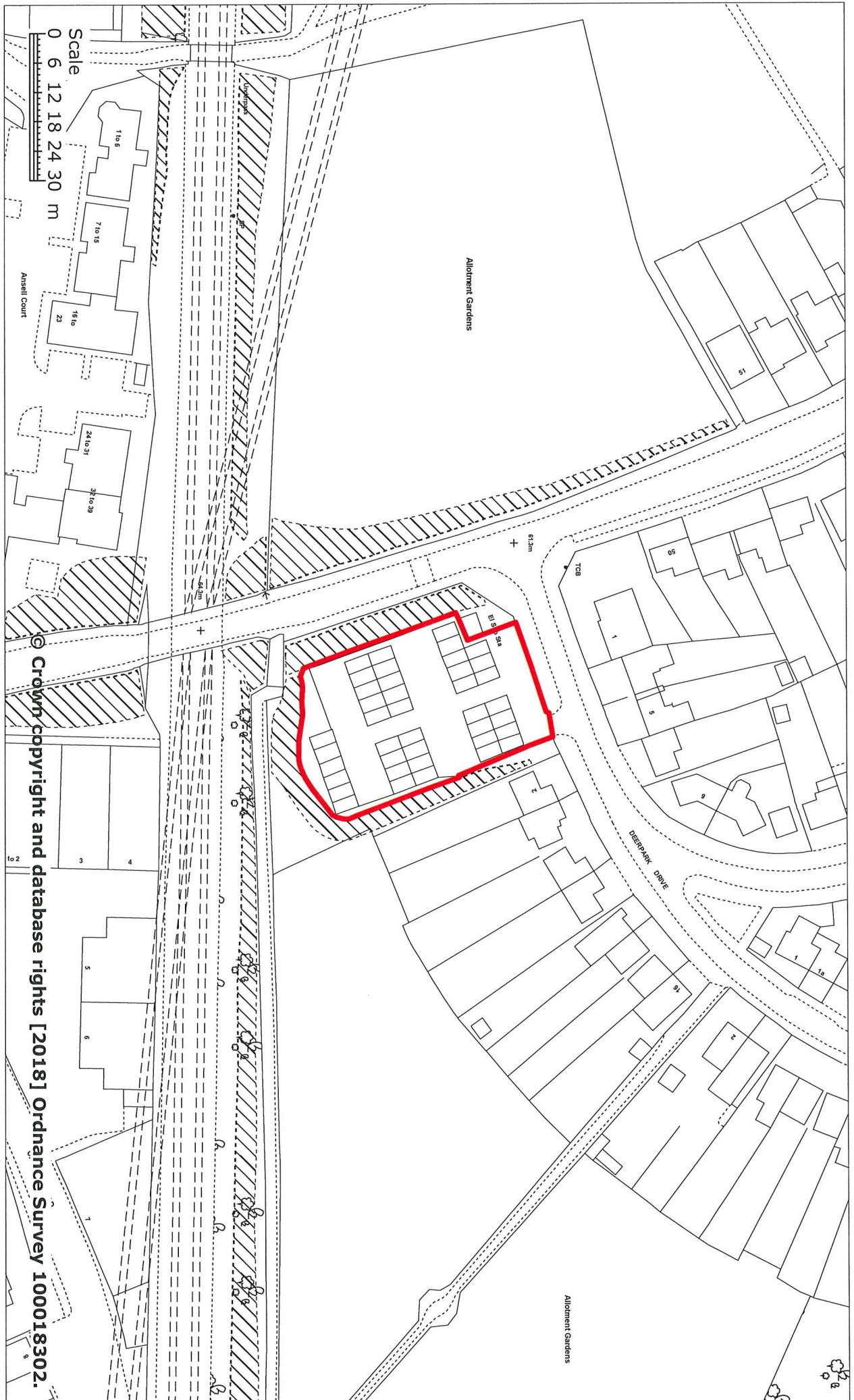
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Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire. CV32 5HZ

Date: 20 August 2018

Tel: 01926 410410





Drawn By: LPC

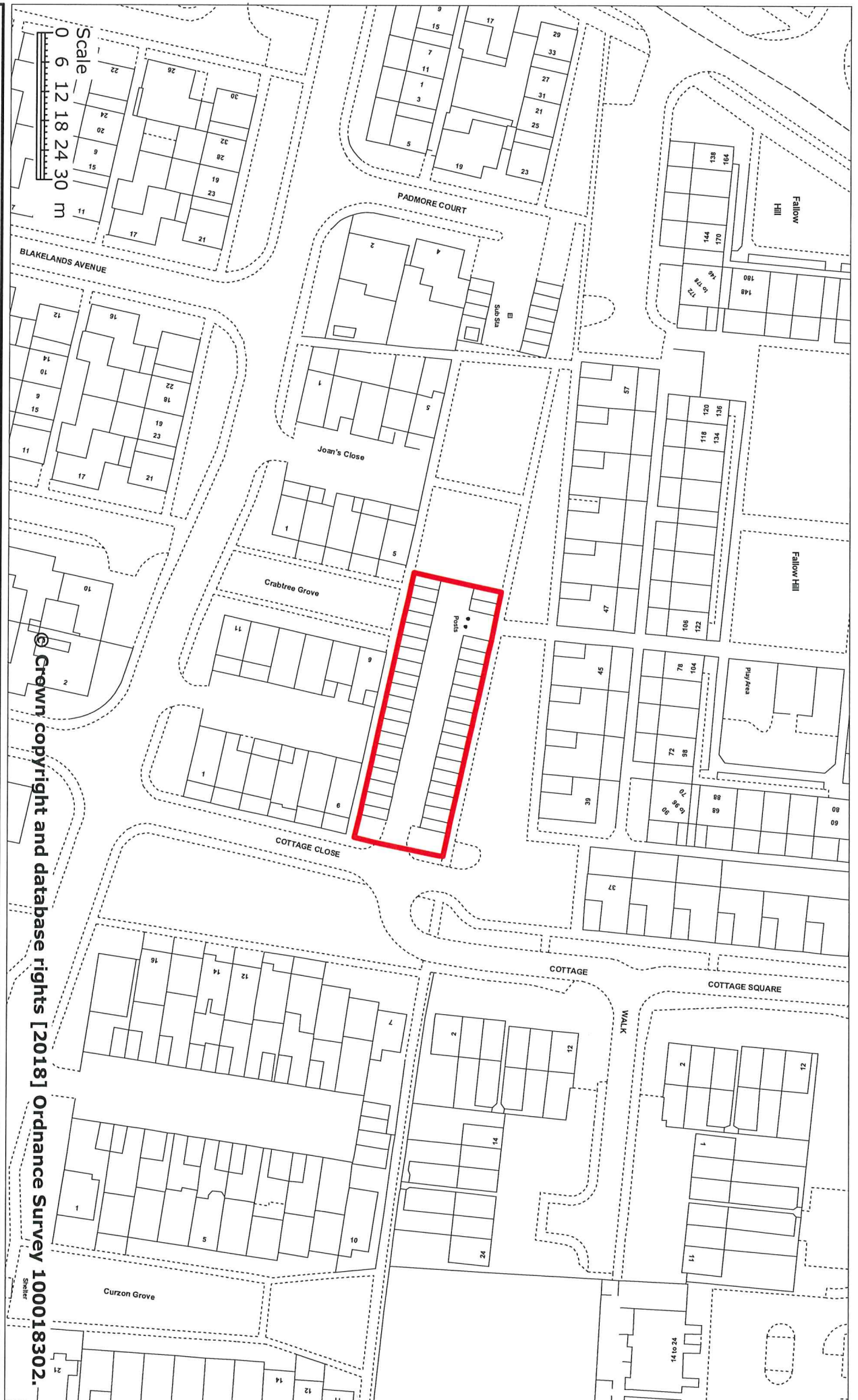
Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire. CV32 5HZ

Deerpark Drive

Date: 20 August 2018

Tel: 01926 410410





Fallow Hill

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Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire. CV32 5HZ

Date: 20 August 2018

Tel: 01926 410410



 Executive – 30th August 2018		Agenda Item No. 9A
Title	Rural/Urban Capital Improvement Scheme (RUCIS) Application	
For further information about this report please contact	Jon Dawson Finance Administration Manager 01926 456204 email: jon.dawson@warwickdc.gov.uk	
Wards of the District directly affected	Aylesford	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	RUCIS Scheme details. RUCIS Application file no. 239; correspondence with applicants.	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Chris Elliott
Head of Service		Mike Snow
CMT		Chris Elliot, Bill Hunt and Andy Jones
Section 151 Officer		Mike Snow
Monitoring Officer		Andy Jones
Finance		Mike Snow
Portfolio Holder(s)		Cllr Whiting
Consultation & Community Engagement		
Community Partnership Team, Manoj Sonecha (Active Communities Officer), Stuart Winslow (Sports and Leisure Contract Manager) and Mair Evans (Arts Development Officer); Copy of report forwarded 2 nd August 2018.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 This report provides details of a Rural/Urban Capital Improvement Scheme grant application by Playbox Theatre Limited to upgrade their technical infrastructure which includes new lighting, sound and AV equipment to replace failing and outdated equipment that has reached the end of its life span.

2. Recommendation

- 2.1 It is recommended that the Executive approves a Rural/Urban Capital Improvement Grant from the urban cost centre budget for Playbox Theatre Limited of 50% of the total project costs to upgrade their technical infrastructure which includes new lighting, sound and AV equipment, as detailed within paragraphs 1.1, 3.2 and 8, up to a maximum of £29,406 excluding vat subject to receipt of the following:
- Written confirmation from Warwick Town Council (or an alternative grant provider) to approve a capital grant of £1,960

As supported by appendix 1.

3. Reasons for the Recommendation

- 3.1 The Council operates a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grants recommended are in accordance with the Council's agreed scheme and will provide funding to help the projects progress.
- 3.2 The project contributes to the Council's Fit for the Future Strategy; without Playbox Theatre Limited there would be fewer opportunities for the community to enjoy and participate in arts activities which could potentially result in an increase in anti-social behaviour, an increase in obesity (including in children) and disengage and weaken the community. The project will provide new modern video and digital equipment which will add significant value to Playbox members' skills base and broaden the range of courses that can be offered, it will also modernise the quality of experience expected from families and audiences; this will increase the opportunities for the community to participate and enjoy arts activities which in turn will help to further reduce anti-social behaviour and obesity including within children. Playbox Theatre Limited is also recognised as a Key Client of the Council (Key Clients make up a small portfolio of professional arts organisations which are recognised as important to the sustainability & long term viability of the arts infrastructure in Warwick District).

4. Policy Framework

- 4.1 Fit for the Future (FFF):

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

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
All RUCIS applications are designed to encourage and support local communities and local not-for-profit organisations in developing cohesive and active communities. The details behind this are set out in appendix 1.	Through the delivery of RUCIS grants the aim is to deliver cohesive and active communities which in turn help to support and maintain lower levels of crime and ASB. The details behind this are set out in appendix 1.	N/A
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
N/A	N/A	N/A

- 4.2 Supporting Strategies; each strand of the FFF Strategy has several supporting strategies and but none are directly relevant in this case.
- 4.3 Changes to Existing Policies; there are no changes to existing policies.
- 4.4 Impact Assessments; there are no new or significant policy changes proposed in respect of Equalities.

5. Budgetary Framework

- 5.1 The budget for the Rural/Urban Capital Improvement Scheme applications for 2018/19 is £150,000 (£75,000 for rural projects and £75,000 for urban projects).
- 5.2 There is £48,744 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the urban cost centre budget in 2018/19. If the application from Playbox Theatre Limited of 50% of the total project costs up to a maximum of £29,406 (excluding vat) is approved, £19,338 will remain in the urban cost centre budget.
- 5.3 There is £28,645 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the rural cost centre budget in 2018/19.

As per appendix 2.

6. Risks

- 6.1 There are no main risks for this proposal.

7. Alternative Option(s) considered

- 7.1 The Council has only a specific capital budget to provide grants of this nature and therefore there are no alternative sources of funding if the Council is to provide funding for Rural/Urban Capital Improvement Schemes.
- 7.2 Members may choose not to approve the grant funding, or to vary the amount awarded.

8. Background

Playbox Theatre Limited has submitted a RUCIS application to upgrade their technical infrastructure which includes new lighting, sound and AV equipment to replace failing and outdated equipment that has reached the end of its life span.

The application is for 50% of the total project costs up to a maximum of £29,406 excluding vat.

Playbox Theatre Limited has committed £17,556 to the project costs from their cash reserves; these funds have been evidenced through the provision of a recent bank statement.

Playbox Theatre Limited is registered for vat (705 2465 54) and will be reclaiming vat in connection to this project; the award will therefore be excluding vat. The vat will initially be paid from the club's cash reserves; these funds have been evidenced through the provision of a recent bank statement.

Playbox Theatre Limited have made a formal request to Warwick Town Council for a £1,960 financial contribution to the project; they are now waiting for a decision.

Playbox Theatre Limited have never previously had a RUCIS grant award.

In the 2014 to 2016 annual accounts provided, within the Note 1.1 Accounting Convention section, it notes "Although the company is technically insolvent, the accounts have been prepared on a going concern basis. The company has now been trading in excess of five years and the Directors believe they will be able to generate more income and obtain further grants in order to enable the Company to operate at least at break even level in the future." The draft accounts provided for the year ended 31st December 2017 do not contain this note.

A previous credit check on Playbox has proven sound with the main points being:

- There is little reason to doubt that the company will prove equal to engagements
- This company pays faster than the industry average
- There is a consistent payment pattern
- This company has 0 accounts placed for collection
- This company has 0 outstanding unpaid accounts
- This company pays within its terms

At the 7th February 2018 Executive meeting, Members agreed, after discussion of the business plan presented, to make a £100,000 loan available to Playbox Theatre Limited to enable the construction of a new access drive to an overspill car park and delivery area in accordance with the granting of planning approval of application W/15/0808.

The business plan stated; "The reduced number of events shown since 2015 is a direct result of the gradual erosion of access to the rear car park for daytime/weekend classes and the congestion issue that has been caused by the total closure of the rear access from June 2016. All areas of Playbox's business are suffering either direct or collateral damage."

The new access road and car parking, which is being built at present, will improve the drop off zone for parents, visitors and café customers and provide sufficient staff parking and delivery bays. On completion of the access road (August 2018) and the improved car parking, Playbox Theatre anticipate increased daytime footfall in the café and increased membership numbers for workshops, events and box office bookings compared to last year.

The business plan and the February Executive report considered by Members also referred to a further initiative entitled "Playbox Futures". The purpose of this project is to expand the offer to a wider range of young people by developing digital media, sound performance and theatre production opportunities. This requires additional facilities, equipment and building alterations and so fundraising, including a bid to the Council's rucis scheme.

Under the Companies Acts 1985 to 1989, Playbox Theatre Limited is a company limited by guarantee with no share capital (Company Registration Number 3462037). The accounts do not show any bonuses or remunerations from surpluses made. The club is a not-for-profit organisation thereby meeting the rucis scheme criteria.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to Playbox Theatre Limited of 50% of the total costs of the project excluding vat up to a maximum of £29,406.

RURAL/URBAN CAPITAL IMPROVEMENT GRANTS APPLICATION FOR 30TH AUGUST 2018 EXECUTIVE :

Applicant : Playbox Theatre Limited

Description of scheme: The Playbox Dream Factory was designed and built in 1998, since that time the building has been in constant use with growing numbers of participants and a wide variety of creative services, however, after 20 years the technology, fabric and furnishings are in urgent need of replacement and the use of space needs to be improved. Playbox Theatre has developed a multi-phase redevelopment (Playbox Futures Initiative 2018) to ensure it is fit for purpose and sustainable for the next 25 years. These 'stand-alone' phases are as follows:

- Phase 1 - Technical infrastructure upgrade (RUCIS application)
- Phase 2 - Building Refurbishment and Modernisation (Arts Council England)
- Phase 3 - New Digital Studio development (Arts Council England)

This RUCIS grant application is for the Phase 1 project; this will include lighting, sound and AV equipment to replace failing and outdated equipment. The purchase of modern video and digital equipment will add significant value to Playbox members' skills base and broaden the range of courses that can be offered, it will also modernise the quality of experience expected from families and audiences. Specific technical equipment will include:

- Sound Desk replaced with Allen & Heath SQ-6 which also replaces the installed sound cabling infrastructure with a network based system
- Lighting desk replaced with an updated model and touch-screen monitors
- Lighting fixture upgrade, replacing 1990s tungsten fixtures with energy efficient LED replacements
- Associated power distribution equipment and cabling
- Adding a QLab computer and QLab software license to handle show control and sound/video playback capabilities.
- Adding a large format video projector with suitable lens and flying frame
- Office server, PC and telecom upgrade.

Evidence of need: A careers survey from Playbox members' external audition results (2017) identified the need to include digital media training, skills and experience within Playbox's provision; those applying for screenbased production positions and courses had 10% success rate, those applying for theatre-based production positions and courses had 50% success rate. The inclusion of new digital studios will enhance skill sets, increase career opportunities, and improve individual performance capabilities. Additionally:

- The existing lighting, sound and projection equipment is getting to the end of its reliable and useful life and now needs to be replaced; additional costs are being incurred when present equipment is failing at critical moments and equipment has to be hired at the last minute
- Ageing lighting lanterns are becoming increasingly hard to maintain to a safe standard; with the current Strand Brio profile lanterns (which are approximately 20 years old) there are problems with the plastic of the cable clamps becoming brittle from heat and age, meaning a PAT test fail. The stock of fresnel lanterns also suffers similarly, plus these have an issue where the silvering on the main reflector is flaking off, now also an obsolete part
- Playbox's main sound desk is from the late 1990's, it was originally 24 channels, currently 6 channels are faulty and the spare parts to replace are no longer manufactured
- The main lighting desk is reaching the end of product support early next year (estimated at 10-12 years old) and as a 'mission critical' piece of equipment needs to be supported. Going forward, new developments in the lighting industry will not be supported by the current desk due to the end of software development
- EU legislation is requiring lighting infrastructure improvements particularly to reflect health & safety and energy efficiency standards; all stage lighting will have to meet new energy efficiency targets which will require the replacement of the majority of the lighting rigs by 2020

A letter from 'Friends of Playbox' has been provided which details their support for the project and their fundraising commitment towards this.

3 years accounts received? 2014 to 2016 accounts have been received along with a draft copy of the profit & loss for 2017 (partial 11 months to November 2017) and also bank statements for both Playbox Theatre (dated 30th April 2018) and the "Friends of Playbox" group (dated 2nd May 2018)

Financial Performance; minus figure = deficit

Year ended	Year ended	Year ended	Year ended
31/12/17 (draft accounts)	31/12/16	31/12/15	31/12/14
-£11,390	£9,375	£14,031	£11,820

Available Funds (cash and reserves)

Year ended	Year ended	Year ended	Year ended
31/12/17 (draft accounts)	31/12/16	31/12/15	31/12/14
£24,489	£319	£3	£3

* In the 2014 to 2016 Annual Accounts provided, within the 1.1 Accounting Convention section, it notes "Although the company is technically insolvent, the accounts have been prepared on a going basis. The company has now been trading in excess of five years and the Directors believe they will be able to generate more income and obtain further grants in order to enable the Company to operate at least at break even level in the future." The draft 2017 accounts provided do not contain this note.

Details of membership, fees etc:

Playbox Sessions run in line with Warwickshire school term dates, members register for a specific course for the minimum of a term, fees for regular Playbox sessions:

- Acting / Theatre for Under 5's - £105
- Musical Theatre, Circus, Film & Digital, Shakespeare, Technical Theatre - £150
- Voice & The Young Actor - £120

Playbox also runs activities during school holidays for children aged 3 to 18:

- Holiday Projects: £30 to £45 per day course.

Spaces at The Dream Factory, including the main theatre space, studio, meeting room, front-of-house area with grand piano and pre-school room are available for hire when not in use:

- Venue hire costs; from £25 per hour
- Ad-hoc events; birthday Parties from £295, education workshops from £200

Details of usage:

Playbox Theatre is open 52 weeks a year, its training is far reaching, offering programmes and activities for young people (aged 3 to 25 years) to explore many art forms including acting, circus, musical theatre, Shakespeare, physical theatre, voice, technical and digital media. These techniques are approached through workshops, rehearsals, masterclasses and performances throughout the year. The theatre also includes a destination café with a welcoming family focus, open to all, increasingly used by local residents, visitors to Warwick and those who work locally. Examples of usage 2017/2018:

- Playbox Theatre Open Access Projects – opportunities beyond their registered membership include Holiday Courses, Magic Carpet Storytelling, Birthday Parties, Open Days, Open Workshops and Special Events. For example; Holiday Projects - 93 days of Holiday Projects per annum with an average of 25 participants each day making a total of 2325 participants, Interactive Parties approx. 85 per annum with an average of 20 children at each making a total of 1,700 participants
 - Educational programmes including visits from international students; 58 workshops with average of 25 participants, approx. 1,450 students
 - Playbox Theatre workshops exist for registered members of the company; 40 regular weekly workshops, an average of 25 members per group x 36 weeks per year approx. 36,000 member visits per year
 - 10 major productions are staged each year; these performances are staged in a range of spaces at the theatre including The Main House (184 seats), Studio (40 seats) and Rendezvous (100 seats). For example; Starry Nights - 200 participants / 4 performances / 720 audience members, A Midsummer Night's Dream - 35 participants / 5 performances / 700 audience members
 - Studio productions by Alumni and Senior Playbox Members x10
 - Venue hire / regular bookings. All facilities are available for hire, for example; 'Andy Booth Presents' (local choir), ILEAP Spot drama club (ILEAP Charity is for people with Additional Needs)
- Access and Parking; There was a drop in attendance of daytime activities last year due to the change in parking / access with Aylesford School, the recently agreed WDC loan to provide a new access road and car parking (which is being built at present - July 2018) will improve the drop off zone for parents, visitors and café customers and provide sufficient staff parking and delivery bays. On completion of the access road (August 2018) and the improved parking Playbox Theatre anticipate increased daytime footfall in the café and increased membership numbers for workshops, events and box office bookings compared to last year.

**Details of
Organisations
equalities policies:**

Playbox Theatre have provided a copy of their Equality and Diversity Statement, highlights include:

- Create Diversity; a range of inclusive artistic approaches and the rejection of a single dominant aesthetic
- Workforce Diversity; the recruitment of staff across the organisation representative of gender, race, religion, sexuality and education
- Market Diversity; their hope is to reach all sectors of our communities as they reject exclusion of any groups, communities and individuals
- Young people at Playbox are not restricted by sexual, race and gender diversity; their aim is to continue being a welcoming, inclusive and safe haven for all young people
- Aspiration to diversity audiences and participants is developed through local relationships, education partnerships and the welcoming of international groups to the theatre

3 quotes provided:

Yes; a total of 13 quotes have been provided covering all aspects of the project works

**Which of the Council's
Corporate Priorities are
met?**
Evidence
**Reduce anti-social
behaviour**

A wide range of positive and motivational programs are offered throughout the year; during the day and evenings. Using arts as a creative springboard Playbox endeavour to ensure young people emerge more confident, articulate, imaginative and engaged within our society. With the inclusion of modern video, digital equipment and editing suite it will broaden the appeal and build upon the interests and experience of young people and diversify the range of Playbox members and participants. Playbox also works with schools and colleges, arts and community centres, volunteer organisations and home educated groups on projects to meet specific learning outcomes and encourage engagement and participation at a variety of levels, for example; collaboration with Warwickshire County Council Fire Department & Artzone to develop anti-arson schools' tour 'ACT'. This all helps to reduce anti-social behaviour.

**Reducing obesity,
particularly in children**

Playbox Theatre participants are aged between 3 to 25 years, a wide selection of programs are offered during term time and school holidays which engage young people in active, energetic and creative activities, for example; acting, circus, musical theatre, Shakespeare, physical theatre, set production. The modernisation and upgrading of the equipment and the inclusion of digital media ensures a wide range of activities, workshops and productions can continue to be provided. For example:

- Theatre training is a lively and group based approach including mime, movement, role-play, improvisation, acting, voice and self-expression
- Little Apple Circus for 5 to 7 year olds includes; juggling with scarves, balls and hoops, trapeze and aerial hoop, acrobatics (tumbling and acro-balance), clowning and cycling
- Musical theatre is a dynamic course incorporating techniques in music and dance, group and solo singing, different styles and choreography to stage a wide range of musicals

This all helps to reduce obesity, particularly in children.

**Increase opportunities
for everyone to enjoy
and participate in
sports, arts and
cultural activities**

A broad range of programs are offered from acting and performance to technical support skills, for example; stage production, set construction and sound design with industry standard equipment. Through replacing/upgrading sound and lighting equipment that is now at the end of its life span, the Technical Infrastructure Project will ensure that the arts activities currently available for the community are maintained. The addition of new video and media equipment will extend the range of provision offered and broaden the target group; this will increase opportunities for the community to enjoy and participate in digital, performance and other arts activities.

Engaging and strengthening communities

Playbox Theatre provides a safe place for young people to come together, work together, learn together and mature as confident, capable young citizens. As an arts organisation dedicated to working with young people they seek to reflect through their content and programming, issues reflecting our contemporary society with the intention to encourage, support and be a welcoming, inclusive safe haven for all young people. Playbox have worked with playgroups, primary and secondary schools, colleges and universities, community centres, nursing homes, Scouts and Guides Associations, literary festivals and teacher training conferences providing opportunities to engage communities in the arts. Volunteers are an important part of Playbox and put in a huge number of hours each year:

- Total number of volunteers 702
- Total number of volunteer hours 5640

The "Friends of Playbox" group is Playbox Theatre's charity body for everyone wishing to directly support the work with young people; they hold fundraising events, social programmes, out-of-the-building events and get-togethers raising much needed funds for projects. Last year "The Friends" donated funds to production costs and enabled the company to stage larger musical theatre works, this year they are fund raising for the Playbox Futures Initiative project and have already raised nearly £10,000; the engagement and commitment of the "Friends of Playbox" and all the volunteers engages and strengthens the community.

Total cost of scheme (excluding VAT)

58,812

VAT will be claimed back, therefore award is excluding VAT; will initially be paid from cash reserves, these funds have been evidenced by the recent bank statement provided

Funded by:

Status

Organisations Own Funds

£17,556

Friends of Playbox Theatre

£9,890

Bishop's Tachbrook Parish Council

£1,960

Application made, waiting for a decision

Total RUCIS

£29,406

equates to

50.0%

Summary of Financial Impact of Approving Scheme

Scheme Description	RURAL	URBAN	UNDERSPENDS	TOTAL
<u>Original 2018/19 Budget</u>	£75,000	£75,000	£0	£150,000
<u>31st May 2018 Executive</u>				
Budbrooke Community Association	-£25,925			-£25,925
Brunswick Healthy Living Centre		-£26,256		-£26,256
<u>25th July 2018 Executive</u>				
St Chad's Centre	-£9,000			
Cubbington Sports & Social Club	-£11,430			
Remaining Budget Sub-Total	£28,645	£48,744	£0	£77,389
<u>30th August 2018 Executive</u>				
Playbox Theatre (proposed)		-£29,406		-£29,406
Total Remaining 2018/19 Budget	£28,645	£19,338	£0	£47,983