

EXECUTIVE

Minutes of the meeting held on Wednesday 23 July 2008 at the Town Hall, Royal Leamington Spa at 6.00 pm.

PRESENT: Councillor Michael Doody (Chairman); Councillors Mrs Bunker, Caborn, Hammon, Kinson, Kirton, Shilton and White.

ALSO PRESENT: Councillor Crowther (Labour Group Observer); Councillor Gifford (Chair of Overview and Scrutiny Committee); and Councillor Ms Dean (on behalf of the Chair of Audit and Resources Scrutiny Committee).

261. **DECLARATIONS OF INTEREST**

Minute Number 280(D) – Proposed Change to Council Phone Numbers

Councillors Kirton, Caborn, Shilton and Doody all declared personal interests because they were Warwickshire County Council Councillors.

262. **MINUTES**

The minutes of 22 May and 4 June 2008 having been circulated were taken as read and signed by the Chairman as a correct record.

263. **RETAIL DEVELOPMENT IN LEAMINGTON – DEVELOPER SELECTION PROCESS – CHANDOS STREET SITE – PART A**

The Executive considered a report from the Head of Planning which sought approval in principle to the scheme proposed by the Council's preferred development partner, Wilson Bowden, for the retail led redevelopment of the Chandos Street site in Leamington Town centre in accordance with the Council's Local Plan Policy.

The report recommended that the Executive resolve the Council undertake the preparatory work necessary for a compulsory purchase order (CPO) to be made to assist the implementation of the retail led scheme for the Chandos Street site proposed by Wilson Bowden.

The report described the planning policy background, Wilson Bowden's proposal for a retail led redevelopment of the Chandos Street site and the land to be compulsorily acquired, the present position with progress towards a planning application and the Development Agreement. It explained the Council's compulsory purchase powers under the Town and Country Planning Act 1990 and advice from the Office of the Deputy Prime Minister (now the Department of Communities and Local Government).

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The report also explained the work carried out by commercial property advisers CBRE for the Council in relation to the suitability of the scheme in retail terms together with funding issues and the prospects for its implementation if the CPO be confirmed. The report also covered the financial consequences for the Council of making the CPO and reference was made to the separate report on the agenda dealing with viability issues.

The Council had reached the stage where it was appropriate to formalise its partnership with Wilson Bowden by completion of a Development Agreement to secure a retail led development scheme on the site of the existing Chandos Street car park.

The approach to securing additional retail development within Leamington Town centre was set within a framework of National, Regional and Local Planning policy and guidance. Following extensive retail studies commissioned by the Council to address potential retail capacity issues within the District, it was apparent that for the future of Leamington town centre to remain secure, further retail development was necessary.

Further advice from specialist commercial advisers (CBRE) indicated that the prospect for securing such development in a comprehensive manner on the Chandos street site was realistic and potentially viable, which led to a decision to progress the Chandos Street site as a potential retail development site and to undertake a developer selection process. The process was undertaken in conjunction with progress on the adopted Local Plan, with continued advice from CBRE and was undertaken in accordance with the relevant procurement rules.

The process had been the subject of a series of reports to Executive since 2004. The full history of the development of the planning policy framework, the need for additional retail development, the choice of Chandos Street as a prospective site, the developer selection process that led to the Council's resolution in July 2007 to select Wilson Bowden as the Council's preferred development partner and the reporting of progress to Executive is set out in detail in Appendices 1 and 2 to the report.

Plans and elevations were attached at Appendix 3 to the report. In summary, the Scheme aimed to:

- Enhance existing retail provision in Leamington and help to secure its future as an important shopping centre for both national and specialist retailers for the longer term;
- Create arcade shopping on two levels;
- Provide large, flexible shop units for modern retailers;
- Provide a car park for approximately 500 cars;
- Sit well within the urban character of the town centre;
- Minimize massing and impact through restricting height to 4 stories;
- Create a new link to Parade;
- Add residential units to Chandos Street;
- Create underground servicing for new and existing shops; and
- Provide service and car park access from Chandos Street

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The Overview and Scrutiny Committee were happy with the scheme and the Executive should continue to progress it. The Committee would also like to see further modifications to minimise the effect on residents in Clarendon Avenue, and sustainability standards should also be taken into account.

The Audit & Resources Scrutiny Committee noted the recommendations in the report, asking for a caveat to be noted that the sale by Barratts be especially monitored to make sure Wilson Bowden were not negatively affected regarding the arrangements with the Council.

RESOLVED that

- (1) the selection of Wilson Bowden as the Council's development partner for the retail led redevelopment of the Chandos Street site, be approved;
- (2) that in principle the scheme proposed by Wilson Bowden, be approved in its submission of April 2008 for the retail led redevelopment of the Chandos Street site meets the Council's Local Plan requirement to achieve development to secure the future of Leamington town centre as a vital, vibrant and economically successful retailing centre, subject to it securing planning permission and all other necessary consents;
- (3) the Head of Legal Services be authorised to settle and complete the Council's Development Agreement with Wilson Bowden, as soon as practicable;
- (4) the Head of Planning and Head of Legal Services be authorised to confirm the joint appointment with Wilson Bowden of Wragge & Co LLP Solicitors in connection with all matters relating to the CPO; and
- (5) the Head of Legal Services be authorised to undertake all preparatory work including land referencing and serving all appropriate requisition notices necessary for the making of the CPO.

(The Portfolio Holder for this item was Councillor Hammon)
(Forward Plan Ref 31)

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264. PUBLIC AND PRESS

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

Para. Nos.	Reason
3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

265. RETAIL DEVELOPMENT IN LEAMINGTON – DEVELOPER SELECTION – CHANDOS STREET SITE – PART B

The Executive considered a report from the Head of Planning which set out the viability and risk issues that needed to be addressed upon considering progress on the Chandos Street scheme. It was a report that provided background information to the main Part A report and did not have any recommendations of its own.

RESOLVED that the report be noted and the recommendations for Part A be agreed as above.

(The Portfolio Holder for this item was Councillor Hammon)
(Forward Plan Ref 31)

The meeting was brought back into public session after this item.

266. PETITION

The Chair agreed to take this petition as a matter of urgency to enable it to be progressed as quickly as possible.

The Petition was sponsored by Councillor Mrs Grainger.

A fence had been erected at 25 Sycamore Grove between the house and pavement and beyond the building line in Milbank. The petitioners were very concerned that the fence was beginning to erode the character of the Percy estate and therefore requested the Council to exercise its authority and fulfil its responsibility by effecting the removal of the fence.

The fence had been erected contrary to the Communities and Local Government booklet entitled 'Planning, A Guide for Householders' and conveyances signed by residents of the Percy estate and the Warwick

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Corporation. Presumably both these were initiated to enable the Council to perform one of its functions i.e. to control the development of the area to ensure its character was preserved.

The Head of Legal advised that the Authority could not intervene on this issue and therefore it was agreed not to proceed with the petition. However, the Head of Legal Services welcomed a meeting with Councillor Mrs Grainger and the petitioners to discuss. If there were any changes arising from that meeting, the Head of Legal Services would report back to the Executive.

RESOLVED that the petition be noted and no action be taken by Warwick District Council.

267. REGIONAL SPATIAL STRATEGY

The Executive considered a report from the Head of Planning which sought the approval of the recommended response as set out in appendix A to the report, as the Council's formal comments on the Preferred Option stage to the Regional Spatial Strategy (Phase 2 Revision).

Appendix A to the report summarised and commented on the Preferred Option to the West Midlands Regional Spatial Strategy (Phase 2 Revision). It recommends how the Council may wish to respond to the document during the current public consultation.

The West Midlands Regional Assembly was currently consulting on the Preferred Option to the Phase Two Revision to the Regional Spatial Strategy. This was the second formal stage of the Phase Two Revision of the current West Midlands Regional Spatial Strategy and was looking to provide a strategic planning framework for the West Midlands region up to 2026. The Council, along with many other local authorities and other agencies, had been consulted on this document. It was important that a response be given to highlight areas where the Council could support the Review but also to highlight issues of concern.

The Regional Spatial Strategy (RSS) had a major impact on development in Warwick District which would have an impact, in due course, over the funding and delivery of a wide range of Council services. The process of the Council commenting on the Regional Spatial Strategy documents (and possibly attending the Public Examination into the RSS in 2009) had no financial implications and could be delivered using existing resources.

The Executive were reluctant to agree the recommendations in the report, however it was felt that in the circumstances, there was no other option.

The Executive also emphasised that there should be no more than 10,800 new homes built within Warwick District between now and 2026.

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RESOLVED that the recommended response as set out in appendix A to the report, be approved as the Council's formal comments on the Preferred Option stage to the Regional Spatial Strategy (Phase 2 Revision) and that there be no more than 10,800 new homes built within Warwick District between now and 2026.

(The Portfolio Holder for this item was Councillor Hammon)
(Forward Plan ref 64)

268. FINANCIAL STRATEGY AND BUDGET PROSPECTS

The Executive considered a report from Finance which updated members of the Council's financial projections and the outlook facing the Council. It also proposed the approach to managing the 2009/10 budget and service plan process.

The projections within the report were last considered by Members in February 2008 as part of the 2008/09 Budget/Council Tax setting report. At that time projections were agreed that allowed for a target Council Tax increase for the period 2008/09 to 2011/12 of 4.5% per annum. These increases relied upon savings to be made in future years, and use of General Fund Balance.

The revised estimates for 2007/08 enabled £1m to be set aside in the General Fund Balance. The £1m was then agreed to be used in the following three years towards helping to limit future Council Tax increases.

The assumed savings included within the projections were significant. It had still to be determined precisely where these savings may be found. It would be a challenge to bring forward acceptable savings proposals to meet the Council Tax target. At the April Executive it was agreed to set up several budget working groups to endeavor to secure suitable savings.

Major changes reported in the budget monitoring report elsewhere on the agenda had been fed into the financial projections. These showed that for 2008/09 an underspend of £166,000 was projected. Full details of the changes were set out within Appendices A, B, C and D to the report.

The Audit & Resources Scrutiny Committee noted the recommendations in the report, suggesting there was a need for regular forecast update reports and asking for a further report in October. It was also agreed that an away day, involving Councillors and Officers, be organised to assess how best to cope with upcoming budgetary limitations in the current financial climate. Councillors Malcolm Doody and Mobbs volunteered to help arrange such a day.

RESOLVED that

- (1) in preparing fees and charges the higher of the following should be used: 4% or an increase of up to 10% where our charges are below appropriate comparators;

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- (2) CMT and Portfolio holders bring forward proposals for the 2009/10 budget with a Council Tax increase at the 4.5%. In looking for savings these should be concentrated on areas of expenditure that are above other Councils average or above average cost, and areas of consistent net under-spending over previous years; and
- (3) the outline of the process in Paragraph 8 of the report, be approved.

(The Portfolio Holder for this item was Councillor Michael Doody)
(Forward Plan ref 107)

269. FINANCIAL MONITORING 2008/09 (TO 31 MAY 2008)

The Executive considered a report from Finance which summarised the Council's financial position as at the end of May 2008. It was the first report on the 2008-09 Budget to go to the Executive since it was set in February 2008.

Variations to the Council's revenue and capital budgets had been identified within its agreed financial management monitoring progress. The report provided information to enable decisions to be taken by the Executive on how to address its budget variations.

The current monitoring system required quarterly reports to be submitted to the Executive. The arrangement complemented the monthly monitoring reports prepared for the Corporate Management Team, and provided a structure to control the Council's budgets.

This was the first report to the Executive on the 2008/09 budget, since it was set in February 2008 and detailed the position up to the end of May 2008.

The report covered the activities on Revenue and Capital for both General Fund and Housing Revenue Account. It included the effects of the use of the Council's reserves and any known changes to income received for interest on balances.

The Audit & Resources Scrutiny Committee noted the recommendations in the report, highlighting the fact that the salary and wages figure was not an amount paid out but based on projections, so there could potentially be a bigger saving. Members asked for a further explanation of the statement made in paragraph 11.6 of the report, given that interest rates were likely to rise over the coming year. They also noted that the potential for additional costs from the land charges service needed to be included in future reports.

RESOLVED that

- (1) members note the contents of the May financial monitoring report for 2008/09, which indicated a possible underspend of £166,300 by 31/3/09;

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- (2) the £27,900 Community Support budget be transferred, on a recurring basis, to the Joint Area Partnership, with £8,800 of this being vired to Salaries; and
- (3) the changes proposed in the capital programme, and associated funding, as outlined in Section 10 of the report reducing the capital programme by £169,000 in 2008/09, and increasing 2009/10's capital programme by £169,000, due to delays in the Sydenham Sports Hall (£96,000) and Castle Farm Sports Pitch (£73,000) projects, be approved.

(The Portfolio Holder for this item was Councillor Michael Doody)

270. RISK MANAGEMENT PROGRESS REPORT

The Executive considered a report from the Audit Manager which advised on progress in embedding risk management within the Authority.

As part of the ongoing objective to embed risk management within the organisation the report updated the Risk Management Strategy that was set out in Appendix A to the report. Details of implementing last years action plan was set out within Appendix B to the report and the Corporate and Strategic Risk Register was set out at Appendix C to the report.

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

To achieve the objective of embedding risk management the Council had a Risk Management Policy and Strategy since 2002. These documents were merged in that policy statements previously contained within the Policy were now incorporated into the Strategy as was set out within Appendix A to the report.

Within the Strategy was an annual action plan which detailed the tasks necessary to develop risk management. Members were required each year to review the Strategy and approve the action plan.

Previous years' action plans contained tasks derived from the Risk Management Group's comparison of the Authority's arrangements against best practice set out in a CIPFA risk management checklist. In the current year, having addressed the items in the CIPFA checklist, the priority was to maintain the Council's risk management score under the new harder test for Comprehensive Performance Assessment (CPA) Use of Resources. Therefore,

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levels 2 and 3 of the Key Lines of Enquiry (KLOE) relating to risk management form the basis of the risk management action plan for 2008/09. Progress in respect of implementing last year's action plan is reported in a table set out at Appendix B to the report.

The Risk Management Group met during the year on a quarterly basis to review progress and share and promote best practice in the field of risk management.

Each quarter, the corporate management team reviewed and updated the Corporate and Strategic Risk Register. Those items scoring over 12 were then submitted to the next meeting of the Executive for information and approval. The complete Corporate and Strategic Risk Register updated by Corporate Management Team on 24 June was set out at Appendix C to the report.

During the year, risk management was assessed once again at level 3 by the Council's external auditors as part of the CPA Use of Resources evaluation, which meant that, according to the Audit Commission, the Authority was performing "consistently above minimum requirements - performing well".

The Audit & Resources Scrutiny Committee noted the recommendations in the report, adding that there was a need to consider the legal aspects of the Corporate Manslaughter and Corporate Homicide Act 2007 and for it to be included in the Risk Register. It was also agreed that further information from the Head of Legal Services on Lexcel Accreditation should be requested for the next Audit & Resources meeting.

The Strategic Director for Living, Lifestyles and Resources suggested that the Health and Safety aspect which was already included within the Risk Register would cover any legal aspects of the Corporate Manslaughter and Corporate Homicide Act 2007 and that there was no need for it to be included as a stand alone item on the register.

RESOLVED that

- (1) the report and its contents, in particular that which set out members' responsibility for risk management, be noted;
- (2) the Council's risk strategy, including the action plan for 2008/09 as set out at Appendix A to the report, be approved;
- (3) the roles and responsibilities for individuals and groups within the Council, in particular those for members and member committees which had been updated within the risk management strategy, be approved;

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- (4) the progress being made in implementing a risk management framework, specifically noting the progress made in implementing actions for 2007/08 as set out at Appendix B to the report, be confirmed; and
- (5) the risk register for corporate and strategic risks as set out at Appendix C to the report, be approved.

(The Portfolio Holder for this item was Councillor Michael Doody)

271. ALTHORPE INNOVATION AND ENTERPRISE CENTRE

The Executive considered a report from Economic Development and Regeneration which informed them of an emergency decision made by the Chief Executive in consultation with the Leader of the Council and Development portfolio holder. This was to agree additional funding of £9,400 to help meet a shortfall of the budget against the best tender for the construction of the Althorpe Innovation and Enterprise Centre in Leamington.

On 20 December 2007 the Council entered into a contract with Advantage West Midlands (AWM) to accept a capital grant to construct Althorpe Innovation & Enterprise Centre (AIEC) following approval by the Executive on 10 December 2007.

The AWM grant represented 88% of the total project costs, the remaining 12% being contributed by Warwick District Council by way of the market value of the Althorpe Street site.

Two years had elapsed since the original figures were submitted to AWM with the funding application during which time building cost inflation had risen by 11.3%.

Construction tenders were returned in May 2008, the lowest of which was in excess of the approved AWM funding. Subsequent specification changes resulted in the tender cost being reduced. Coupled with an increase in professional fees, most of which were linked to the higher contract value, resulted in a shortfall. The construction costs increased, however, they had been kept below the rate of inflation at 10.04%. The Tender price was only held for 8 weeks up to 2 July 2008.

AWM had agreed to increase their funding in line with their original investment of 88% requiring Warwick District Council to fund the remaining 12%.

With the tender price due to expire before the July 2008 Executive meeting, the Chief Executive consulted with the Leader of the Council and the Portfolio Holder (Councillors Michael Doody and John Hammon) who agreed that the Chief Executive could use his emergency powers to commit the sum to allow the project to proceed and the lowest tender to be accepted.

The contractors started on site on 30 June 2008 and the building works to be completed by 11 January 2009.

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The Audit & Resources Scrutiny Committee noted the recommendations in the report.

RESOLVED that

- (1) the use of the Chief Executive's emergency powers to accept the tender price, albeit in excess of the Capital Budget, be approved; and
- (2) the shortfall be funded by virement of the amount from the Council's Contingency Budget, and the Capital Programme be updated to reflect the revised costs and funding, be approved.

(The Portfolio Holders for this item were Councillors Michael Doody and John Hammon)

272. SUPPLEMENTARY PLANNING DOCUMENT (SPD) ON SUSTAINABLE BUILDINGS

The Executive considered a report from Planning – Policy, Projects and Conservation which sought approval to place the Draft Supplementary Planning Document (SPD) on Sustainable Buildings on public consultation. The SPD, attached at Appendix A to the report, set out the Council's approach to ensuring the use of renewable energy, energy efficiency and water conservation measures in new development.

The Supplementary Planning Document was one of five identified in the Council's current Local Development Scheme. It aimed to encourage sustainable construction through the conservation and management of water resources, the efficient use of energy and the use of renewable sources of energy. It set out how to meet the Council's requirement that 10% of the energy demand of new development should be met by renewable sources.

Supplementary Planning Documents (SPDs) are intended to expand upon policy or provide further detail on policies in Development Plan Documents but do not have Development Plan status. This SPD expanded on policies DP11 (Drainage), DP12 (Energy Efficiency) and DP13 (Renewable Energy Developments) of the Warwick District Local Plan 1996 to 2011.

In accordance with government regulations relating to the preparation of Supplementary Planning Documents, the following appendices were attached to the report:

Appendix A:

The Draft Supplementary Planning Document: Sustainable Buildings

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Appendix B:
Supporting Documents:

- Statement of SPD Matters and Document Availability
- Statement of Consultation
- Supporting Policy Documents
- Draft Sustainability Appraisal: Non Technical Summary

All consultation to be undertaken in accordance with the Council's Statement of Community Involvement (SCI). The consultation would not take place until the end of August 2008 because the Council did not wish to consult over the summer holiday period.

Following the consultation, representations would be analysed and changes made to the draft SPD as appropriate. A final version of the SPD would be presented to the Executive in December 2008, along with a report summarising the representations received to the draft and the changes which were made. It would then be the Council's intention to adopt the Supplementary Planning Document as Council Policy.

RESOLVED that the Draft Sustainable Buildings Supplementary Planning Document (SPD) attached at Appendix A to the report, be approved as a basis for public consultation.

(The Portfolio Holder for this item was Councillor Hammon)
(Forward Plan ref 97)

273. POST OFFICE CLOSURE PROGRAMME IN WARWICKSHIRE

The Executive considered a report from the Community Partnership Team on the discussions that had been taken place jointly between the District and County Councils in Warwickshire and the Post Office Ltd over the last 12 months about the proposed post office network change programme, and how it would impact on the County. Appendix 1 to the report detailed the activity to date that had been carried out with regard to this issue.

The report provided a summary of the activity and identified how members would wish to respond to any proposed closures within Warwick District, jointly with Warwickshire County Council.

County and District officers were currently gathering information about how any closures could affect local communities in the District socially or economically, and would be reported to members as soon as possible.

The government had instructed Post Office Ltd to close 2,500 of its branches, to be spread evenly over the country. There had been clear access criteria laid down:

- 99% of the UK population must be within 3 miles of a post office, with 90% within 1 mile

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- 99% of the population within deprived areas must be within 1 mile of a post office
- 95% of the urban population must be within 1 mile of a post office
- 95% of the rural population must be within 3 miles of a post office

The criteria for deciding which offices were to close were:

- The above access criteria
- The financial contribution (profit or loss) the office makes to Post Office Ltd
- The number of customers
- The ability of other nearby post offices to take on extra business
- Local factors – bus routes, ease of access etc.

The local Area plan would cover Birmingham and Coventry, together with Warwickshire. Some post offices had been told they would definitely remain open, and in Warwick District, the following post offices had been informed to this effect:

Leamington Spa	CV31 1AA
Sydenham	CV31 2LY
Whitnash	CV31 2LY
Lillington	CV32 7SQ
Warwick	CV 34 4BL
Woodloes Park	CV34 5RN

Other post offices had been given a strong indication that they would close. Attached at Appendix 2 to the report, was a list of all post offices in Warwickshire earmarked for closure including the three in Warwick District, which were Albion Street, Kenilworth, West Street, Warwick and Milverton, Leamington.

The timetable for the plan was:

14 June approx	MPs for local constituencies informed of the detailed proposals
24 June	Formal consultation document outlining closure proposals and individual branch information published. Consultation starts
24 June	Full County Council meeting will discuss closure announcement
9 July	Meeting at Shire Hall at 7.30 pm for County, District, Town and Parish Councillors and Post Office representatives
During July	Public meetings to be held in affected areas
4 August	Consultation period closes
29 August approx	Final decisions announced
October	Post Office closures start

It was suggested that members may wish to organise public meetings in the areas affected by the proposals during July 2008 if appropriate, to be organised by the joint County and District Council's Community Partnership Team, and led by local Councillors. At the time of writing Jeremy Wright MP had requested that a public meeting be held on 24 July 2008 to discuss the proposed closure

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of Albion Street post office in Kenilworth. The public meeting to discuss West Street, Warwick and Milverton, Leamington would hopefully take place week commencing 21 July 2008 – both were subject to the availability of representatives from Post Office Ltd.

The Overview and Scrutiny Committee were unhappy about the proposed Post Office closures as this would have a large impact on local communities within the District. There was also concern about the consultation meeting being scheduled for a Thursday lunchtime when the majority of people would be at work and unable to attend. Concern was also expressed that the MP for Warwick and Leamington did not discuss the arrangements he was making for a Public Meeting with the Council, as this would have avoided confusion.

RESOLVED that

- (1) the Leader of the Council, be given delegated authority to take part in consultation with the Portfolio Holders responsible for Communities and Economic Development and Environment plus any local members who may be affected by the post office closure programme, to agree a joint response with Warwickshire County Council to Post Office Ltd's proposals; and
- (2) the Policy Officer to put forward submissions to keep the 3 Post Offices in Warwick District, involving the 3 Councillors for those areas and copies to also be sent to James Plaskitt MP and Jeremy Wright MP.

(The Portfolio Holders for this item were Councillors Mrs Bunker and Hammon)

274. CHANGES TO CAR PARK OPERATIONS IN LIMITED STAY CAR PARKS IN LEAMINGTON

The Executive considered a report from Neighbourhood Services on the proposed changes to the charging method in the limited stay off-street car parks in Leamington Spa. This was in order to increase the parking hours of those car parks by allowing longer periods of stay over the current two hour maximum.

The income and usage in the three limited stay car parks in Leamington had fallen by 12% since the introduction of on-street enforcement. It was reported to the Audit and Resources Committee in June 2008. That report also highlighted a potential shortfall in income against the budget forecast of £163,000.

As a result, officers had investigated what changes to the operation of these car parks could be introduced which would increase the parking hours usage of the car parks and, as a result, increase income.

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A move to a short stay charging system in the car parks would allow a vehicle stay of over two hours to take place and an investigation into what was likely to happen to parking patterns and income if the change was introduced.

The information was set out in Appendix 2 and 3 to the report and indicated that the change to a short stay charging system would result in an increase in the parking hours. Details of the expected income which would be generated from the car parks based on the actual usage and income in 07/08 were detailed within Appendix 3 to the report.

The Audit & Resources Scrutiny Committee noted the recommendations in the report but felt there was a need for the Council's car parks to be more competitive with on-street car parking. Members suggested that Officers consider experimenting with alternative solutions at various locations, for review later in the year, bearing in mind the Council's duty to provide a service to customers and make Leamington an attractive place to visit, in addition to generating income. They recommended that Warwick District Council should consider what should be done to make its off-street parking compete effectively with the County Council's on-street parking. It was noted that Officers agreed to consider this in the annual fees and charges review when they had had time to run some more modelling.

RESOLVED that the current proposal for charges set out in Appendix 1 be adopted and the suggestions made by the Audit and Resources Committee regarding potential changes in car park charges be investigated as part of the review of parking charges currently being carried out.

(The Portfolio Holder for this item was Councillor Kinson)

275. SHARED SERVICES STRATEGY

The Executive considered a report from the Chief Executive which proposed the adoption of a strategy for the implementation of shared services in Warwickshire. Proposals were also made for a Joint Committee for Shared Services to oversee their implementation. The report also gave information on work already in progress with Stratford District Council and on possible areas of work with Warwickshire County Council. The report sought approval for a contribution of £10,000 towards the cost of a shared post to help carry out the work.

The Council had been developing shared services on an ongoing basis over the past five years which had included the operation of the payroll service by Warwickshire County Council, a shared economic development service with Warwick District Council (WDC) and undertaking consultation work on behalf of WDC and Rugby Borough Council.

Over the past two years, Leaders of Warwickshire Councils had been meeting on an ongoing basis to examine areas of common interest. One principle area of joint interest had been in the approach to shared services. Whilst the work had improved working relationships and understanding of each council, the

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Leaders proposed in January 2008 that a joint strategy for shared services should be developed. A draft strategy as set out within Appendix 1 to the report was endorsed for consideration by each local authority at the meeting of Leaders and Chief Executives in March 2008.

The meeting recommended four services for prioritised consideration of a business case:-

- ICT- different software and hardware systems can lead to a barrier to shared services implementation. This is a longer term intention to minimise the number of different IT systems;
- Human Resources- this is a relatively small support service in districts and boroughs, where resilience is a key issue;
- Procurement- this is an emerging need for all local authorities in the light of the efficiency agenda, and better value for money may be provided by delivering a shared service; and
- Customer Access- this is an extension of the Warwickshire Direct Partnership programme.

Members noted the legal issues identified in Part A of the strategy that the development of shared services were subject to EU Procurement Rules. It was, however feasible to operate the governance arrangements for shared services through a joint committee of local authorities.

Leaders considered it important to ensure that any joint committee or decision-making body should be an existing group, rather than a new arrangement. It was therefore proposed to change the Warwickshire Leaders Meeting into a Shared Services Joint Committee.

It was possible other local authorities in the sub-region, such as Coventry City Council and Solihull Metropolitan Borough Council, may wish to join in a shared service arrangement and was therefore suggested that the principle of these authorities joining a joint committee be agreed. In the spirit of only using existing groupings, it was feasible that it would mean a reinforced role for the Coventry, Solihull and Warwickshire Partnership.

Subject to the Executive agreeing the principle of the Shared Services Joint Committee, it was proposed to bring detailed terms of reference to the Executive Committee in the near future.

The Leaders would like to maximise economies of scale in delivering shared services across Warwickshire. The principle was endorsed in the proposed strategy. In such circumstances, it may be possible to use the Warwickshire Public Services Board for decision-making purposes, but further work was required to clarify this.

In addition, officers from Warwick District Council had been working bi-laterally with Stratford District Council and Warwickshire County Council on areas of joint work. With Stratford it included:

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- Building Control (with Stratford and Rugby) – where a business case has not demonstrated clear financial merits so that it is worth this Council progressing at this stage;
- Business Rates – where the case for a joint team is worthwhile and is proposed (to be subject of a separate report);
- Community Safety – in the light of the proposal for a Joint CDRP;
- Print and Design – work is still being carried out on a business case; and
- HR – some joint work is progressing.

With Warwickshire County Council a number of areas had been suggested including:

- Payroll – WCC already provide the IT and could provide the same service as they currently provide to Stratford and have made an offer to provide it free;
- Internal Audit
- Legal Services
- Learning and Development – in the light of the county wide work on an Academy
- Links between Environmental Health and Trading Standards

Warwick District Council was already carrying out joint work with the County Council regarding one stop shops very successfully and had agreed to co-locate its Customer Service Centre. The two Councils had also set up a Joint Community Partnership team, based in Riverside House.

RESOLVED that

- (1a) the Strategy for Shared services in Warwickshire as set out in Appendix 1 to this report, be adopted;
- (1b) the services of ICT, Human Resources, Procurement and Customer Access, be prioritised to be the subject of business cases;
- (1c) a Joint Committee to oversee the implementation of shared services be set up comprising Council Leaders from each of the six authorities in Warwickshire;
- (1d) the terms of reference for this Joint Committee be presented to a future meeting of the Audit and Resources Scrutiny Committee;
- (1e) the principle of the Joint Committee be expanded to include Coventry City Council and/or Solihull Metropolitan Borough Council as appropriate;
- (2) a contribution of £10,000 be made toward the shared cost of staffing costs of carrying out the preparation work on shared services; and

EXECUTIVE MINUTES (Continued)

- (3) the current work being carried out with Stratford District Council and the areas of possible work with Warwickshire County Council are supported and progress is reported via the Budget Working Group previously established.

(The Portfolio Holders for this item were Councillors Caborn and Michael Doody)

276. 2007/2008 FULL YEAR PERFORMANCE RESULTS

The Executive considered a report from Organisational Development and Performance Improvement on the end of year performance results for 2007/08 along with the mitigations and corrective actions for those indicators that are off target.

The regular and systematic reporting of performance results against target, trended over time and compared with other authorities was a fundamental element of the Council's integrated performance management framework. The performance management framework in turn remained a key tool for ensuring the Council remained focussed on what matters to ensure it delivered its services efficiently and effectively.

As in previous quarters, a report relating to each Portfolio had been prepared and arranged to enable the Overview and Scrutiny Committee to hold portfolio holders to account for the performance of services within their portfolio area. The information within the report contained full exception, mitigation and correction actions. Further detailed performance information was stored on the Warwick District Council website.

When examining performance results for any given area, the following points would be considered with relation to the results achieved and used to evaluate the appropriateness of any corrective action proposed:

- Result against target;
- Result compared to best in class or top quartile (where available); and
- Result compared to previous results - trend over time.

RESOLVED that

- (1) the performance in relation to 2006/07 comparisons with all District Councils, be noted;
- (2) performance in relation to each of the seven portfolios for the period of April 2007 to March 2008, be noted; and
- (3) mitigation and corrective actions where results had fallen beyond 10% of target, be noted and approved.

EXECUTIVE MINUTES (Continued)

(The Portfolio Holders for this item were Councillors Mrs Bunker, Caborn, Michael Doody, Mrs Grainger, Hammon, Kinson, Kirton, Shilton and White)

277. IMPROVEMENT OF THE DISTRICT

The Executive considered a report from Councillor Michael Doody. As Leader of the Council Councillor Doody proposed to establish a Working Group comprising of the 17 new Councillors elected to Warwick District Council in May 2007 and asked them to propose ideas on how they feel Warwick District could be improved as a whole through the use of £60,000.

The Working Group was to be established for a short space of time to help capture the energy and ideas of the new Councillors and to include their views on how they felt the district should be shaped.

Councillor Michael Doody considered offering the opportunity to new members of the Conservative Group but felt that it would be more beneficial to include all parties as the emphasis would be on new Councillors to enable them to develop as well as capturing their enthusiasm and not party politics.

The Overview and Scrutiny Committee were concerned about £60,000 being used from the contingency budget for this project, and the money should be kept in the contingency budget in case it was needed to fund existing projects.

There would be no Liberal Democrat representatives on the group, and although the Labour party were not happy about the money being spent in this way, they would have representatives on the group so they could have an input into how this public money would be spent on the whole district.

The majority of the Audit & Resources Scrutiny Committee felt there was no point in debating the issue at this stage as Members could not scrutinise something when they had no indication of what the Working Group was going to suggest. There was also a minority view that a sum of £60,000 should not be spent in such a manner when the Council was moving into a much tighter financial regime

RESOLVED that

- (1) a Working Group consisting of Councillors Barrott, Britland, Ms Dean, Dhillon, Malcolm Doody, Edwards, Mrs Gallagher, Heath, Mrs Higgins, Illingworth, Mobbs, Pittarello, Rhead, Mrs Scarrott, Mrs Tyrrell, and Weed, be appointed;
- (2) the above working party to meet and submit a report to the Executive in September 2008 on how it feels the £60,000 could be used to improve the District as a whole; and

EXECUTIVE MINUTES (Continued)

- (3) a one-off sum of £60,000 for Improvement of the District to be ring fenced within the 2008/09 Contingency Budget for use by the Executive, if the proposals from the working party are approved.

(The Portfolio Holder for this item was Councillor Michael Doody)
(Forward Plan Ref 114)

278. SCRUTINY OF PLASTIC BAGS

The Executive considered a report from Councillor Gifford. Following a notice of motion to Council, by Councillor Mrs Higgins, regarding an initiative by Warwick Chamber of Trade to stop using single use plastic carrier bags, a working party was established to see how Warwick District Council could assist the initiative. The report outlined the findings of the working party and their recommendations.

Councillor Mrs Higgins had a motion supported by the Overview & Scrutiny Committee which they agreed to investigate.

The notice of motion was:

“that Warwick District Council supports the Warwick Chamber of Trade's initiative for the phasing out of free plastic bags; and the Environment and Economic Policy Committee be asked to investigate and recommend to the Executive (a) how this Council can support this either financially or through assistance in promotion of the scheme; and (b) how other Chambers of Trade can be encouraged to follow the example of Warwick”.

A working Party was established by the Environment & Economic Policy Committee which agreed the purpose of the review as set out below. The full scope of the Working Party was attached at Appendix 1 to the report.

“To provide recommendations to the Executive with regard to:

- (1) whether the Council can provide financial support to the scheme established by Warwick Chamber of Trade;
- (2) whether this Council can assist in the promotion of the scheme established by Warwick Chamber of Trade;
- (3) how this Council can encourage other local Chambers of Trade to take on the initiative established by Warwick Chamber of Trade;
- (4) what this Council's position/policy on plastic bags is.”

The Working Party met with a Warwick Chamber of Trade representative, Councillor Mrs Higgins who had proposed the review to Council and the relevant Town Centre Manager to discuss the review. The minutes of that meeting were attached at Appendix 2 to the report.

The Working Party established that very few Council departments issued any plastic bags to customers and those which do would be interested in joining the initiative.

EXECUTIVE MINUTES (Continued)

RESOLVED that

- (1) the Chambers of Trade within the District be asked to work with the Town Centre Managers to produce a business case, for consideration by the Executive, for funding an initiative based on the following principles:
 - Single use plastic bags be replaced by reusable and sustainable bags;
 - The original costs of bags is met by Chambers of Trade, Warwick District Council and potentially other initiatives detailed in the report who the Chambers of Trade would liaise with to agree funding;
 - The cost of bags would be recouped by traders and initiatives using them;
 - The money recouped from the bags would be centralised and used to purchase the bags as required;
 - Bags would be stored centrally in bulk and in small quantities at businesses; and
 - Those contributing and participating in the initiative would have their company name over printed on the bag, along with the relevant Town Centre Partnership logo on the other side;
- (2) Warwick District Council commits to no longer using plastic bags and they be replaced by a reusable and sustainable bag such as ones made from cotton or jute; and
- (3) the recycling/reusing tips on the Council website, be promoted further.

(The Portfolio Holder for this item was Councillor Kinson)

279. OVERVIEW & SCRUTINY COMMITTEE AND AUDIT & RESOURCES SCRUTINY COMMITTEE – SCRUTINY WORK CURRENTLY BEING UNDERAKEN

The Executive considered a report from Members' Services which informed the Executive on the scrutiny work being undertaken by the Overview and Scrutiny Committee and Audit and Resources Scrutiny Committee.

The report was produced to create a dialogue between the Executive and the Overview and Scrutiny Committee & Audit and Resources Scrutiny Committee.

As part of the new scrutiny process, it was agreed that the Executive should not receive minutes of the Overview and Scrutiny Committees and Audit & Resources Scrutiny Committee, as had been the practice previously with the

EXECUTIVE MINUTES (Continued)

Scrutiny Committees and Policy Committees. A more effective way of the Overview and Scrutiny Committee and Audit & Resources Scrutiny Committee informing the Executive of their work, would be via a short report, highlighting the main items they had been working on.

At their meeting on 3 June 2008, the Overview and Scrutiny Committee considered the following items:

- Performance
- Review of work programme
- Plastic Bags Working Party
- Flooding Working Party
- Consideration of specific Executive agenda items

The Committee raised concerns with regard to some of the Housing targets, and requested that the Portfolio Holder for Housing attend their meeting on 15 July 2008. Also, after due consideration, all items contained in the workplans from the previous Culture and Social Policy Committee and the Environment and Economic Policy Committee were not included in their new work programme, with the exception of recycling and new refuse collection scheme.

The Committee also requested a further report on Section 106 agreements, and that scoping documents for the following be completed at their special meeting on 16 June 2008:

- CCTV
- The Royal Spa Centre
- Newbold Comyn Golf Course
- Recycling and New Refuse Collection Scheme

The Committee agreed that the scoping documents for CCTV and young people should be finalised by officers and submitted to their meeting in July 2008, with a view to these being the first reviews to be undertaken by the Committee.

At future meetings, the Overview and Scrutiny Committee would also receive performance reports and the Forward Plan on a quarterly basis, and Portfolio Holders will be asked to attend the meeting, where necessary, to discuss the performance in their portfolio.

At their meeting on 3 June 2008, the Audit and Resources Scrutiny Committee considered the following items:

- Terms of reference and ways of working
- Work plan
- External Auditor Audit & Inspection Plan
- Audit Commission Review of Internal Audit
- Review of Effectiveness of Internal Audit
- Internal Audit Quarter 4 2007/08 Progress Report
- Review of Off-Street Parking Income for 2007/08

EXECUTIVE MINUTES (Continued)

- Consideration of specific Executive agenda items (as reported to Executive on 4 June 2008)

The Committee noted the new process for determining items for scrutiny, approved a scoping document for the review of the base budget and set up a sub-group to complete a scoping document for the waste contract. As Task and Finish Groups were already in place for Procurement, Snowdrop and EDRMS projects, the Committee agreed to review their progress over the summer and produce scoping documents if the work was likely to continue beyond that.

The various reports which reviewed Audit (internal and external) were noted and accepted. It was agreed that in those instances where actions relating to internal audit were incomplete on their review by the Audit & Resources Scrutiny Committee (after the appropriate allotted timescales), the Officers responsible would be required to attend the next meeting of the Committee to explain their position.

The Committee also requested that officers investigate potential ways to increase off-street car parking income for 2008/2009 (to be reported to the Executive as soon as is practically possible) and a report on the impact of Variable Message Sign Scheme on car parking income.

RESOLVED that the report be noted.

(The Portfolio Holders for this item were Councillors Mrs Bunker, Caborn, Doody, Mrs Grainger, Hammon, Kinson, Kirton, Shilton and White)

280. GENERAL REPORT

(A) RURAL INITIATIVES GRANTS

The Executive considered a report from Finance about two applications for Rural Initiatives grants that had been received.

The Executive was asked to consider the level of funding it wished to grant in light of the merits of the individual schemes and the implications on the budget remaining for the financial year.

The two applications received were as follows:

- Hatton Village Hall for a grant towards the replacement of the village hall and caretakers cottage roofs which were in serious need of replacement and were potentially dangerous, as set out within Appendix 1A to the report;
- Hunningham Cricket Club for a grant towards phase 2 of the substantial refurbishment of its pavilion which consisted of outstanding plastering, carpentry and electrical works in the pavilion and also the provision of wooden decking between the clubroom and the score box, as set out within Appendix 1B to the report ;

EXECUTIVE MINUTES (Continued)

The grants were recommended to enable the Council to support the progression of the schemes.

The Council had a specific capital budget to provide grants of this nature and therefore were no alternatives if the Council was to provide funding for rural initiatives. However the Executive could choose not to approve any particular grant or vary the amount awarded.

RESOLVED that the following grant awards be made:

- (1) a grant be made of £10,000 be awarded to Hatton Village Hall towards the replacement of the village hall and caretakers cottage roofs; and
- (2) a grant of £3,115 be awarded to Hunningham Cricket Club for a grant towards phase 2 of the substantial refurbishment of its pavilion.

(The Portfolio Holder for this item was Councillor Mrs Bunker)

(B) FINANCIAL ASSISTANCE POLICY – PRIVATE SECTOR HOUSING

The Executive considered a report from Housing Strategy on the Financial Assistance Policy (FAP) which had been agreed by Members in 2006 and implemented in October of that year. The basis of the policy was, in addition to providing Mandatory Disabled Facilities Grants, to assist owners of dwellings to improve them by a series of Grants and Loans. With the notable exception of Grants and Loans for disabled adaptations, the Policy had not been a success in that few Grants and Loans had been approved.

The report set out which Grants and Loans had proved popular and useful in improving dwellings, and recommended a publicity campaign to raise awareness of the Grants and Loans which were made available.

The report has a further aim, that to introduce the idea of major improvements being financed by an Equity Release scheme provided by Art Homes Regeneration Trust through the West Midlands Kickstart Programme. Such a change would not take place before Warwick District Council had completed a Delivery Programme Exercise which was not expected to be done until at least mid 2009.

RESOLVED that

- (1) the outcome of monitoring the FAP since October 2006 be considered, and the disappointing number of Grants and Loans approved, be noted;

EXECUTIVE MINUTES (Continued)

- (2) the transfer of £1,800 from the Decent Homes capital budget to the Private Sector Housing revenue budget for a publicity campaign and the production of a series of leaflets, be approved; and
- (3) the proposals in respect of the Equity Release Scheme to be provided through the West Midlands Kickstart Programme, be noted, and that further work be undertaken to prepare for Warwick District Council to join the Kickstart Partnership, be approved.

(The Portfolio Holder for this item was Councillor Mrs Grainger)

(C) PROCUREMENT OF RESPONSIVE REPAIRS TO HRA PROPERTIES

The Executive considered a report from Housing and Property Services which sought approval to commence the procurement of a range of responsive repair contracts for Housing Revenue Account (HRA) dwellings, garages and land to supersede existing contracts.

The existing contracts were due to expire at the end of the current financial year in March 2009.

Due to the value of the responsive repair contracts for day to day responsive repairs, day to day electrical repairs and void repairs, the tenders would need to be procured in compliance with the European procurement directive that requires the publication of a notice within the OJEU, allowing suitable companies to express their interest in undertaking the advertised works.

The day to day responsive repair contracts and the responsive electrical repairs contract are based on a schedule of rates, developed in-house, which had proved to be more cost effective than the previous non-contract based repairing arrangements and has led to enhanced contractor performance and tenant satisfaction.

The day to day responsive repair contracts were currently delivered through two area based contracts. Given the success of the arrangement, first introduced in April 2007 it was proposed to re-tender two separate area based contracts and continue the current restriction that prevents one contractor from being awarded both contracts

Careful consideration had been given to merging the void repair contract with the area based responsive repair contracts but it had been concluded that it would not be cost effective and could be detrimental to performance on void re let times and void rent loss if labour was diverted away from void repairs to ensure emergency day to day repairs were completed or, vice versa, on responsive repair completion rates if priority is given to completing void repairs within

EXECUTIVE MINUTES (Continued)

target. However, it was intended to change the specification of the current contract so that the new contract would include the replacement of deteriorating solid floors affected by a defective shale or ash sub-floor in addition to the repair of all other void dwellings.

The value of the contract for out of hours emergency repairs, also due to expire in March 2009, was below the OJEU threshold. It was intended to seek a minimum of 5 tenders for an annual contract, also extendable annually up to a maximum of 5 years.

RESOLVED that

- (1) the tendering of separate contracts be approved for:
 - Day to day responsive repair contracts for HRA assets (schedule of rates contracts)
 - Day to day responsive repairs to electrical systems in HRA properties
 - Repairs to void properties
 - Out of hours emergency responsive repairs;
- (2) tenders be sought under the Official Journal of the European Union (OJEU) process for an annual contract for day to day responsive repairs and repairs to void properties, which include the option for a further annual extension up to a maximum of five years, subject to the contractor satisfying key performance indicators, be approved;
- (3) the Head of Housing & Property Services, in consultation with the Council's Procurement Manager, be authorised to tender a contract for out of hours emergency responsive repairs and, as set out in the Code of Contract Practice, accept the best tender for the work; and
- (4) the approved re-tendering process commence to allow new contracts to be in place for April 2009.

(The Portfolio Holder for this item was Councillor Mrs Grainger)
(Forward Plan ref 92)

(D) PROPOSED CHANGE TO COUNCIL PHONE NUMBERS

The Executive considered a report from Revenues and Customer Services which recommended a change of phone number for the council's switchboard and Customer Service Centre (CSC) direct dial numbers to 0845 from the current local area 01926 number.

EXECUTIVE MINUTES (Continued)

Following the Executive's approval for the re-location of Warwick District Council's CSC, the Project Manager reviewed the options for transferring WDC switchboard and CSC direct dial calls to Shire Hall.

The Project Manager identified three options for consideration, however, only one of the options came at no cost and enhances business continuity when the system experiences technical difficulties.

The proposed option would require the council to renumber the main switchboard and CSC direct dial numbers to 0845 numbers. The new numbers would "point" directly to Shire Hall and the County Council telephony system would be configured to accept these numbers.

The introduction of the new numbers would be accompanied by a proactive campaign of communication to inform the local community of the changes. This would include call announcements on the existing numbers advising of the change and the new numbers. The actions necessary to communicate the change were included in the Project Manager's Action Plan for the project as a whole.

The Overview and Scrutiny Committee were unhappy about the change as it would cost significantly more for some people to ring the Council and would be detrimental to the public. Further investigations were needed as the options presented were not satisfactory and a more cost effective alternative was needed to keep the cost of calling the Council to a minimum. Could the Council have another 01926 number?

RESOLVED that the council's Switchboard and CSC direct dial numbers changing from the current local area 01926 numbers to non-geographic 0845 numbers provided by NTL and charged at local rate, be approved subject to the Customer Service Centre do not move to the County Council until the Portfolio Holder, Leader of the Council and the Chief Executive had sought advice on the issue.

(The Portfolio Holder for this item was Councillor Caborn)

281. PUBLIC AND PRESS

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

EXECUTIVE MINUTES (Continued)

Minute No.	Para. Nos.	Reason
286	1	Information relating to an individual
286	2	Information which is likely to reveal the identity of an individual
282, 283, 284, 285 & 286	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

282. CONTRACTS FOR ENERGY SUPPLY

The Executive considered a report from Housing and Property Services.

The Council was a major procurer of gas and electric. The energy supplied was primarily used to heat and light the Council's corporate buildings, for example, the leisure centres and buildings such as the Spa Centre and Riverside House itself. The cost of the supply to these buildings was therefore borne by the General Fund and reflected in the operational running costs of the various assets.

Energy was also procured for a limited number of Housing Revenue Account (HRA) assets including sheltered housing schemes which had a communal gas heating system and/or electricity supply. At these schemes the full costs of the fuel used were directly, but retrospectively, recharged to the residents of the scheme through a service charge annually approved by Council. However, the vast majority of HRA tenants procure the gas and electricity used in their home directly from an energy supplier with no involvement by the Council.

The current energy supply contracts were renewed in October 2007. The Council currently has 3 separate contracts.

The contracts were extremely competitively priced, based on prices available in April 2007 when quotations were first obtained. Each contract will run for 3 years which is allowing the Council to achieve substantial savings on its energy supply costs when compared to the current price of energy on the commodity markets.

The current contract was awarded following a process that involved the *energyTEAM* consultant obtaining negotiated quotations direct from energy suppliers rather than through an Official Journal of the European Union (OJEU) procurement process, prompting concerns that the Council could have been liable to legal challenge.

Given the complexities of European procurement law, counsel's opinion was sought on the procurement procedure that was followed by *energyTEAM*. Counsel concluded that *energyTEAM* did use a negotiated procedure, which

EXECUTIVE MINUTES (Continued)

was permissible under the Public Contracts Regulations 2006 and which negated the need for an OJEU advertisement.

Warwick District Council had subsequently advertised the Contract Award Notice, detailing the 3 contracts, and was posted on 12 May 2008.

The relationship with *energyTEAM* had also been terminated following concerns that their continued involvement in any future procurement process could lead to a potential conflict of interest, given the unusual position whereby they were engaged by the Council as the client but had their services paid for by the energy suppliers.

When the current contracts are renewed prior to their expiry on 30/9/10 the Council will employ an alternative procurement process to that followed in 2007, for example, via an OJEU compliant procurement framework agreement, in order to ensure full compliance with the Public Contracts Regulations.

The Audit & Resources Scrutiny Committee noted the recommendations in the report.

RESOLVED that

- (1) the Executive noted the existence of the current contracts and the circumstances of their award; and
- (2) the discontinuation of the current arrangements with *energyTEAM*, be approved and require the revised procedures set out in the report to be followed when the current contract required renewal.

(The Portfolio Holder for this item was Councillor Michael Doody)
(Forward Plan ref 111)

283. WATERSIDE PROGRESS REPORT

The Executive considered a report from the Chief Executive which sought to update Members on the position with the possible development of the Waterside area in Leamington Spa.

RESOLVED that the report be noted.

(The Portfolio Holder for this item was Councillor Hammon)

284. SPENCER YARD PHASE 2 FUNDING APPLICATION PROCESS REPORT

The Executive considered an update report from the Chief Executive on the progress of the Spencer Yard Phase 2 Project.

EXECUTIVE MINUTES (Continued)

The conditions of support in recommendation 1 below replicated those agreed by the Executive in July 2007 albeit with some additions. The Member Working Party now needed to be established having been agreed at a previous meeting.

The Overview and Scrutiny Committee supported all of the recommendations in the report and would encourage the Executive to continue with the project.

The Audit & Resources Scrutiny Committee noted the recommendations in the report and were anxious to draw the Executive's attention in particular to paragraphs 2.1, 3.2 and 5.3 of the report.

RESOLVED that

- (1) the funding offer be supported subject to the Chief Executive, S151 Officer and Monitoring Officer in consultation with the Leader of the Council and the Member Working Party being satisfied that:
 - i) the conditions required are acceptable;
 - ii) the other parties also support the funding offer;
 - iii) appropriate contractual arrangements with the other parties can be achieved;
 - iv) the risks to the Council in relation to VAT and liability to Stamp Duty are minimised;
 - v) the risks of a cost overrun of works falling to the Council are minimised;
 - vi) the proposal secures an effective way of delivering business space for start up businesses;
 - vii) the risks to the Council of not meeting the projected AWM outputs are minimised;
 - viii) the proposal maximises other benefits of regenerating the area and the local community;
 - ix) the eventual scheme would be acceptable from a planning perspective.
 - x) the scheme remains financially viable and offers the least risk and most favourable options to the Council as currently demonstrated in Appendix 3;
- (2) the budget position outlined in the report, be noted;
- (3) the comments from the Head of Legal Services regarding the procurement of consultants and professional teams to work on the development stage of the project and beyond, be noted;
- (4) at the next meeting of the Executive, a report be submitted from the Council's Procurement Officer covering the project and wider procurement issues; and

EXECUTIVE MINUTES (Continued)

- (5) the statement from the Head of Legal Services as to the likely implications of one or both external partners pulling out of the project at any stage, be noted.

(The Portfolio Holder for this item was Councillor Michael Doody and Hammon)

285. ICT HELPDESK SYSTEM

The Executive considered a report from ICT Services on the purchase of a new ICT helpdesk system under the same procurement process recently carried out by Warwickshire County Council (WCC). The implementation would be carried out jointly with WCC to reduce the implementation costs and share best practice processes.

At its meeting of 11 April 2006 as part of the administration review, the Executive approved £25,000 for the purchase of a new helpdesk system for ICT Services.

The existing system was written in-house about 11 years ago using Oracle. Since that time Warwick District Council no longer developed in-house systems. (The authority had only one member of staff remaining who was able to support systems in Oracle). For this reason, retention of the system provided a risk to the ICT Service. In addition, the current system relied on the staff files within the existing Personnel system which was being replaced.

Further to the above, in order to adopt best practices and improve processes there was a requirement to implement a government standard known as Information Technology Infrastructure Library (ITIL). In addition, a recent audit report recommended Warwick District Council (WDC) implement a configuration management database (CMDB). Apart from logging, monitoring and escalating ICT requests, modern helpdesk systems support both ITIL and CMDB.

Following a rigorous selection process, WCC had recently purchased a new ICT helpdesk system, which was ITIL compliant and contained a CMDB, from Hornbill Systems. The Head of ICT had been in discussion with WCC and their supplier about the possibility of joining in with their implementation and sharing the same system.

Initially it was hoped that WDC could utilise the WCC system. This would remove the need for a separate system to be installed at WDC. Unfortunately, due to the differences in technology used by the two councils, the supplier would have to make significant changes to the product to support this. The cost of the changes would remove any savings from the initial purchase and would increase the on-going maintenance costs. However, if the system was implemented at WDC then the supplier would still give the same discounts as WCC reducing the cost. Importantly, if WDC had tendered for the system independently, the licence and consultancy costs were likely to be around £40,000.

EXECUTIVE MINUTES (Continued)

Consultation with the Head of Legal Services had confirmed that the provisions of paragraph 2.7.3 of the Code of Contract Practice apply. By procuring the same system as WCC not only would WDC save on implementation costs, and hence keeping within the budget previously allocated, there would be saving on the staff time that would be involved with a separate procurement process. For that reason there was a genuine and valid reason why a competitive tender should not be sought.

While recognising that it was an economic solution, the Audit & Resources Scrutiny Committee were reticent about supporting a system which they knew nothing about and sought assurances that the system would be implemented in a timely manner and within budget.

Councillor Caborn agreed to convey the Audit & Resources Scrutiny Committee's concerns to the Executive and to report back to the Committee if any of the Committee's concerns proved to be justified.

RESOLVED that

- (1) the purchase of the Hornbill Supportworks ICT Helpdesk, be approved, utilising Warwickshire County Council's tender process and purchasing power to obtain the maximum licence discount for Warwick District Council; and
- (2) Joint working with Warwickshire County Council on the implementation of Hornbill Supportworks to reduce consultancy costs, to harmonise processes where possible and to facilitate future joint working, be approved.

(The Portfolio Holder for this item was Councillor Caborn)

286. LAND CHARGES

This item did not come before the Executive.

(The meeting ended at 10.10pm)