

# Executive

Wednesday 6 February 2019

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A meeting of the Executive will be held at the Town Hall, Royal Leamington Spa on Wednesday 6 February 2019 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 meeting held on 9 January 2019

(Pages 1 to 56)

## **Part 1**

(Items upon which a decision by Council is required)

3. **Election of Chairman and Vice-Chairman of the Council 2019/20**

In accordance with Procedure Rules, to recommend to Council the persons to be elected as the Chairman and the Vice-Chairman of the Council for 2019/20.

4. **2019/20 General Fund Budget & Council Tax**

To consider a report from Finance (Pages 1 to 91)

5. **Housing Revenue Account (HRA) Budget 2019/20 and Housing Rents**

To consider a report from Finance & Housing (Pages 1 to 24)

6. **Treasury Management Strategy 2019/20**

To consider a report from Finance (Pages 1 to 33)

## **Part 2**

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

7. **Response to the LGA Corporate Peer Challenge Review Follow Up Visit 2018**

To consider a report from the Chief Executive (Pages 1 to 82)

8. **2019/20 ICT Services Digital Work Programme**

To consider a report from ICT Services (Pages 1 to 17)

9. **Delivery of the St Mary's Lands Masterplan for 2019/20 and beyond, Warwick**

To consider a report from the Chief Executive (Pages 1 to 15)

10. **Local Development Scheme (LDS)**

To consider a report from Development Services (Pages 1 to 13)

11. **Business Case for Extension of the Avon Navigation Scheme from Stratford (Alveston) to Warwick**

To consider a report from the Chief Executive (Pages 1 to 6 & Appendix 1& 2 [available online])

12. **IT Equipment for Councillors 2019 to 2023**

To consider a report from Democratic Services / ICT Services (Pages 1 to 8)

13. **Rural/Urban Capital Improvement Scheme (RUCIS) Application**

To consider a report from Finance (Pages 1 to 14)

14. **Update on Action Plan following Review of Closure of Accounts**

To consider a report from the Deputy Chief Executive (AJ) **(Pages 1 to 12)**

15. **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 item 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  |
|-----------|-----------|---|
| 16        | 1         | Information relating to an Individual   |
|           | 2         | Information which is likely to reveal the identity of an individual   |
|           | 3         | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

16. **Minutes**

To confirm the confidential minutes of the Executive 9 January 2019  
**(Pages 1 to 8)**  
**(Not for publication)**

Agenda published 28 January 2019

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](mailto: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](mailto: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](http://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

Minutes of the meeting held on Wednesday 9 January 2019 at the Town Hall, Royal Leamington Spa, at 6.00 pm.

**Present:** Councillors Mobbs (Leader), Butler, Coker, Grainger, Rhead, Thompson and Whiting.

**Also present:** Councillors; Boad (Liberal Democrat Group Observer), Mrs Falp (Chairman of Overview & Scrutiny Committee); Quinney (Chair of Finance & Audit Scrutiny Committee); and Naimo (Labour Group Observer).

Apologies for absence were received from Councillor Phillips.

During the meeting, Councillor Mobbs advised Members of the sad news of the recent passing of a former Councillor, Roger Copping. Members requested that their condolences were passed to his family.

## 113. **Declarations of Interest**

### Minute 117 – Centenary Fields Request

Councillor Grainger declared an interest because she was a member of St Mary's Lands Working Party.

## 114. **Minutes**

The minutes of the meeting held on 28 November 2018 were taken as read and signed by the Chairman as a correct record.

### **Part 2**

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

## 115. **Leisure Development Programme – Phase 2, Kenilworth**

The Executive considered a report from Cultural Services regarding Phase 2 of the Leisure Development Programme in Kenilworth.

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

In September 2018, the Executive gave permission to officers to begin a Royal Institute of British Architects (RIBA) stage 1 stakeholder and public consultation exercise on a number of specific options for each of the two sites. It was further agreed at the September meeting of the Executive that another report would be provided to the Executive in December 2018 to report back on the consultation, to detail the financial position on the project and to identify the proposed design option to be taken forward into the RIBA stage 2 design process for each site. As there was no

meeting of the Executive in December 2018, this report was therefore presented to this meeting.

The report to Executive in September 2018 laid out the reasons for the development project for Kenilworth's sports and leisure facilities and described the progress made to date on this work. It proposed a stakeholder and public consultation exercise on the options agreed by the Executive as the next stage of the process and this took place between 22 October and 19 November. The consultation methods used were described in section five of Appendix A to the report and included stakeholder identification, consultation programme, advanced notification (letters and letter drop, press release, leaflets & posters and social media), public engagements events / sessions and other engagement activities.

As part of the public consultation, 522 responses were received to the on-line questionnaire. This figure included respondents who took up the option to fill in a paper copy of the survey, as these were later entered into the electronic system by hand. The answers received in response to the consultation were summarised within Appendix A to the report.

Prior to the start of the public consultation, a local group formerly known as 'Save Our Outdoor Pool' changed their name to 'Restore Kenilworth Lido'. They also changed their proposal. They had previously been campaigning to retain the existing outdoor fun pool and paddling pool at Abbey Fields Swimming Pool. At this time, they changed their proposal to comprise the removal of the existing outdoor fun pool and paddling pool and the installation of a 25 metre outdoor rectangular swimming pool or lido.

Representatives of the Restore Kenilworth Lido group addressed the meeting of the Overview and Scrutiny Committee on 25 September and the meeting of the Executive on the following day to present their new proposal for a 25 metre lido. The Executive noted the content of these presentations. The Executive decided that the proposal for a 25 metre lido would not be presented to the public as an option for public comment as part of the consultation, but advised the Restore Kenilworth Lido group that they should include their option in their feedback to the consultation.

By agreement with officers and the Portfolio Holder for Culture, representatives of the Restore Kenilworth Lido group attended all but one of the public consultation sessions in order to present their proposals to the public.

In order to inform the evaluation of the options being considered, officers appointed an independent consultant to consider the financial viability of three design options at the Abbey Fields Swimming Pool:

- Option One - to build a new indoor family and teaching pool which could be opened to an outdoor terrace during hot weather;
- Option Two – to refurbish and retain the existing fun pool and paddling pool; and

- Additional proposal – to build a new 25 metre rectangular outdoor swimming pool or lido.

The results of this financial viability exercise were shown as Appendix B to the report. It was noted that the report had concluded that it was not possible to assess the financial viability of Option Two, the retention of the existing fun pool and paddling pool, due to there being too many undefined variables, particularly with regard to utility consumption data. The report therefore concentrated on the assessment of Option One and the additional proposal.

The report had concluded that the consultants were unable to find an outdoor swimming pool in the country that was financially self-sustaining. Some pools appeared to operate at better than break-even, but this was only where a separate facility such as a town centre car park or a high-end restaurant was used to cross-subsidise the operating loss of the outdoor pool itself. In the context of Abbey Fields, ignoring capital costs, the report concluded that the construction of a 25 metre lido would offer a reduction in the net operating costs of around £14,000 per annum. The proposal to construct a new family pool would offer the more significant reduction in net operating costs of around £62,000 per annum.

In order to decide which of the options should be presented for further development by this report, it had been necessary to consider a number of factors. These included the results of the stakeholder and public consultation, the affordability of the various options, the design and planning implications of the designs, the strategic demand for sport and the operational considerations of running the facilities in the future.

As was noted in the previous report to Executive in September 2018, it was not considered appropriate to refurbish the existing Castle Farm Recreation Centre. The existing facility would create too many constraints on the future design, and would not be substantially cheaper than the option to re-build. It was therefore proposed to demolish the existing Centre and construct a new 'dry-side' sports centre on the site. A 'dry-side' sports centre was one that did not include a swimming pool in the facility mix. The centre would have a sports hall big enough to accommodate six badminton courts, an 80 station fitness gym and two studios for exercise and fitness classes, along with all the appropriate changing rooms, reception areas and other ancillary facilities. The responses to the public consultation had proposed a number of additional features for this site, and these would be appraised by the design team at the next stage.

In terms of strategic need, the increase in the size of the sports hall from four to six badminton courts fulfilled the local requirement for additional courts, as identified by the Sport England Facility Planning Model.

The demolition of the existing Castle Farm Recreation Centre would mean that the Scouts and Guides who were accommodated on the first floor of the existing building would need to be re-housed in new accommodation.

The Council had a responsibility to re-house the Scouts and Guides as they had contributed to the cost of the construction of the existing Castle Farm Recreation Centre. The District Council had been looking across Kenilworth for an alternative home for the Scouts and Guides that currently met at Castle Farm, but had been unable to find an appropriate venue so far. This meant that it was likely that the new accommodation for the Scouts and Guides would need to be provided on the Castle Farm site.

It was therefore proposed in recommendation 2.3 of the report to proceed with Option Two from the stakeholder and public consultation exercise for the Castle Farm Recreation Centre site. This was the demolition of the existing centre and the construction of a new sports centre, with the Scouts and Guides accommodated in a separate building on the same site.

Both of the options for Abbey Fields Swimming Pool provided as part of the public consultation exercise included the retention and enhancement of the existing indoor 25 metre swimming pool. Both options also included the remodelling and significant improvement of the general circulation areas in the building, including changing rooms, reception, café and other ancillary facilities. This remodelling would make it possible to relocate the pool plant building and therefore to open up views down the lake from the external terrace. The external terrace could also act as a café area, allowing both café customers and swimmers using the external terrace to have views down the lake. The security of the facility in this area would be preserved with the use of a transparent screen. Both options also included the replacement of all mechanical and electrical equipment and installations that had reached the end of their useful life. Both options also sought to find a new use for the old bowls pavilion in the children's playground next to the Swimming Pool, and to improve the tennis courts in Abbey Fields. The differences between the options related to the use to be made of the area currently occupied by the outdoor fun pool and paddling pool.

The responses to the consultation process for Abbey Fields Swimming Pool had been analysed carefully, and the results were shown in detail in Appendix A to the report. In the public consultation process, question eleven asked respondents to select either Option One, Option Two, or to select 'no preference'. 38% of all respondents to the survey selected Option Two - to retain the existing outdoor fun pool and paddling pool. 30% selected Option One - to install an indoor family/teaching pool. 33% expressed no preference or did not respond to this question. Questions 12 and 13 were open questions that asked "What are your reasons for your answer to the question above" (Question 11) and "Other than the facilities being proposed, what other leisure or family facilities would you like to see at the swimming pool site?" Within the responses to these two questions, a number of respondents referred to the proposal offered by Restore Kenilworth Lido, for a 25 metre outdoor pool. Every response to questions 12 and 13 had been read and every response that mentioned a larger lido positively had been identified. Respondents mentioning a larger lido represented 25% of all respondents. It should be noted that all of these

respondents would have already been counted within either the 38% selecting Option Two, or the 33% that expressed no preference.

It should also be noted that this stakeholder and public consultation exercise was never intended to be undertaken as a scientific process with the use of specialist consultants and a randomised control group to verify the responses received. Nor was it a referendum where respondents were asked to vote for a particular option, and where the most popular option would be selected. It was an opportunity to ask the residents of Kenilworth for their views on a number of options available. These aspects were made clear to the Executive in recommending the consultation process to follow. In these circumstances, it should be remembered that the presence of Restore Kenilworth Lido at all but one of the public consultation sessions, with their strong lobbying for a new 25 metre lido and rejection of the two presented options, was likely to have skewed the responses received in favour of the 25 metre lido proposal.

Alongside the public element of the consultation, officers had contacted a number of key stakeholders to ask their opinion of the two options presented for consultation. Most stakeholders were also aware of the additional proposal from Restore Kenilworth Lido. The responses from all stakeholders were contained within sections eight to eleven of Appendix A to the report. Selecting some representative responses from stakeholders, they responded as below:

- Sport England expressed support for the District Council's drive to improve their facilities and the strategic approach being taken to inform the programme of improvements, but did not express a preference for either option;
- Swim England were the national governing body for the sport of swimming in England. They said: "our view is that design Option One, which introduces an indoor learner pool...would be the best option as this type of pool provides the best return on investment of any water space and would enhance the swimming experience most profoundly.... Obviously, the success of the outdoor pool depends entirely on the weather. I appreciate that there is always an ardent lobby to build outdoor pools, and these people are consistent users, however the level of use does not necessarily provide a sustainable model.";
- officers held a meeting with the majority of the swimming clubs that currently use the facility. A very useful exchange of information took place. All the clubs present supported Option One, for the creation of the family pool, as this would be most useful to them in terms of providing space for the teaching of swimming. The Junior Triathlon Club said that they would use a 25 metre lido, but that it was unlikely that this would represent the best investment in this building, due to constraints on the use of outside water;
- it proved difficult to engage with schools during the consultation period, as it was a busy period of the school year. A detailed

interview was undertaken with St John's Primary School. They strongly supported Option One, as it would give them much more flexibility in terms of programming their swim teaching. It would mean that on occasions, they could bring mixed ability groups, as beginners could go in the family pool, leaving the main pool for better swimmers to swim lengths. The school did not currently bring better swimmers to swimming lessons, as they could not swim lengths with the shallow end full of beginners. On other occasions, the family pool would enable them to bring twice as many beginners at the same time, which would save on travel costs and school programming issues. They also favoured the arrangements for changing rooms, as this would make their management of swimming sessions much easier. Officers would continue to engage with schools throughout the design process to ensure that their needs were met within the new designs; and

- the National Association for Swimming Clubs for the Handicapped (NASCH) also favoured Option One, as being the option that would provide suitable facilities for people living with a disability who wished to learn to swim. They stressed the importance of making sure that all aspects of the design of the new facilities considered the needs of swimmers with a disability.

Another element to be considered in selecting an option for Abbey Fields Swimming Pool was the report by SLC (Sports, Leisure, Culture Consultancy) into the two options proposed and the additional proposal. This report concluded that the indoor family pool would improve the financial performance of the Swimming Pool building over four times more effectively than the additional proposal to construct a 25 metre lido. It was particularly interesting to note that, according to the predictions made by SLC about the uplift created by the family pool and the income projections from Everyone Active over the life of the contract, it was possible that this site would break even by year ten of the contract. This would be a very beneficial situation, as it would remove any subsidy from the site before the end of the current management contract, which would help to secure the site's unquestioned future.

In terms of strategic need, the option to build an indoor family and teaching pool would meet Sport England's strategic assessment that the District required additional water space equivalent to 1.8 lanes of a 25 metre swimming pool. This was the increase in provision predicted by the Sport England Facilities Planning Model as being required in order to provide for the increased population expected to be resident in Kenilworth and surrounding areas by the end of the current Local Plan period in 2029. The Facilities Planning Model included an allowance for all existing swimming pools in the area. It also allowed for all planned swimming pools for the area in the future, including the new swimming pool that had been constructed at Warwick University which would open in Spring 2019. The option to retain the existing outdoor pools and the additional proposal to provide a 25 metre lido did not meet this strategic need as Sport England did not count outdoor swimming water within its Facilities

Planning Model, as the facility was usually only available in the summer months.

Taking account of the reasonably even spread in public response between the two options at Abbey Fields and the expression of no preference or missing the question, and the slightly lower response for the 25 metre lido proposal, it could be argued that the public element of the consultation showed a general support across each of the options, with no one option or proposal significantly more popular than any other. The report from SLC made it clear that Option One represented the most financially beneficial alternative. The view of Sports and Leisure Management Ltd (trading as Everyone Active) was also that Option One represented the best solution, both in terms of the financial performance of the building and the number of people that could use the pool and participate in swimming activities. The strategic need for sports facilities would support Option One at Abbey Fields, as it provided sufficient additional water space to fulfil the additional need created by new residents moving to the area during the period of the current Local Plan.

In view of paragraphs 3.13 to 3.19 of the report, it was proposed in recommendation 2.4 of the report to proceed with Option One at Abbey Fields Swimming Pool. This was the construction of an indoor family and teaching pool which could be used throughout the year, but which also had the capacity to open up access to an outdoor terrace during hot weather. This design would be developed during the next stage, taking on board many of the comments received from the public during the consultation exercise. Within this design concept, there was always a conflict between opening up the facility on a hot day in summer, and making a construction that was robust and sealed enough to provide appropriate atmospheric control during the winter. The architect had been set the task of opening the building as much as possible in summer, whilst being able to seal the area sufficiently in winter to ensure a pleasant atmosphere would be provided by appropriate and cost-effective mechanical and electrical systems.

If the Executive agreed to move forward with the two options proposed in recommendations 2.3 and 2.4 of the report, the next step of the project would be to continue the design process through RIBA stage two and up to the end of RIBA stage three. In order to do this work, it would be necessary to make funds available to employ the design team. There was current funding available within the Leisure Options Reserve to continue this design work for the remainder of the current financial year. This roughly equated to the completion of RIBA stage two. The source of the additional funding required to continue the project to the end of RIBA stage three was not currently identified. This was discussed further in paragraph 5.1 of the report.

The Council had already procured a contract for the project management and design of this project. Mace Ltd and their project partners secured this contract through the Crown Commercial Services framework, which was an appropriate procurement process for this work. The nature of the contract was such that Mace and the project management and design

team had been retained for the whole of the project process from the beginning of RIBA stage one to the end of RIBA stage seven. However, there were break clauses at the end of each RIBA stage. It was therefore fully appropriate to instruct Mace and their colleagues to take this project forward to the end of RIBA stage two at the present time, as sufficient funds existed to cover this work. Recommendation 2.5 in the report sought to identify additional funds in the Budget Report in February 2019 to carry this work through to the end of RIBA stage three. The report sought authority to proceed to RIBA stage three without referring back to Executive, if funding could be found, as RIBA stage two would be completed during the 'purdah' period for the forthcoming local elections in May 2019.

The Council considered that it was very important to ensure that all new constructions should seek to minimise their impact on the environment as much as possible. Although it might not be possible, for a number of valid economic and practical reasons, to achieve carbon neutrality in all cases, it was important that any deviation away from environmental optimisation should be considered carefully before being approved.

The design team would therefore be instructed to study what options were available to maximise the environmental performance of the building, both in terms of construction and operation. They would need to present a report to the officers on the project team which identified what these options were, what they would cost or save in capital and revenue terms, and what alternatives there were that would have different impacts. In some cases, it might be necessary to accept a less than optimal environmental solution, when other factors were considered, but the presumption should be that environmental performance was maximised in each case.

One of the intended benefits of the redevelopment of the two Kenilworth facilities was to improve the financial performance of the facilities in the future. This improvement in financial performance would mean that it would be possible to negotiate with Sports and Leisure Management Ltd (trading as Everyone Active) to discuss how they might be able to change the concession fee they paid to the Council, the capital they might invest in the facilities and the length of the management contract between the company and the Council.

It had not been possible to commence these negotiations until the decisions contained in recommendations 2.3 and 2.4 of the report had been taken, as there were too many variables involved in the calculations. If Executive approved recommendations 2.3 and 2.4 of the report then it would be appropriate to begin these discussions with Sports and Leisure Management, with a view to bringing a further report back to Executive with the results of such negotiations and recommending future actions in this regard.

It was not possible at the current time to clearly identify all of the funding for these works. As well as the need to begin negotiations with Everyone Active, as shown in paragraphs 3.25 and 3.26 of the report, there was



also uncertainty over the S106 funding to come from various developments, as well as uncertainty over the Government's approach to pooling in the future. It was also not clear if any grants might be achievable for these works, until a thorough review was undertaken. It was therefore proposed that officers continue their existing work to resolve these issues and obtain greater clarity and certainty on the funding available, in order to report back to Executive at a later date.

It was good practice to regularly review the risks contained in any capital project of this kind. The updated Risk Register for this project was therefore contained at Appendix D to the report and the Executive was asked to note the content of this Register. Furthermore, all capital projects at Warwick District Council had a Project Programme to indicate how long the project would take to deliver. The current Project Programme was attached as Appendix E to the report.

In terms of alternative options, it would be possible to not undertake any improvements to the facilities at Castle Farm and Abbey Fields. If this decision was to be made, Kenilworth would not have the same sort of aspirational, successful and modern facilities as the Council had provided at Newbold Comyn and St Nicholas Park. The community in Kenilworth would not be encouraged by such excellent facilities to adopt an increasingly healthy lifestyle. Income from the contract with Everyone Active would not be increased because attendance and income would not be enhanced. The opportunity would be lost to bring the buildings up to modern design standards and to make them more environmentally friendly and cheaper to run. The buildings would not be prepared for use for another 30 years.

An addendum circulated prior to the meeting advised of an incorrect diagram being included on page six of Appendix A, and provided a correct version of this diagram.

The following people addressed the Executive:

- Ms Jane Green, on behalf of Restore the Kenilworth Lido; and
- Mr Simon Cockwell, resident of Kenilworth and user of the pool.

The Finance & Audit Scrutiny Committee considered requesting a deferral of the decisions, but, on balance, supported the recommendations in the report.

The Overview & Scrutiny Committee supported recommendations 2.1 and 2.3 in the report and noted recommendation 2.2.

In respect of recommendation 2.4 in the report, the Overview and Scrutiny Committee recommended to the Executive that it deferred its decision to allow further work on a full evaluation of a lido option as a facility to benefit the whole District.

The Executive were required to vote on this because it formed a recommendation to them.

During the robust debate, a number of Councillors addressed the Executive and expressed their views on the item.

In response, Councillor Coker, the Portfolio Holder, highlighted that Members appreciated and had every confidence in the officers leading Phase Two of the Kenilworth Leisure Development Programme, as well as in the entire team involved. The decisions taken so far were based on the recommendations received from the very experienced team leading the project, and the success of the other two leisure centres within the District were a testimony to the team's expertise. If another consultation was to be held, Councillor Coker could not see how the results would be any different from the one already conducted, and failed to see what else could be done in order for the public to be able to express their opinions.

It was therefore proposed by Councillor Coker and seconded by Councillor Butler that the recommendation from the Overview & Scrutiny Committee was rejected on the basis that:

- despite the lido option not being part of the consultation, it had been fully evaluated by officers and an independent, well-respected consultancy; and
- consequently, there was no merit in holding a further consultation as Members were comfortable that all the material issues had been examined both in preparation for the report of September 2018 and report of January 2019.

The Executive, therefore,

**Resolved** that

- (1) the recommendation from the Overview & Scrutiny Committee be rejected on the basis that:
  - despite the lido option not being part of the consultation, it was fully evaluated by officers and an independent well-respected consultancy; and
  - consequently, there was no merit in holding a further consultation as Members were comfortable that all the material issues had been examined both in preparation for the report of September 2018 and report of January 2019;
- (2) the outcome of the recent stakeholder and public consultation exercise on the options for the development of the Castle Farm Recreation Centre and the Abbey Fields Swimming Pool, as

described in Appendix A to the report, be noted;

- (3) the conclusions made in the report from the consultants The Sport, Leisure and Culture Consultancy (SLC) into the viability of various options at Abbey Fields Swimming Pool as shown as Appendix B to this report, be noted;
- (4) selecting Option Two for the development of the Castle Farm Recreation Centre site, being the construction of a new sports and leisure centre at Castle Farm, with a new facility for the Scouts and Guides, be agreed in principle, and officers are instructed to work with the design team to prepare this option up to the end of RIBA stage three, funding permitting, with a further report to Executive at the conclusion of that design stage;
- (5) selecting Option One for the development of the Abbey Fields Swimming Pool site, being the refurbishment of the whole building and the construction of a new indoor family pool with access to an external terrace with views of the lake, along with refurbishing the pavilion and tennis courts, be agreed in principle and officers are instructed to work with the design team to prepare this option up to the end of RIBA stage three, funding permitting, with a further report to Executive at the conclusion of that design stage;
- (6) £200,000 is released from the Leisure Options Reserve in order to progress the two design options identified in Recommendations 2.3 and 2.4 of the report for the remainder of this financial year, and the balance of up to £550,000 be sought within the Budget Report in February 2019, once the financial settlement from Central Government is known, in order to progress the designs to the end of RIBA stage three, be agreed;
- (7) the services of Mace Ltd and the rest of the design team are retained on the existing appointment and contract up to the end of RIBA stage two at least and also up to the end of RIBA stage three if a balance of up to £550,000 is identified within the Budget Report in February 2019;

- (8) the design team be instructed to fully explore how the building and running of the two facilities can be as close to carbon neutrality as reasonably possible and this matter will be carefully addressed in subsequent reports to Executive;
- (9) negotiations with Sport and Leisure Management Ltd (trading as Everyone Active) commence with regard to changes in the annual concession fee, any capital investment arrangements and the length of the contract in relation to the proposed redevelopment of Castle Farm Recreation Centre and Abbey Fields Swimming Pool with a view to reporting back to a subsequent meeting of the Executive on any changes proposed;
- (10) officers are instructed to continue the existing work on identifying funding for the project, including researching and applying for appropriate grants, in order to present a further report to Executive on the funding of this project; and
- (11) the updated Risk Register for this project as shown as Appendix D to the report and the Project Programme shown as Appendix E to the report, be noted.

(The Portfolio Holder for this item was Councillor Coker)  
Forward Plan reference 968

#### **116. Approval of Canal Conservation Area**

The Executive considered a report from Development Services following public consultation, proposing to designate a Canal Conservation Area as indicated in the draft boundary maps enclosed as Appendix Two to the report. The Canal Conservation Area would assist conservation of the waterside, inform heritage-lead regeneration, and other waterside development opportunities across the District.

Warwick District Council's Local Plan had identified that Waterways could be used as tools for place making and place shaping and contributed to the creation of sustainable communities (Warwick District Local Plan NE7). The historic environment was a shared resource everyone should be able to participate in. Understanding the significance of places was vital to sustaining the historic environment and canals through Warwick District were significant places that should be managed to sustain their values.

The Grand Union canal (including the former Warwick and Birmingham Canal and Warwick and Napton Canal), and Stratford on Avon Canal

served as a major heritage asset that strengthened Warwick District's overall economy and tourism offer and enhanced the quality of life for the 66,000 residents who lived within one kilometre or ten minutes' walk of a canal.

An appraisal had been undertaken to explore the physical context, to understand, analyse and articulate exactly how the eighteenth century landscape had changed and evolved and would continue to do so; why the waterway corridor was special and what elements within the area contributed to this special quality and which did not; and how to preserve and enhance what was significant. Decisions about change needed to be reasonable, transparent and consistent. Documenting and learning from decisions was essential.

It was in the public interest for the Council to work with the Canal & River Trust and owners in the surrounding area to:

- sustain the existing heritage assets;
- manage change to preserve and enhance the canals and their settings;
- promote access and usage that would enhance quality of life for the District's residential population; and
- strengthen the local economy and tourism offer.

Formal Public Consultation extended over a seven-week period and included press reports, a public meeting and events with local societies, as well as two days' informal consultation at the Leamington Canal festival. The notice to registered interests followed the procedure in Council's Statement of Community Involvement adopted in January 2016. Two responses were received from the formal procedure; one supportive, one suggesting the Development Plan Document (DPD) should be adopted at the same time. As a result of the publicity, 62 responses were almost universally welcoming, some wanting greater area to be included. As a result, the boundary map had been moderated internally.

On adoption, the duties of formal designation required an advertisement in a local paper and the London Gazette, together with letters to all property owners affected within the boundary, as this was a land charge.

In terms of alternative options, it would be possible for the Council to ignore this opportunity to work with the Canal & River Trust and others in the stewardship of this asset. However, this would fail to recognise the foresight and belief of Warwick's eighteenth century citizens, in creating this enduring legacy, and the interest that local residents and business people had in canal-related heritage. Not to designate would accept that this was a lost opportunity to build on that enterprise, and thus to miss out on the regeneration, investment and improved quality of life that recognition of this asset through designation and guidance brought.

The Portfolio Holder, Councillor Rhead, thanked the officer for all his hard work and amount of detail covered in the report and its appendices. Councillor Grainger also expressed her support and commented that this was a great piece of work, which she welcomed.

The Executive, therefore,

**Resolved** that a Canal Conservation Area as defined in the appraisal in Appendix One to the report and as shown on the boundary map at Appendix Two to the report, be adopted.

(The Portfolio Holder for this item was Councillor Rhead)  
Forward Plan reference 934

#### 117. **Centenary Fields Request**

The Executive considered a report from the Chief Executive setting out the proposed response to a request for this Council to apply to designate St Mary's Lands in Warwick under the Centenary Fields initiative to commemorate those who lost their lives in World War I.

'Fields in Trust' was a national charity that operated throughout the UK to safeguard recreational spaces. Their mission was to ensure that everyone, young or old, able bodied or living with a disability, and wherever they lived, should have access to free, local outdoor space for sport, play and recreation, advocating that these spaces were vital to building happy and healthy communities.

The Centenary Fields programme was launched in 2014 by Fields in Trust President HRH the Duke of Cambridge. It aimed to protect at least one green space in every local authority area across England, Wales, Scotland and Northern Ireland to commemorate the centenary of World War I (WWI). Safeguarding these sites would create a living UK wide legacy in commemoration of the sacrifice made by those who lost their lives in WWI.

Fields in Trust was working in partnership with the Royal British Legion to deliver the programme. This would commemorate the significant milestone in our history and create a tangible local legacy that would be valued by communities for generations to come.

The main benefits of taking part in the initiative were:

- contributing to a UK initiative to commemorate those involved with World War I;
- raising awareness of both the initiative and the Council's commitment to providing open space for public access and recreation; and
- raising the profile of the nominated sites.

The initiative also aimed to safeguard valued public spaces for the future. However, as most of these green spaces were already safeguarded through other means, this was not necessarily an additional benefit.

In July 2018, the Executive agreed that applications should be made for the following open spaces in the District, as each had significant connections with World War I.

- Abbey Fields, Kenilworth – there was a war memorial in the form of an obelisk which was unveiled in 1922. It commemorated those who died in World War I, World War II and the Korean War. It was located at the top of Abbey Fields near the junction of Abbey End and Abbey Hill;
- St. Nicholas Park, Warwick –this had an avenue of trees central to the park. At the base of some of the trees, there were small stone cairns on which there were plaques mounted, commemorating various individuals from both world wars. More recently, a new war memorial had been erected, dedicated to those involved in World War I.
- The Pump Room Gardens – soldiers from across the country as far afield as Gateshead and Exeter came to Leamington Spa Pump Rooms to receive special treatment for their war wounds during WWI. The Turkish baths and radical radiant treatments were the main attraction. Approximately more than 7,000 treatments were given to injured soldiers at the Pump Rooms over the four years of WWI.
- Royal Air Force Centenary Park (Tapping Way open space) in Warwick – this site had been discussed with The Fields in Trust and even though there was a less strong link with WWI, there was a link with Royal Air Force (RAF), Warwick. RAF Warwick was a former Royal Air Force relief landing ground and was opened on a large grass field called Tournament Field, in December 1941. Due to the 100th Anniversary of the founding of the RAF, the Fields in Trust had said they would consider an application for this site. This was a new open space which was about to be adopted by the Council from the developer Taylor Wimpey. Locally, the open space had been known as Tapping Way open space. Council officers had discussed the new name with the Chase Meadow Residents Association, who supported the proposed name of RAF Centenary Park.

The applications had been made and accepted as eligible by Fields in Trust. It was not necessary for the green spaces involved in the programme to change their names. Each of these green spaces already had names that were instantly recognisable within the community through their long usage. These green spaces would acquire Centenary Fields status, and would receive and display signage associated with this, which would ensure there was no requirement for any actual name change.

As each of the green spaces was accepted as a Centenary Field, the legal process then started and green spaces would be protected via a Deed of Dedication. Fields in Trust would draw up the draft deed and the Council then had the opportunity to make amendments. When all parties were satisfied with the deed, it would be signed and registered with the Land Registry.

Once the green spaces had been dedicated, each green space would receive a Centenary Fields commemorative plaque. The requested funding would ensure that the plaques were sensitively located within each green space and interpreted specific to each of them.

At the end of October 2018, the Friends of St Mary's Lands wrote to the Council asking that St Mary's Lands was applied for as a Centenary Field. Officers made contact with the Fields in Trust to establish its eligibility which resulted in the response to the original letter as shown in Appendix One. There were clear issues with the extent and type of land being requested and the evidence of the historic relationship with WW1.

Further enquiries indicated that the Northern Enclosure – an area of woodland might have been the site of a building used as a hospital in WW1 and so might be suitable for the Centenary Field designation. In addition, the Field in Trust also administered other programmes of protection for open spaces, but which were not connected to WW1. A programme called 'Green Spaces for Good' was one such programme and the nature reserve area could be eligible. The implications for the land were the same as for the Centenary Fields initiative. It was suggested that applications for these areas of land be made and that delegated authority be provided to secure the deed of dedication, should the applications be accepted. Both areas of land were proposed to be improved but had no development proposals on them arising from the Master Plan that was approved in 2017.

In terms of alternatives, as Fields in Trust had indicated that the Friends original request was not appropriate, there was no real option to agree to the Friends request.

The Executive could decide not to apply for any further designations and this was an option open to Members.

The Executive, therefore,

**Resolved** that

- (1) the progress made on securing Centenary Field designation for Abbey Fields Kenilworth, St. Nicholas Park Warwick, Pump Room Gardens Royal Leamington Spa and RAF Centenary Park (Tapping Way Open Space) Warwick as Centenary Fields, be noted;
- (2) the response by the Fields in Trust to the request from the Friends of St Mary's lands to have St Mary's lands designated as a Centenary Field, be noted;
- (3) officers are asked to make an application for the Northern Enclosure of St Mary's lands as a Centenary Field and the Nature Reserve Area



as a Green Space for Good designation, on the understanding that if successful with these applications, a deed of dedication will be agreed for each of these green spaces; and

- (4) authority be delegated to the Head of Neighbourhood Services, in consultation with the Portfolio Holder for Neighbourhood Services, to agree and sign the terms of a Deed of Dedication for the areas of land referred to in recommendation 2.4 of the report and as shown on Plans 1 and 2 to the report.

(The Portfolio Holders for these items were Councillors Butler and Grainger)  
Forward Plan reference 948

### **Part 1**

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

#### **118. General Fund Base Budgets 2019/20**

The Executive considered a report from Finance setting out the latest projections for the General Fund revenue budgets in respect of 2018/19 and 2019/20, based on the current levels of service and previous decisions. There were further matters that would need to be reviewed in order to finalise the base position as part of the 2019/20 budget setting process as set out in paragraph 8.3 of the report.

The 2018/19 latest budgets showed a forecast surplus of £3,800. The proposed 2019/20 Base Budget currently forecasted a surplus of £19,100.

The Council was required to determine its budget requirements in order to set the Council Tax for 2019/20.

The proposed Base Budgets for 2019/20 and the Latest Budgets for 2018/19 were included in section 3.2.1 of the report. The figures included all financing charges, which were dealt with in paragraph 3.5 of the report. Paragraph 3.3 of the report considered the 2019/20 Base Budget, with paragraph 3.4 looking at the Latest 2018/19 budget figures.

In preparing the 2019/20 Base Budget, the over-riding principle was to budget for the continuation of services at the existing level. Several adjustments needed to be made to the 2018/19 Original Budget, such as the removal of any one-off and temporary items, the addition of inflation, the addition of previously agreed Growth items, the addition of unavoidable Growth items and the inclusion of any identified savings.

A table included in section 3.3.2 in the report and Appendix A to the report provided more details regarding how the 2019/20 base budget had been calculated.

No inflation had been applied to most expenditure budgets. The only exception was in respect of the major contracts at 2.5% (£128,400) and Business Rates 2.4% (£26,900).

Staffing costs were also forecasted to increase in 2019/20 and the main changes were presented in Section 3.3.4 of the report.

Only previously committed growth and unavoidable changes had been included in the Base Budget. This totalled £804,100 of which £651,900 related to increased expenditure and £152,200 related to reduced income. Appendix B to the report listed the main items, the largest being additional corporate repair and maintenance costs including water features and fountains (+£134,000); net increase in Housing Benefits costs (+£89,500) and an increased costs of major contracts growth (+£71,400).

Various savings or increased income had been allowed for within the Budget. These totalled £2,448,900, which comprised £989,500 reductions in expenditure and £1,459,400 increases in income. Appendix B listed the main items, the largest being the removal of time limited items (-£638,200); concession fees from Leisure contractor (-£635,400); increased Crematorium income (-£118,600); and additional Homelessness Prevention grant (-£364,800) etc.

Having taken the above into account, there was a forecast reduction of £1,644,800 in net service expenditure which was mainly the falling out of one-off and reserve funded items. There was no overall change in the level of service provision budgeted for, other than any previously agreed changes.

The large reduction in non-service specific contributions to reserves (-£3.4m) was mainly due to a reduced contribution to the Business Rates Retention Volatility Reserve (-£2.3m), no contribution from the Leisure Options Reserve (+£1.1m), a reduced contribution to the Community Projects Reserve (-£1.4m) and changes in other reserve funding (+£1.2m), plus no allocations from New Homes Bonus to reserves at this stage (-£2.3m).

In addition to the above, there were also various other general financing adjustments required to arrive at the demand for Council Tax. Taking all these items into account produced a forecast surplus of £19,100.

However, as outlined in section 8 of the report, the final Government Finance Settlement and other unforeseen events meant the final position would not be confirmed until early 2019.

Appendix B to the report was broken down into two parts – Appendix B1 and Appendix B2. Both appendices provided details of service expenditure and income in portfolio order. Appendix B1 was a summarised version of Appendix B2. The analysis in Appendix B2 was divided into two sections – expenditure and income under the direct control of the budget manager (e.g. salaries, fees and charges income, etc.) and those items for which

they had little or no control over (support service allocations and capital financing charges). Explanations were provided where significant variations had been identified.

Under the current Budget Review process, amendments to budgets were presented to Members for approval on a regular basis, rather than waiting until the report was published. Consequently, many changes had already been reported and approved by Members. This report continued that process and provided details of the latest budgets for the current year.

The Latest Budgets totalled £19,428,500, which was an increase of £686,300 compared with the originally approved budget for 2018/19 of £18,742,200.

The main reasons responsible for the decrease in service income and expenditure were included within Appendix B and summarised in a table at section 3.4.3 of the report. The first part of the table showed that the total net expenditure on services had reduced by £243,800.

The 2018/19 budget had been reviewed in order to set the 2019/20 base budget. This would be reviewed again in February 2019.

The Quarter 2 Budget Review to the Executive on 28 November 2018 identified, and reported on, a budget deficit totalling £90,600. The inflation contingency budget (£50,000) had been removed for 2018/19. Also, the Apprenticeship Scheme contingency budget had been reduced by £60,000 to reflect the likely spend for the remainder of the year. Taking these factors into account, there was now a forecast surplus of £3,800.

The comments made in paragraph 3.3.11 of the report concerning the content of Appendix B were equally applicable to the information provided in respect of the Latest Budgets for 2018/19.

In order to arrive at the position for the Council's overall net expenditure, it was necessary to take account of the effects of the Council's capital financing arrangements and any transfers to and from reserves. These were summarised in Section 3.4.8 of the report, with additional details in Appendix C to the report.

Most of the changes to the Capital Financing and Reserves figures reflected changes in specific items within the cost of General Fund service expenditure, whereby many increases in service expenditure were met by a contribution from a specific reserve which would be included here.

These figures were still being updated to reflect the latest Capital Programme and use of reserves. Any further changes would be detailed in the February 2019 Budget report.

Depreciation, Intangible Assets and Capital Financing Charges in Service Budgets were non-cash charges to services that did not impact on the Council's overall external funding requirement (primarily council tax, retained business rates and Government grant). By including these

charges, the full cost of the respective services provision was apparent. Variations between years had occurred, which reflected new schemes and slippage between years of schemes as reflected within the Council's capital programmes.

In terms of the loan repayments, revenue contributions and interest paid, there were no changes in the 2018/19 budgets at present. There was an increase in 2019/20 of £89,000 for a loan from the Public Works Loan Board (PWLB) in respect of the Europa Way development costs.

No changes regarding the Revenue Contributions to Capital had been included in the budgets at this stage.

The 2019/20 original budget showed a reduction in contributions to / from reserves of £3,383,000 when compared to the 2018/19 original budget. The 2018/19 latest budget showed an increase in contributions to / from reserves of £45,000. The changes were categorised in a table in Section 3.4.13 in the report.

No changes to the 2018/19 budgets had been factored in at this stage in terms of the External Investment Interest. Changes for 2019/20 were an additional £239,000 in gross interest receipts due to rate changes. These figures would be updated in the February Budget Setting report.

The Housing Revenue Account balances formed part of the Council's investment portfolio and as a result of the factors described above, the investment interest to be credited to the Housing Revenue Account was expected to increase in 2019/20 by £105,000.

IAS 19 required an authority to recognise the cost of retirement benefits in the net cost of services when they were earned by employees, rather than when the benefits were eventually paid as pensions. However, the charge that was required to be made against council tax was based on the cash payable in the year, so the real cost of retirement benefits was reversed out. The figures included in the budgets were based on the latest figures from the Pension Fund actuary.

In line with the decisions made at the February 2018 Executive meeting as part of the 2018/19 Council Tax Setting, £310,200 was transferred from 2017/18 to 2018/19 via the General Fund balance. The Budget Review Report to the November 2018 meeting allocated the 2017/18 surplus £850,000 to 2018/19 and £64,000 to 2019/20. Additional details were provided in Appendix C to the report.

In order to complete the picture, the general grants position also needed to be considered.

The Revenue Support Grant reduced to zero for 2019/20 based upon the four-year settlement confirmed in January 2016. Should this change, which was believed to be most unlikely, the revised figure would be reported in the February 2019 Budget Setting Report.

Gross Business Rates income figures showed an increase of £0.99m in 2018/19, and it was estimated to reduce by £1.71m in 2019/20 from 2018/19. The income for 2018/19 was higher due to primarily one-off adjustments in respect of the appeals provision. This reduction in Business Rates income would be matched by an increased contribution from the Volatility Reserve so as to smooth the net income to the General Fund. Movements in business rates were explained in a table in Section 3.5.3 of the report.

At this stage, no New Homes Bonus had been included in respect of 2019/20.

The Government had announced a grant in respect of Homelessness Prevention work of which £301,000 had been received in 2018/19. Following a change in accounting treatment, this grant was now shown within the revenue budgets. Pending a decision on the programme of work, these resources had been transferred to a new reserve.

The Council Tax element of the Collection Fund would be calculated in January 2019, with the Major Preceptors being notified of their share of any surplus or deficit, and would be included within the February 2019 Budget report with any balance to be distributed / recovered in 2019/20.

As reported in the Quarter 2 Budget Report, the Council Tax Base for 2019/20 had now been calculated. The Base had increased by £2,188.20 from £53,388.87 to £55,577.17. This change would result in an increased Council Tax yield of £354,200. Increasing the Council Tax Band D charge by the previously agreed £5 would produce a further yield of £277,900.

The net results of all these movements were shown below:

|   | <b>BASE<br/>BUDGET<br/>2018/19<br/>£'000</b> | <b>LATEST<br/>BUDGET<br/>2018/19<br/>£'000</b> | <b>BASE<br/>BUDGET<br/>2019/20<br/>£'000</b> |
|---|--|--|--|
| <b>TOTAL ESTIMATED NET EXPENDITURE</b>  | 18,742                                       | 19,429   | 14,538                                       |
| Less: Revenue Support Grant             | (307)  | (307)  | -  |
| Less: Business Rates Income             | (6,976)                                      | (7,968)  | (5,268)                                      |
| Less: General Grants:                   |  |  |  |
| - New Homes Bonus                       | (2,482)                                      | (2,482)  | -  |
| - New Homes Bonus Returned Funding      | (4)  | (4)  | -  |
| - Homelessness Prevention Grant         | (301)  | -  | -  |
| - Self & Custom Build New Burdens Grant | (30)   | (30)   | (15)   |
| Collection Fund (Surplus) / Deficit     | -  | -  | -  |
| Council Tax                             | (8,642)                                      | (8,642)  | (9,274)                                      |
|   | <u>          </u>                            | <u>          </u>                              | <u>          </u>                            |
| <b>(Surplus) / Deficit</b>              | <b>-</b>                                     | <b>(4)</b>                                     | <b>(19)</b>                                  |
|   | <u>          </u>                            | <u>          </u>                              | <u>          </u>                            |

This showed that there was a forecast surplus of £3,800 in 2018/19 and £19,100 in 2019/20.

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

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

The Portfolio Holder for Finance, Councillor Whiting, reminded Members that optimising revenue and reducing cost should be the lens through which Members should look at the future, and that there were significant savings the Council would need to achieve in the future.

The Executive, therefore,

**Recommended** to Council that

- (1) the base budget for the General Fund services in respect of 2019/20 as outlined in Appendix B be approved; and
- (2) the updated budget for the General Fund services in respect of 2018/19 as outlined in Appendix B, be approved.

(The Portfolio Holder for this item was Councillor Whiting)  
Forward Plan reference 959

#### **119. Housing Revenue Account (HRA) base budgets 2019/20**

The Executive considered a report from Finance presenting the latest projections for the Housing Revenue Account (HRA) in respect of 2018/19 and 2019/20, based on current levels of service and previously agreed Executive decisions. There were further matters that would be reviewed in order to finalise the base position as part of the 2019/20 budget setting process, to be reported to Executive in February 2019, as set out in paragraph 3.6 of the report.

The 2018/19 latest budgets showed a forecast reduction in the transfer to the HRA Capital Investment Reserve (HRA CIR) of £687,200.

The proposed 2019/20 Base Budget forecasted a reduction in the transfer to the HRA CIR of £803,000.

Appendix A to the report summarised the adjustments from 2018/19 base budgets to the 2017/18 latest budgets and 2018/19 base budgets.

This report considered the current year's budget, and included details of proposed updates to the 2018/19 Budget. The report also recommended the base budget requirements that would be used in the setting of the HRA budgets for 2019/20. These figures reflected the costs of delivering an agreed level of service, and any unavoidable changes in expenditure

(for example, where the Council was contractually or statutorily committed to incur additional expenditure).

Any recent changes that needed to be resolved that had not been included in the budgets at this stage would be fed into the February report. In February, the Council would be in a position to agree the 2019/20 Budget for the year as part of the HRA rent setting report, following confirmation of the housing rents and communal utility recharges (Forward Plan Ref 971).

In agreeing the latest 2018/19 budgetary position, managers had reviewed their current and forecast financial requirements. Some changes had already been reported to Members as part of the Quarterly Budget Review Report in August 2018, with further amendments being identified during the budget setting process to determine next year's base position.

A review of the 2018/19 budget had been carried out in order to establish the latest budget for the current year. This then informed the base position for 2019/20.

The following table summarised how the latest 2018/19 HRA budget had been calculated:

|  | <b>£</b>        |
|--|-----------------|
| <b>Original Approved Net HRA Surplus 2018/19</b> | <b>(28,500)</b> |
| Increase in Expenditure                          | 735,600         |
| Increase in Income                               | (67,800)        |
| Pension adjustment changes                       | 19,400          |
| Reduction in contributions to reserves           | (687,200)       |
| <b>LATEST NET HRA SURPLUS 2018/19</b>            | <b>(28,500)</b> |

Key drivers of the increase in Expenditure budgets included:

- an increase in Housing Repairs Supervision to reflect cost of agreed service £29,400;
- an increase in HRA Repairs and Maintenance to reflect amendment to the Cyclical Painting and Decorating programme £200,000;
- reduced contributions to provisions (£54,800);
- an increase in Supervision & Management £234,900, through a number of interim posts to oversee the introduction of Universal Credit

- and management of fire safety inspections / works, and the increase in support service charges recharged to the HRA; and
- an increase in depreciation charged to the HRA £298,700 due to a change from using the MRA as a proxy, to componentisation depreciation.

Key drivers of the increase in Income budgets included:

- an increase in service charges to reflect increased cost of utility provision, and inclusion of Sayer Court service charges (£115,300); and
- a reduction in expected income from Lifeline following review of service £47,500.

Appendix A attached to the report provided a more detailed breakdown of key variances.

As a result of the above variations to the 2018/19 HRA budgets, the forecast contribution to the HRA Capital Investment Reserve for the year would be £4.2m, a reduction of £417,900 from the original budget.

At this moment in time, there were no changes to the HRA element of the Housing Investment Programme that had not already been reported to and approved by the Executive. A full revision of the Housing Investment Programme would be presented to Council in February 2019.

In determining the 2019/20 Base Budget, the over-riding principle was to budget for the continuation of services at the agreed level. The following adjustments needed to be made to the 2018/19 Original Budgets:

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

The table below summarised how the 2019/20 HRA base budget had been calculated.

|  | £               |
|--|-----------------|
| <b>Original Approved Net HRA Surplus 2018/19</b> | <b>(28,500)</b> |
| Increase in Expenditure                          | 645,200         |
| Reduction in Income                              | 146,700         |
| Pension adjustment changes                       | 10,200          |



|  |           |
|--|-----------|
| Reduction in contributions to reserves | (803,000) |
|--|-----------|

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|                                     |                 |
|-------------------------------------|-----------------|
| <b>BASE NET HRA SURPLUS 2019/20</b> | <b>(29,400)</b> |
|-------------------------------------|-----------------|

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Key drivers of the change in Expenditure budgets included:

- an increase in Housing Repairs Supervision to reflect cost of agreed service £29,400;
- reduced contributions to provisions (£54,800);
- an increase in Supervision & Management £369,500; and
- an increase in depreciation charged to the HRA £298,700 due to a change from using the MRA as a proxy, to componentisation depreciation.

Key drivers of the change in Income budgets included:

- a reduction in social housing rents by 1% £250,300;
- an increase in service charges to reflect increased cost of utility provision, and inclusion of Sayer Court service charges (£115,300);
- a reduction in expected income from Lifeline following review of service £47,500; and
- 5% increase in garage rents (TBC in rent setting report) (£33,100).

Appendix A provided a more detailed breakdown of key variances.

A number of assumptions had been made in setting the budgets for 2019/20.

No inflation had been applied to budgets, apart from those where the Council was legally contracted to do so. 2% had been applied for the agreed pay award.

The base rent budget in the report was a baseline calculated from the rental assumptions presented in the 2017 HRA Business Plan.

The actual rents to be charged in 2019/20 and the Council's rent policy would be decided by Council in February 2018, and budgets would be updated to reflect those decisions.

The base 2019/20 budgets presented in the report allowed for housing rents being reduced by 1% on the rent charged in 2018/19, to comply with the Government's policy on rents for social housing. In the case of void properties, the base rent would be:

The assumed rent rate which should be what the previous tenant paid if that was already above Target Social Rent (Formula Rent), then reduced

by 1% in the first relevant year and again by 1% for each successive year; or

The formula rent for 2018/19, minus 1% in 2019/20 rent year and so on until the recently agreed change from 2020.

Rent budgets included the projected effect of void homes being moved to Target Social Rent (Formula Rent) when re-let.

2019/20 would be the final year of the rent reduction policy, following the announcement that providers would be permitted to increase their rents by up to CPI+1% each year, for a period of at least five years.

Shared ownership properties were not governed by the national Policy. The Council adopted the Homes and Communities Agency (HCA) template lease agreement which included a schedule on rent review. Schedule 4 of the lease agreement determines that the rent would be increased by RPI + 0.5% from April 2018. At October 2018, the increase had been forecast at 3.8%.

Unavoidable and previously committed growth had been included in the Base Budget.

Any HRA surplus above that required to maintain the appropriate HRA working balance was transferred into the HRA Capital Investment Reserve to be used on future HRA capital projects. The 2019/20 Base Budget allowed for a £4.4m contribution to the reserve.

Notional interest had been charged to the HRA within the Capital Charges. This represented the cost of tying up resources in the asset. This had been charged against HRA garages and shops at their Existing Use Value (EUV). HRA housing had not been included in this calculation due to the assured nature of tenancies, restricting the council's ability to sell occupied housing assets.

The purpose of this report was to produce budgets as determined under the requirements of the Financial Strategy. Any alternative strategies would be the subject of separate reports.

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

The Executive, therefore,

**Recommended** to Council that

- (1) the latest revenue budget for Housing Revenue Account Services in respect of 2018/19 as outlined in Appendix A to the report, be approved; and
- (2) the base budget for Housing Revenue Account Services in respect of 2019/20 as outlined in Appendix A, be approved.

(The Portfolio Holder for this item was Councillor Phillips)  
Forward Plan reference 960

## **120. Changes to the Scheme of Delegation and Council Procedure Rules**

The Executive considered a report from Health & Community Protection which brought forward proposals to amend the Officer Scheme of Delegation following legislative changes, providing clarity of delegation and a minor change to Council Procedure Rules for clarification.

Following a full review of the legislation used by Health & Community Protection and in light of changes to legislation, the proposed changes as outlined in Appendix One to these minutes updated the Scheme of Delegation to reflect the current legislative landscape for the Service Area.

Recommendation 2.1 of the report was proposed in order to ensure transparency and clarity on the delegation of powers, duties and requirements under the relevant legislation within the Officer Scheme of Delegation to the Head of Health and Community Protection. It also aimed to remove all outdated or superseded powers, duties or requirements delegated to the Head of Health and Community Protection under the Officer Scheme of Delegation.

The proposed removal of the delegation under Recommendation 2.2 of the report was requested because this delegation was contained within the Housing Allocations Policy and the Head of Housing had delegated authority to take decisions in line with the Housing Allocations Policy.

The proposed change in Recommendation 2.3 of the report to the general wording within the Scheme of Delegation was proposed so that it reflected the current operation of identification badges within the Council and had been in operation for over ten years. This was with the exception of the revision to remove the need for a signature on the ID badge which after review, ahead of the introduction of new ID Badges was no longer considered necessary.

Members were reminded that the decisions made at Warwick District Council were, by law, either Council decisions or Executive decisions. These included the delegations made to officers and therefore, for the sake of clarity, it was proposed that all officer delegations should be identifiable as Council or Executive decisions (in line with the rest of the Constitution).

Members were also reminded of the Government regulation in 2014 (Openness of Local Government Regulation 2014) with regard to the public recording of Council, Executive, Committee or Sub-Committee meetings. The Plain English Guide could be accessed on-line. It was considered appropriate that reference be made to this within Council Procedure Rules for ease of reference.

There were no alternative options considered for this because the revisions to the Scheme were to clarify and not add new delegations.

The Executive, therefore,

**Recommended** to Council that

- (1) the Head of Health & Community Protection scheme of delegation be amended as set out at Appendix One to these minutes;
- (2) the Scheme of Delegation be amended to remove Delegation HS(5) from the Head of Housing to let residential properties to persons who are not eligible for accommodation in accordance with the Council's policy in exceptional circumstances, as it is no longer required;
- (3) the scheme of delegation be amended to read as follows:

All members of staff have authority to act on behalf of the Council in accordance with duties set out in their job description and will carry identification as evidence of their authority to enter premises lawfully at all reasonable hours for the purposes of carrying out duties in line with appropriate legislation; and

- (4) Council Procedure Rule 33, recording of meetings be amended to include the following statement:

The Council will ensure that all parties present at its meetings which it is recording are notified that they are being recorded and that in line with the Openness of Local Government Regulation 2014 members of the public are entitled to record the meeting as well.

The filming, videoing, photographing or recording of any meetings of the Council, Executive, Committees or Sub-Committees of the Council, which are open to the public and press, is allowed, providing it does not disturb the conduct of the meeting.

Anyone visually recording a meeting will be expected to only focus on recording councillors, officers and the public who are directly involved in the conduct of the meeting.

The Chairman of the meeting will have the power to rescind this permission for

individuals(s) if, in their opinion, it is disruptive or distracting to the good order and conduct of the meeting.

If a meeting passes a motion to exclude the press and public then, in conjunction with this, all rights to record the meeting are removed.

**Resolved** that the Monitoring Officer updates the Scheme of Delegation so that it identifies the matters which are Executive or Council functions and the updated Scheme to Council is submitted to Council in due course.

(The Portfolio Holders for this item were Councillors Phillips, Mobbs and Thompson)  
Forward Plan reference 980

#### 121. **Local Council Tax Reduction Scheme 2019/2020**

The Executive considered a report from Finance which provided Members with details of the Council Tax Reduction consultation which ended on the 4 November 2018.

The current scheme for Council Tax Reduction was largely based on the previous Council Tax Benefit scheme which was assessed alongside Housing Benefit. Housing Benefit for new working age applicants was no longer available in Warwick District and instead a claim had to be made for Universal Credit. Whilst Housing Benefit was the main provider of housing support for working age people, it was logical to maintain a Council Tax Reduction scheme that mirrored the approach. Now that Universal Credit was being rolled out, it gave the Council the opportunity to significantly simplify what was, in effect, a Council Tax Discount.

In August 2018, the Executive agreed for the consultation on the proposed changes to the Council Tax Reduction Scheme. All claimants in receipt of the reduction had been written to tell them about the proposed changes. 63 responses were received, representing approximately 2% of the caseload and details of these were included within Appendix A to the report. Just over half of the responses supported retaining the scheme unchanged.

The current scheme compared income to an applicable amount which was determined based on the claimant's circumstances. Calculating the income to be used in the assessment was extremely complex, earnings were calculated using gross pay less tax and national insurance deductions and 50% of any contribution to a personal pension. Other incomes were taken into account in full whilst others were disregarded, or partly disregarded and then further disregards were applied depending on a claimant's circumstances. As people were moving onto Universal Credit, their income was assessed by the Department for Work and Pensions. However, this could change on a monthly basis as earnings would increase and

decrease. Under the current scheme, entitlement to council tax reduction could potentially need re-assessing every month as income would fluctuate changing the amount of council tax a claimant had to pay. The banded scheme would help to provide some stability to claimants, ensuring that their payments remained the same, unless their income changed to put them into another band. This would also be easier to administer and should be easier to claimants to understand. There could be some individuals who were worse off, however, this would be managed through a discretionary hardship fund. Applications to the fund would be closely monitored throughout 2019 so that the income bands could be adjusted if necessary in 2020.

The new proposals would still be based on a claimant's net income, but the net pay would be calculated by increasing the disregard for personal pension contributions to 100%. Payments of child benefit and incomes paid for a disability of the claimant, partner or child would continue to be disregarded for the purpose of calculating net income.

Based on the current case-load, there were 3,353 working age claimants in receipt of council tax reduction, of these 2,158 were in receipt of a pass-ported benefit which automatically entitled them to the full eligible council tax reduction of 85% and this would continue to apply under the banded scheme. An Income Grid was included in the report.

From April 2017, the Government made amendments to all income related benefits for new claimants, including council tax reduction for pensioners, so that only two children were taken into account when determining entitlement, aside from a few exceptions. This was replicated in the Council's council tax reduction scheme. However, existing claimants were protected from this change, provided their entitlement remained continuous. Prior to this change, a child premium was added to the claimant's applicable amount for each child, under the new scheme, the number of children a claimant had was only used to determine which band on the grid should be used to determine entitlement. This change would ensure all claimants were dealt with in the same way.

Under the current scheme, a non-dependant deduction was made from any council tax reduction entitlement unless the claimant or partner received certain disability benefits. The level of deduction was assessed based on the non-dependant's income and capital. This meant that information had to be obtained about their circumstances, as well as the liable people for council tax. Under Universal Credit, the Department for Work and Pensions (DWP) would provide information to the Council in respect of the claimant and partner, but not non dependants. One of the aims of the new scheme was to make the scheme simpler, enabling us to use information already obtained by the DWP. Removing non dependant deductions from the scheme would reduce some of the administrative burden for both our claimants and the Authority.

Under the current scheme, claimants must complete an application and provide proof of all income and capital of everyone in the household. This meant that someone who claimed Universal Credit had to provide the

same details to both the DWP and the local authority. Experience from other local authorities suggested that Universal Credit claimants were failing to apply for local council tax reduction either because they believed it would be paid with Universal Credit or because they were not aware of the availability. As the DWP had verified the same information that was required for an assessment of council tax reduction, and notified us of the outcome, it would be easier for claimants if we were able to use the information provided by the DWP, and with the claimant's permission, treat this as a claim. This would save the claimant having to complete a further application and providing the same information to the Council.

The current scheme provided for various earnings disregards from income depending on a claimant's circumstances, ranging from £5.00 to £25.00 and in some cases an additional £17.10 may be disregarded. This would make the scheme simpler to administer and would be more generous to some applicants on low incomes, particularly single claimants and couples with no children. It should be noted that those with children would be placed on a higher income band within the grid scheme.

Under the existing scheme, carers allowance was taken into account as an income, and an additional carer premium was added to the applicable amount. However, the premium was less than the amount of carers allowance paid and this effectively meant that some of this allowance was currently taken into account in the assessment of reduction. Disregarding the income in total would ensure that the scheme was more generous to those with caring responsibilities.

Under the current scheme, four weeks' additional reduction was given when a claimant's entitlement to a pass-port benefit ended and they moved into work. The original proposal was to remove the four week run on from the scheme. However, in response to the consultation, it was now recommended that this was retained for claimants who moved from a pass-port benefit into work who did not qualify for Universal Credit.

Council tax was a daily charge, however any changes to the council tax reduction scheme were currently administered on a weekly basis and entitlement was not awarded until the Monday following the date a new claim was made. This would bring the scheme into line with how the tax was charged and allow for council tax to be awarded on the day that the application was made.

The current capital limit was £16,000 and claimants who had over £16,000 were automatically excluded from receiving council tax reduction. The council tax reduction scheme was designed to help the poorest within the District. It was not considered unreasonable for residents who had cash at their disposal to pay their council tax bill.

The current scheme was more generous to claimants or their children who received disability benefits by adding a premium onto their applicable amount and disregarding the disability income. In order to ensure the new scheme continued to be more generous to those who were sick and living

with a disability, disability benefits would be ignored when calculating income and an additional disregard of £50.00 applied.

Although the assistance to some claimants would reduce from current levels, the intention was to protect as many customers as possible. Where a customer experienced exceptional hardship, they would be able to apply for additional support from the Council under the proposed Exceptional Hardship Payment Scheme, the criteria of which to be agreed by Head of Finance and the Finance Portfolio Holder. This scheme would operate similar to the Discretionary Housing Payments Scheme (which applied in respect of rent as part of the Housing Benefits Scheme), whereby the customers would need to apply and demonstrate hardship. It was proposed that £20,000 was initially allocated to this scheme, with that cost shared between the precepting authorities.

The amended scheme would be closely monitored, along with the Discretionary Hardship Fund, to be reported back to Members in the Autumn of 2019. This would be ahead of the scheme needing to be formally agreed by Members, annually, in January.

In terms of alternative options, the Council could agree to retain the existing Council Tax Reduction Scheme. However, this would not enable further efficiencies to be made, and would result in some inconsistencies between the scheme and Universal Credit.

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

The Executive, therefore,

**Recommended** to Council that

- (1) the following changes to the Council's Council Tax Reduction Scheme, effective from 1 April 2019 for Universal Credit customers and 1 April 2020 for the remaining working age customers only, be accepted:
  - (a) replacing the current means test with an income 'grid' scheme for all working age applicants;
  - (b) limiting the number of dependent children used in the calculation of reduction to two;
  - (c) removing non dependant deductions;
  - (d) simplifying the claiming process for all Universal Credit applicants;



- (e) removing the current earnings disregard and replacing with a standard £25.00 disregard;
  - (f) disregarding Carer's allowance as an income;
  - (g) retaining the extended payment provision;
  - (h) make changes to reduction on a daily basis rather than weekly;
  - (i) reducing the capital cut off limit to £6,000; and
  - (j) replacing the current premium for disabled children and applicants with an equivalent amount of income disregard;
- (2) the creation of a Discretionary Hardship Fund of £20,000, as discussed in paragraph 3.3 of the report, with the criteria of awards to be agreed by the Head of Finance in consultation with the finance portfolio holder, be agreed; and
  - (3) Council Tax Reduction Scheme be closely monitored, together with the Discretionary Hardship Fund, to be reported back to Members in Autumn 2019, be agreed.

(The Portfolio Holder for this item was Councillor Whiting)  
Forward Plan reference 968

## **Part 2**

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

### **122. Adoption of a Business Charter**

The Executive considered a report from Health and Community Protection seeking the Council's adoption of a business charter covering a range of the Council's regulatory services.

The Business Charter sought to outline how the Council's Enforcement Officers worked with local businesses in order to support economic growth, which was both a local and national priority and a statutory duty on Councils and their Enforcement Officers.

Business Support Organisations had been consulted regarding the policy. These included the Chamber of Commerce, Federation of Small

Businesses, BID Leamington, Leamington Chamber of Trade, Warwick Chamber of Trade and Kenilworth Chamber of Trade.

Business Support Organisations which indicated their willingness to sign up to the Business Charter with the Council were: Warwick Chamber of Trade, Leamington Chamber of Trade and Federation of Small Businesses (FSB).

The other local Business Support Organisations were still in the process of signing up to the Charter. None of the Council's partners had declined.

An alternative option was that the Council did not adopt the proposed Business Charter.

If the Business Charter was not adopted, the Council might be indirectly integrated into compliance with the proposed West Midlands Combined Authority Business Charter, which might not fully represent the voice of the businesses within the District.

The Executive, therefore,

**Resolved** that the Business Charter as set out in Appendix 1 to the report, be adopted.

(The Portfolio Holders for this item were Councillors Grainger, Philips, Rhead and Thompson)

Forward Plan reference 958

### 123. **Supplementary Planning Documents – request to consult**

The Executive considered a report from Development Services requesting approval to consult on Supplementary Planning Documents relating to a variety of matters, including Public Open Spaces and Custom & Self-build.

The Warwick District Local Plan 2011-2029 was adopted in September 2017 and contained commitments to bring forward Supplementary Planning Documents (SPDs) on a variety of matters, including Public Open Spaces included in Appendix 1 and Custom & Self-build attached as Appendix 2 to the report.

A further commitment was made in the Local Development Scheme to produce relevant SPDs on emerging planning issues that had developed since the adoption of the Local Plan, such as Purpose Built Student Accommodation (Appendix 3 to the report).

The provision of suitable and sufficient Public Open Space (POS) as a requirement of development was an integral part of ensuring that the District was a great place to live, work and visit.

The Public Open Spaces SPD refreshed and updated the previous Open Spaces SPD adopted in 2008, ensuring that the evidence base and

subsequent requirements were robust and appropriate, whilst adapting to changes in the National Planning Policy Framework (NPPF), case law and other legislation.

The SPD had been the result of collaborative work with the Green Spaces team, to ensure that the guidance was deliverable and desirable.

Policy H15 (Custom and Self-Build Housing Provision) of the Local Plan encouraged the provision of plots suitable for custom and self-builders, and also stated that the Council would produce an SPD to assist in the delivery of self and custom build dwellings.

The authority was obliged to maintain a Register of demand for custom and self-build plots in the District in order to assist with formulating policy, and produced an annual Progress Report to provide information on the current demand.

The purpose of the SPD was not to allocate specific land parcels for custom and self-build, but rather to simplify the delivery of plots both individually and as part of larger developments by providing extra clarity on the requirements.

Royal Leamington Spa was home to 5782 students, principally in Houses of Multiple Occupancy (HMOs) in the south of Leamington. The benefits of students to the local economy, and to the district as a whole, had recently been acknowledged by Executive in the Student Strategy.

However, concerns had been raised by local residents regarding the negative impact of a concentration of HMOs, and an Article 4 Direction was in place in Leamington to prevent HMOs coming forward without specific planning permission. Further, Policy H6 of the Local Plan (Houses in Multiple Occupation and Student Accommodation) set out the criteria for assessing such applications. Policy H6 did not explicitly refer to Purpose Built Students Accommodation (PBSA).

In response to these issues, and in order to accommodate the planned growth in the size of the University of Warwick, it was the position of the Council that more PBSA should be encouraged in order to alleviate the pressures on HMOs to the point where some were returned to mainstream housing. The PBSA SPD set out the criteria where PBSAs could come forward to help deliver this aspiration, whilst also ensuring that any current concentration issues were not exacerbated.

The SPD was the result of collaborative work with the Housing Strategy team who had been leading on the Student Strategy work. Furthermore, there had been several cross-party member briefings that had helped shape the SPD.

As an alternative option, the Executive could decide not to pursue publication of a Public Open Spaces SPD. However, this would be contrary to the commitments made in the Local Plan and would not provide officers with a solid policy basis for the calculation of open space requirements.

The Executive could decide not to pursue publication of a Custom & Self-build SPD. However, this would be contrary to the commitments made in the Local Plan and not help facilitate the delivery of custom and self-build plots.

The Executive could decide not to pursue publication of a Purpose Built Student Accommodation SPD. However, this would not provide officers with a suitable policy basis for determining relevant applications and lose the opportunity to proactively plan for the provision PBSAs.

During the Members' briefings, the potential to restrict the development of PBSA in specific areas of the District was proposed. Officers took legal advice, which concluded that such a restriction might be deemed discriminatory and as such, policies that sought to do this had not been pursued.

An addendum circulated prior to the meeting provided two additional appendices to the report providing a Draft Management Plan.

The Overview & Scrutiny Committee noted the report.

The Executive, therefore,

**Resolved** that

- (1) the content of Appendices 1-3 attached to the report be noted and approved for a six-week public consultation, in accordance with the Council's adopted Statement of Community Involvement (SCI); and
- (2) following the public consultation, a final version of each of the SPDs will be brought before the Executive and if they are approved, they will subsequently be a material consideration in the determination of planning applications.

(The Portfolio Holder for this item was Councillor Rhead)  
Forward Plan reference 964

**124. Adoption of the Air Quality and Planning Supplementary Planning Document**

The Executive considered a report from Development Services regarding the adoption of the Air Quality and Planning Supplementary Planning Document.

The Warwick District Local Plan 2011 – 2029, adopted in September 2017, required relevant applications to provide an air quality assessment (Policy TR2). These assessments were, in turn, required to use guidance,

currently the Low Emission Strategy Guidance, published in 2014. Working with authorities in the sub-region, this Guidance had been reviewed and revised, and it was now being put forward as a Supplementary Planning Document (SPD) to give it greater weight in the planning process.

The draft version of the Air Quality and Planning SPD was subject to a period of consultation between 6 September and 17 October 2018. This report set out the outcome of the consultation and recommended the adoption of an amended SPD.

The draft SPD had been jointly prepared with partners in Warwickshire and Coventry. It represented an evolution of the Low Emission Strategy Guidance for Developers published in 2014, and would directly supplement policies in the adopted local plan.

As a result of the recent public consultation, several representations were received in relation to the document. Some minor changes had therefore been made, and these were outlined in the statement of public consultation attached as Appendix 1 to the report. The most notable amendments were summarised in Section 8 of the report.

The draft SPD gave clear criteria for applicants to follow and also demonstrated the types of mitigation required, dependant on the air quality issues caused by the development. This was an evolution of the guidance in the Low Emission Strategy Guidance for Developers published in 2014, and adoption of this document as an SPD would give it greater material planning weight in decision making than the existing guidance.

As an alternative option, the Executive could decide not adopt the Air Quality and Planning SPD, but this would have a detrimental affect overall on the quality of development and the health and wellbeing of residents by depriving officers of the support required to ensure that developments were designed with appropriate air quality mitigation.

The Executive, therefore,

**Resolved** that

- (1) the statement of community consultation attached as Appendix 1 to the report, be noted;
- (2) the revised Air Quality SPD for adoption attached as Appendix 2 to the report, be approved; and
- (3) the adopted Air Quality SPD will be used in the determination of planning applications.

(The Portfolio Holder for this item was Councillor Rhead)  
Forward Plan reference 988

## 125. **Significant Business Risk Register**

The Executive considered a report from Finance, setting out the latest version of the Council's Significant Business Risk Register for review by the Executive. It had been drafted following a review by the Council's Senior Management Team and the Leader of the Council.

The report sought to assist Members fulfil their role in overseeing the organisation's risk management framework. In its management paper, "Worth the risk: improving risk management in local government", the Audit Commission set out clearly the responsibilities of Members and officers with regard to risk management:

"Members need to determine within existing and new leadership structures how they will plan and monitor the council's risk management arrangements. They should:

- decide on the structure through which risk management will be led and monitored;
- consider appointing a particular group or committee, such as an audit committee, to oversee risk management and to provide a focus for the process;
- agree an implementation strategy;
- approve the council's policy on risk (including the degree to which the council is willing to accept risk);
- agree the list of most significant risks;
- receive reports on risk management and internal control – officers should report at least annually, with possibly interim reporting on a quarterly basis;
- commission and review an annual assessment of effectiveness: and
- approve the public disclosure of the outcome of this annual assessment, including publishing it in an appropriate manner.

The role of senior officers is to implement the risk management policy agreed by members.

It is important that the Chief Executive is the clear figurehead for implementing the risk management process by making a clear and public personal commitment to making it work. However, it is unlikely that the chief executive will have the time to lead in practice and, as part of the planning process, the person best placed to lead the risk management implementation and improvement process should be identified and appointed to carry out this task. Other people throughout the organisation should

also be tasked with taking clear responsibility for appropriate aspects of risk management in their area of responsibility.”

The report was not concerned with recommending a particular option in preference to others.

The Finance & Audit Scrutiny Committee noted the report but requested that officers provide a briefing on the recent emergency evacuation at Riverside House, the robustness of the business continuity plan and any lessons learnt.

Councillor Quinney thanked the Chief Executive Officer for promptly providing feedback on the recent emergency evacuation at Riverside House and Councillor Mobbs was happy to take the comments from the Finance & Audit Scrutiny Committee on board.

The Executive, therefore,

**Resolved** that

- (1) the Significant Business Risk Register attached at Appendix 1 to the report, is noted and
- (2) the emerging risks identified in section 10 of the report, be noted.

(The Portfolio Holders for these items were Councillors Mobbs and Whiting)

(Councillor Mrs Falp left the room before the following item was discussed)

#### 126. **Rural / Urban Capital Improvement Scheme (RUICS) Application**

The Executive considered a report from Finance providing details of two Rural / Urban Capital Improvement Scheme grant applications:

- Whitnash Town Council to install a height restrictor barrier at Washbourne Playing Fields to prevent traveller encampments; and
- Avenue Bowls Club, in Royal Leamington Spa to install LED lighting and rewire the clubhouse to resolve current health & safety issues.

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

The Whitnash Town Council project would provide a security measure which would help prevent traveller encampments which, when they had previously occurred, caused costly and labour intensive works to clear the mess and destruction that had been left behind, which disengaged and

weakened the community. The project would ensure that the playing fields remained available all year round and would therefore maintain opportunities for the community to enjoy and participate in physical activity, particularly children using the play area, which helped to reduce anti-social behaviour and obesity. A well-used playing field and play area also enabled social interaction with children, their parents, grandparents, carers and friends, which helped to engage and strengthen the community.

Without the Avenue Bowls Club, there would be fewer opportunities for the community to enjoy and participate in sport/physical and social activities which could potentially result in an increase in anti-social behaviour, an increase in obesity and disengage and weakening the community. The project would resolve current health & safety issues with the electrical wiring and would ensure that the clubhouse remained open for use by home and away bowls teams, darts/crib players and social members. The project would also install LED lighting, which would reduce running costs and help the club retain membership fees at the lowest level possible, which was vital to those on low incomes and pensions.

The budget for the Rural/Urban Capital Improvement Scheme applications for 2018/19 was £150,000 (£75,000 for rural projects and £75,000 for urban projects).

Anticipated future applications within the 2018/19 financial year would exceed the remaining budget. Considering this, at the 28 November 2018 Executive meeting, an additional £50,000 budget was agreed; this was from the 2017/18 surplus and had thus reduced the allocation to the Community Projects Reserve.

This now meant there was a total of £69,338 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the urban cost centre budget in 2018/19. If the applications from Whitnash Town Council of 80% of the total project costs up to a maximum of £1,473 (excluding vat), and Avenue Bowls Club of 80% of the total project costs up to a maximum of £6,854 (including vat), were approved, £61,011 would remain in the rural cost centre budget.

£6,904 were available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the rural cost centre budget in 2018/19.

£828 were available to be allocated from project underspends in 2018/19.

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

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

The Executive, therefore,



**Resolved** that

- (1) a Rural/Urban Capital Improvement Grant from the urban cost centre budget for Whitnash Town Council of 80% of the total project costs to install a height restrictor barrier at Washbourne Playing Fields, as detailed within paragraphs 1.1, 3.2 and 8.1 of the report, up to a maximum of £1,473 excluding vat, and supported by Appendix 1 to the report, be approved; and
- (2) a Rural/Urban Capital Improvement Grant from the urban cost centre budget for Avenue Bowls Club of 80% of the total project costs to install LED lighting and rewire the clubhouse, as detailed within paragraphs 1.1, 3.2 and 8.2 of the report, up to a maximum of £6,854 including vat, subject to receipt of the following:
  - a. written confirmation from Leamington Town Council to approve a capital grant of £200 (if the application is declined or a lower amount agreed, Avenue Bowls Club will cover the budget shortfall with funds from their cash reserves; these funds have been evidenced through their annual accounts and the provision of a recent bank statement); and
  - b. proof of ownership of the land,as supported by Appendix 2 to the report, be approved.

(The Portfolio Holder for this item was Councillor Whiting)  
(Councillor Mrs Falp re-joined the meeting)

**127. 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.

|   | Minute<br>Nos.     | Para<br>Nos. | Reason  |
|---|--------------------|--------------|---|
|   | 129                | 1            | Information relating to an Individual   |
|   |                    | 2            | Information which is likely to reveal the identity of an individual   |
| The items below were considered in confidential session and the full details of this were included in the confidential minutes of this meeting. | 128, 130, 131, 132 | 3            | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

**128. Maintenance of the Area Previously Newbold Comyn Golf Course**

The Executive considered a private and confidential report from Cultural Services seeking approval to extend the contract with the contractor responsible for the grounds maintenance at Newbold Comyn old golf course for a further 12 months.

The recommendations in the report were approved.

(The Portfolio Holder for this item was Councillor Coker)  
Forward Plan reference 993

**129. Urgent Decision Made under Delegation CE(16)i & CE(4)**

The Executive considered a private and confidential report from Human Resources informing Members of an urgent decision taken by the Chief Executive under delegated authority CE(4) following a decision by him under delegation CE(16)(i).

The recommendations in the report were approved.

(The Portfolio Holder for this item was Councillor Mobbs)  
Forward Plan reference 992

**130. Update on Action Plan following Review of Closure of Accounts**

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

An addendum circulated prior to the meeting advised of an additional appendix to the report.

The Finance & Audit Scrutiny Committee noted the report

The recommendations in the report were approved.

(The Portfolio Holder for this item was Councillor Whiting)

**131. Purchase of Premises in Royal Leamington Spa**

The Executive considered a private and confidential report from Housing seeking authority to purchase a property and undertake works to convert it into flats available at social rents for those on the Council's Housing Register.

The Finance & Audit Scrutiny Committee supported the recommendations in the report and made further comments which would be detailed in the confidential minutes of the meeting.

The four recommendations in the report were approved, which included two recommendations to Council on 23 January 2019.

(The Portfolio Holder for this item was Councillor Phillips)  
Forward Plan reference 981

**132. Minutes**

The confidential minutes of 28 November 2018 were approved and signed by the Chairman as a correct record.

(The meeting ended at 8.00pm)

9. **Head of Health and Community Protection** shall have authority under the:

- HCP(1) Food Safety Act 1990 and any Orders, or Regulations or other instruments (whether dated before or after the date of execution of this instrument of appointment),  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act. s 6  
(ii) to authorise appropriate named individuals to act as Food Safety Officers to:-  
s 9 - Inspection and seizure of suspected food  
s 10 - Service of hygiene improvement notices  
s 12- Services of emergency prohibition notices  
s 29 - Procure samples  
s 32 - Powers of entry  
s 49 - Form and authentication of documents
- HCP(2) Building Act 1984,  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act. S 61, 62, 63 & s 113  
(ii) to act under Part III Other Provisions about Buildings as follows  
Drainage  
s 59 – Serve notice, drainage of buildings, including private sewers  
s 60 – Serve notice, ventilation of soil pipes  
s - 62 - Disconnection of drain  
Provision of Sanitary Conveniences  
s 64 – Serve notice, provision of closets  
s 65 – Serve notice, provision of sanitary convenience in workplace  
s 66 – Serve notice, replacement of earth closet  
s 68 – Serve notice, erection of public conveniences  
Buildings  
s 70 – Serve notice, provision of food storage  
s 73 – Serve notice, raising of chimneys  
Defective premises, demolition etc  
s 76 – Serve notice, defective premises  
Yards and passages  
s 84 – Serve notice, paving and drainage of yards and passages  
Part IV General  
Entry on premise  
s 95 & 96 – Powers of entry to inspect  
Execution of works  
s 97- Power to execute works  
s 99- Serve notice requiring works, execute/recover costs
- HCP(3) Clean Air Act 1993,  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act. Part I (Dark Smoke), Part 2 (Smoke, grit and fumes), Part 3 (Smoke Control Areas), Part 4 (Cable burning), Part 7 (Miscellaneous and general))  
(ii) to:-  
s 6 – Approval of furnaces and grit and dust arrestment plants

- s 10, 11, 12 & 56 – Powers of entry, inspection, issue notice and apply for warrant
- s 15 & 16 – Approval or refusal of chimney height
- s 18 – Make smoke control order
- s 24 – Require adaptation of fireplaces in private dwellings
- s 26 – Make grants
- s 31, 32, 33 & 34 – Power to investigate
- s 35, 36 & 58 – Power to require information and associated powers of entry
- s 45 – Power to issue exemption notices
- s 51 – Power to serve notice
- HCP(4) Clean Neighbourhoods and Environment Act 2005,
  - (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act(ii) to:-
  - Make a gating order (inserted into the Highways Act s 129)
  - s 73 – Issue FPN (alarms)
  - s 78 – Apply for a warrant
  - s 77 & 79 – Powers of entry
- HCP(5) Control of Pollution Act 1974,
  - (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act, Part V
  - (ii) to:-
  - s 9 – Supervision of licensed activities
  - s 60 – Serve notice, to control noise on constructions sites
  - s 61 – Consent for works
  - s 62 – Take action in respect of loudspeakers in the street
  - s 91 – Powers of entry
  - s 93 – Powers to obtain information
- HCP(6) Environmental Protection Act 1990,
  - (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act.
  - (ii) to:-
  - Part 1- Integrated Pollution Control
  - s 6 - Issue authorisation
  - s 10, 11 & 12 - issue variation and revocation notices
  - s 13 & 14 - issue enforcement and prohibition notices
  - s 19 – Power to require information
  - Part II - Waste
  - s 33 – prohibit unauthorised/ harmful treatment/disposal of waste.
  - s 33ZA and 34A – power to issue fixed penalty notices
  - s 34 – Investigation of duty of care and issue fixed penalty notice for failure to furnish documentation
  - ss 46A to 47ZB – powers to issue written warnings and fixed penalty notices with respect to receptacles for waste
  - s 59 – Power to require removal of unlawful waste deposits
  - Part IIA - Contaminated land
  - s 78 B – Notice, identification of contaminated land
  - s 78 C – Notice, Designation of special site
  - s 78 D – Referral of special site
  - s 78 E – Remediation notice
  - s 78 N – Power to carry out works
  - Part III – Statutory Nuisance

- s79 – duty to inspect and to investigate statutory nuisances
  - s 80 & 80A - issue abatement notices
  - s 80ZA – Fixed penalty notice
  - s 81(3) - Power to authorise works in default
  - s 81(7) & Sched 3 – Powers of entry
  - Sched 3 – Warrant of entry
  - s 81A – power to issue notices in respect of recoverable expenses
  - Part IV – Litter etc
  - s 88 – Fixed penalty notice
  - Part VIII – Miscellaneous
  - s 149 – Seizure of stray dogs
  - s 150 – Facilitate stray dogs
  - s 151 – Enforcement in respects of collar and tags
- HCP(7) The Local Authorities (Functions and Responsibilities) (England) Regulations 2000
- to the extent that those functions are discharged otherwise than in the Authority's capacity as an employer) under –
- (a) The Health and Safety at Work etc Act 1974; and
  - (b) any Orders, or Regulations or other instruments (whether dated before or after the date of execution of this instrument of appointment);
  - (i) made thereunder or
  - (ii) having effect by virtue of the European Communities Act 1972 and relating to health & safety; and
  - (iii) any modification or re-enactment of the foregoing,
- to make and to terminate appointments as follows:
- (a) Environmental Health Officers as Inspectors under Section 19(1) of the Health & Safety at Work Etc. Act 1974 (the 1974 Act) and to empower them to exercise all the powers set out in Sections 20, 21, 22, 25 and 39 including the institution of legal proceedings; and
  - (b) other suitably qualified and competent persons as Inspectors under Section 19(1) of the 1974 Act and empowered to exercise all or some of the powers as set out in Sections 20 and as may be specified in their authorisation and an inspector shall in right of his appointment -
  - (i) be entitled to exercise only such of those powers as are so specified; and
  - (ii) be entitled to exercise the powers so specified only within the field of responsibility of the Authority.
- relevant licences, registrations and approvals
  - sign and serve notices including fixed penalty notices
  - authorise and/or execute works in default
  - Procure samples, seize equipment, records, goods and articles, and obtain information
  - Obtain and execute power of entry
  - Engage specialist advisers/contractors
  - Determine whether and in what manner to enforce any failure to comply with matters under legislation enforced under this scheme of delegation and to give effect to that determination, including the administration of cautions.
- HCP(8) The Environmental Damage (Prevention and Remediation) Regulations 2009 (as amended),
- (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act Reg 34
  - (ii) to:-

|            |  |
|------------|--|
|            | Reg 13, 14, 20 - Serve notice to prevent further damage  |
|            | Reg 23 - Undertake works in default  |
|            | Reg 24 & 25 -Recover costs   |
|            | Reg 31 – Powers of authorised person   |
|            | Reg 32 - Require information   |
| HCP(9)     | Food Safety and Hygiene (England) Regulations 2013,<br>(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act. Regulation 19<br>(ii) to:-<br>Reg 5, Enforcement of hygiene regulations<br>Reg 6, Hygiene improvement notices<br>Reg 8, Hygiene emergency prohibition notices<br>Reg 9, Remedial action<br>Reg 10, Detention notices<br>Reg 14 & 15, Samples<br>Reg 16, Powers of entry<br>Reg 29, Certification of food   |
| HCP(10)    | Contaminants in Food (England) Regulations 2013,<br>Following consultation with a solicitor acting for the Council and relevant portfolio holder, institute legal proceedings under the Regulations.   |
| HCP(11-12) | SPARE  |
| HCP(13)    | Local Government (Miscellaneous Provisions) Act 1982,<br>(i) Following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act<br>(ii) to:-<br>Part II – Control of Sex Establishments<br>Sched 3, 6-18 - grant, renew, and vary licences of persons and premises where no objections are received<br>make any minor grammatical or minor wording amendments to the Sex Establishment Policy, so long as it they do not alter the meaning/spirit of the policy<br>Part III – Street Trading<br>Schedule 4, paragraphs 3 - 7, Street Trading licences and consents, grant, renewal and variation<br>Part VIII – Acupuncture, Tattooing, Ear-piercing and Electrolysis<br>13 – 17.<br>Part XI Public Health, etc<br>27, 29, 32 |
| HCP(14)    | The Environmental Permitting (England and Wales) Regulations 2010 & 2016<br>(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act<br>(ii) to:-<br>2010 Act<br>Part 2, Chapter 2(13) Grant permit, Chapter 3 (20 Vary permit, 21 Transfer permit, 22 & 23 Revoke permit, 24 Surrender, Chapter 4 (26 Consultations, 29 Revocation of standard rules, 30 Variation notifications<br>Part 4, Reg 36 Enforcement notices, Reg 37 Suspend notices. Part 6, Reg 57 Power to prevent or remedy pollution, Reg 60 Power to require information   |
| HCP(15)    | Sunbeds (Regulation)Act 2010   |

- (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
s 4 – Power to restrict use, sale or hire  
s 7 – Enforcement and powers of entry
- HCP(16) Planning (Hazardous Substances) Regulations 1992 (as amended by the Planning (Control of Major-Accident Hazards) Regulations 1999 & 2015) and associated Regulations.  
act under and delegated authority to authorise appropriate named individuals:  
to grant but not refuse hazardous substances consents either unconditionally or subject to conditions.
- HCP(17) Health Act 2006  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
Sched 2 – Powers of entry  
s 9 – Issue fixed penalty notices
- HCP(18) Health and Safety (Enforcing Authority) Regulations 1989  
deal with transfers of responsibility for enforcement between this authority and the Health and Safety Executive under Section 5
- HCP(19) Food & Environmental Protection Act 1985  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
Part I – Contamination of food  
s 3 & 4 Investigation and enforcement  
Part III – Pesticides Etc. - Inspection and enforcement  
Including Regulation (EC) 852/2004, (EC) No. 853/2004, Regulation (EC) No. 854/2004 of the European Parliament and Food Safety and Hygiene (England) Regulations 2013
- HCP(20) Water Industry Act 1991  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
s 77 – 83, including service of Notices under s 80  
s 84 & 85, power of entry and to obtain information
- HCP(21) Noise Act 1996  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
s 3 – Serve warning notice  
s 8 – Require name and address  
s 10 – Seizure and retention  
Consent to use loudspeaker (COPA 74 – s 62)
- HCP(22) Pollution Prevention and Control (England & Wales) Regulations 2000  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under s 32 the Act  
(ii) to:-  
Part I General  
Reg 6 – Notices



|         |   |
|---------|---|
|         | Reg 7 – Applications  |
|         | Part II Permits   |
|         | Reg 10 – 22   |
|         | Part III Enforcement  |
|         | Reg 24 – Enforcement notice   |
|         | Reg 25 – Suspension notice  |
|         | Reg 26 – Prevent or remedy pollution  |
|         | Part V Information and Publicity  |
|         | Reg 28 – Require information  |
|         | Reg 29-31 – Maintain a public register  |
|         | Sch 3, 4, 7, 8 & 10   |
| HCP(23) | Sunday Trading Act 1994   |
|         | exercise powers under Part 1 of Schedule 2  |
| HCP(24) | Pollution Prevention and Control Act 1999 (as amended)  |
|         | (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act |
|         | (ii) to:-   |
|         | Sched 1 – Grant, revoke, vary, transfer, suspend and condition permits and carry out enforcement activities.                                |
| HCP(25) | Local Government (Miscellaneous Provisions) Act 1976  |
|         | (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act |
|         | (ii) to:-   |
|         | Part 1 General  |
|         | Land  |
|         | s 16 – Require information  |
|         | Places of Entertainment   |
|         | s 20 – Provision of sanitary facilities at places of entertainment  |
|         | Miscellaneous   |
|         | s 35 – Service of notice and works in default provisions  |
|         | Part II Hackney carriages and Private Hire Vehicles   |
|         | s 47 – Licensing of hackney carriage (conditions, vehicle design, appearance)   |
|         | s 48 – Licensing of private hire vehicles   |
|         | s 49 – Transfer of hackney carriages and private hire vehicles  |
|         | s 50, 53 & 56 – production of information in relation to hackney carriages  |
|         | s 51 – Licensing of drivers of private hire vehicles  |
|         | s 53 – Drivers licences for hackney carriages and private hire vehicles   |
|         | s 54 - Issue driver badges  |
|         | s 55 – Licensing of operators of private hire vehicles  |
|         | s 57 – Power to require information   |
|         | s 58 – Return of plates   |
|         | s 60 - Suspension & revocation of vehicle licence   |
|         | s 61 – Suspension of operator licence   |
|         | s 62 – Suspension and revocation of operator’s licence  |
|         | s 64 – Prohibition of other vehicles on hackney carriage stands   |
|         | s 68 – Inspection and testing of hackney carriage   |
|         | s 70 – Set fees   |
|         | s 73 – Powers in relation to obstruction  |
| HCP(26) | Prevention of Damage by Pests Act 1949  |
|         | (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act |

- (ii) to:-  
s 4 – Notice to owner or occupier  
s 6 – Notice across several properties  
s 22 – Power of entry
- HCP(27) Public Health Act 1936  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
s 45 - Notice to put defective closets into repair  
s 48 - Power to examine and test drains  
s 50 - Notice with regard to cesspool  
s 52 - Powers in relation to care of sanitary conveniences used in common  
s 78 - Scavenging of common courts and passages  
s 79 - Notice regarding noxious matter  
s 83 - Notice regarding filthy or verminous premises  
s 84 - Destruction of articles  
s 85 - Persons and clothing with associated work and agreement, works in default  
s 140 - Power to close, restrict use of water from polluted source of supply  
s 141 - Power to deal with insanitary cisterns,  
s 259 - Nuisance in connection with water courses etc  
s 264 - Notice to repair, maintain or cleanse a culvert  
s 268 - Notice regarding execution of work to unfit tents, vans and sheds  
s 275 - Power of local Authority to execute certain work on behalf of owners or occupiers  
s 287 - Notice to occupier of intended entry (warrant)
- HCP(28) Public Health Act 1961  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
s 17- Power to remedy stopped and defective drains  
s 22 – Power to cleanse or repair drains  
s 35 - Notices in respect of filthy and verminous premises or articles  
s 36 - Power to require vacation of premises during fumigation  
s 37 - Prohibition of sale of verminous articles, disinfection or destroy  
s 287- powers of entry
- HCP(29) Private Security and Industry Act 2001  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-
- HCP(30) s 19 – 22 – Powers of entry, inspection and information  
The Private Water Supplies Regulations 2009  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under s 20 of the Act  
(ii) to:-  
Part 2  
s 7 – Monitoring  
s 11 - Sampling and analysis  
Part 3  
s 16 & 17 - Authorisation  
Part 4  
s 18 - Service of notice

- HCP(31) The Trade in Animal and Related Products Regulations 2001  
 (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
 (ii) to:-  
 Reg 33 – Powers of entry  
 Reg 34 – Powers of authorised officers
- HCP(32) Public Health (Control of Disease) Act 1984  
 (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
 (ii) to:-  
 s 46 – Burial and cremation  
 s 48 – Removal of dead bodies (warrant)  
 s 61 & 62 – Powers of entry
- HCP(33) Spare
- HCP(34) The Transmissible Spongiform Encephalopathies Regulations 2010  
 Following consultation with a solicitor acting for the Council and relevant portfolio holder, institute legal proceedings under the Act.  
 to act under and delegated authority to authorise appropriate named individuals to perform duties under the act including: powers of entry, inspection, sampling, detention and seizure, service of notice.
- HCP(35) The General Food Regulations 2004  
 (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
 (ii) to:-  
 act under and delegated authority to authorise appropriate named individuals to exercise powers under Regulation (EC) No. 178/2002; Inspection in accordance with Regulation (EC) No. 178/2002, Regulation (EC) No. 852/2004, Regulation (EC) No. 853/2004, Regulation 845/2004, Regulation (EC) 2073/2005 and the Food Information for consumers Regulations (EC) 1169/2011
- HCP(36) Licensing Act 2003  
 (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
 (ii) to:-  
 act under and delegated authority to authorise appropriate named individuals to take appropriate action subject to any relevant representations, policy and statutory duty  
 Part 3 Premises licences  
 s 18 - Determine an application  
 s 23 & 25a - Grant or reject  
 s 35, 36, 37, 38, 39, - Variation determination  
 s 41A-C – Minor variation  
 s 44 – Transfer determination  
 s 51 to 53 – Review determination  
 s 55A – Suspension, failure to pay fees  
 s 56, 57 - Require production of a licence  
 s 59 - Powers of entry  
 Part 4 Clubs  
 s 63 – Determination  
 s 72 – Determination application  
 s 77 – Grant or reject subject to any relevant representations, policy and

statutory duty.

s 85 & 86b – Determination of variation

s 94 - Require production of a licence

s 96 & 97 – Powers of inspection & entry

Part 5 Permitted Temporary Events

s 102 - Acknowledge notice

s 103 – Withdraw notice

s 104, 105, 107 – Counter notices

s 108 – Right of entry

s 109- Require production of a licence

Part 6 Personal licences

s 120 - 122 – Determination

s 132 – Offences

s 134 & 135 – Require production of licences

Part 9 Miscellaneous and Supplementary

s 179 & 180 – Rights of entry

make representations, on behalf of the Council as a relevant person and as the Authority by which statutory functions are exercisable in relation to minimising or preventing public nuisance or harm to human health and safety, on relevant applications under the Licensing Act 2003

following conviction or a relevant offence, foreign offence or immigration penalty to notify the licence holder of the intention to suspend or revoke their Personal Licence under the Licensing Act 2003 and refer all cases to a Licensing and Regulatory Sub-Committee

Decide on whether a complaint is irrelevant, frivolous, or repetitious – in consultation with Chairman of Licensing & Regulatory Committee

HCP(37) Animal Welfare & Animal Licensing

(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act

(ii) to:-

act under and delegated authority to authorise appropriate named individuals to right or entry, inspection, requirement information, take samples, seize animals, issue and refuse licenses, make amendments and vary licences in respect of:-

- The Animal Welfare (Licensing of Activities Involving Animals) (England) Regulations 2018
- Animal Welfare Act 2006
- Dangerous Wild Animals Act 1976
- Zoo Licensing Act 1976

HCP(38) Scrap Metal Dealers Act 2013

(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act

(ii) to:-

act under and delegated authority to authorise appropriate named individuals to inspect, licence, suspend, revoke licences.

Apply to the Magistrates Court for Warrant to enter land and/or buildings in accordance with the powers contained in the Scrap Metal Dealers Act 2013.

HCP(39) Health Protection (Local Authority Powers) Regulations 2010

(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act

- (ii) to:-  
act under and delegated authority to authorise appropriate named individuals to:
- Reg 2/3/6– Receive notifications of diseases etc in patients and dead persons from Registered Medical Practitioner and to notify the HPA etc.  
Reg - 8 - Requests for co-operation for health protection purposes  
Service of Notices to keep a child away from school - Provide details of children attending school etc  
The Health Protection (Part 2A Orders) Regulations 2010  
Make applications for Part 2A Orders.
- HCP(40) Public Health (Aircraft) Regulations 1979  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
act under and delegated authority to authorise appropriate named individuals to exercise powers under:-  
Part II, Regulation 5, appointment and duties of authorised officers and provisions of services by responsible authorities.
- HCP(41) Noise Act 1996  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
act under and delegated authority to authorise appropriate named individuals to exercise the powers in ss2 to 9 in relation to the summary procedure for dealing with noise at night and entry and seizure under s10
- HCP(42) Environment Act 1995  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
Part IV Air Quality  
s 82 - Undertake Air Quality monitoring  
s 83 - Designate AQMA  
s 84 - Carry out duties in relation to designated areas,  
Part V Miscellaneous  
s 108 (1)(a),(1)(b) and (1)(c) to exercise powers under section 108, sub-section (4)(a-m)  
s 110 - Offences
- HCP(43) Anti-Social Behaviour Crime and Policing Act 2014  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
Part I injunctions  
s 5- Make applications for injunctions  
Part 2 Criminal Behaviour Orders  
s – Make application for an order  
Part 4,  
Chapter 1 Community Protection Notices  
s 43 - Power to issue notices  
s 47 - Remedial action & power of entry  
s 51- Seizure  
s 53 - Issue Fixed Penalty Notice  
Chapter 2 Public Spaces Protection Orders

- s 68 -Issue Fixed Penalty Notice (Dogs and ASB)
- Chapter 3 Closure of premises associated with nuisance or disorder
- s 76 - Closure notice
- s 78 - Vary or cancel closure notice
- s 79 - Power of entry
- s 85 - Enforcement
- HCP(44) The Official Feed and Food Controls (England Regulations 2009
  - (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act
  - (ii) to:-
    - act under and delegated authority to authorise appropriate named individuals to: powers of entry, serve notices, procure and analyse samples.
- HCP(45 to 48) SPARE
- HCP(49) Gambling Act 2005
  - (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act
  - (ii) to:- Inspect and issued licenses ,
    - a) Application for a variation to a licence where no representations have been received or representations have been withdrawn
    - b) Application for a transfer of a licence where no representations have been received from the Commission
    - c) Application for a provisional statement where no representations have been received or representations have been withdrawn
    - d) Application for a club gaming/club machine permit where no objections have been made or objections have been withdrawn
    - e) Applications for other permits
    - f) Cancellation of licensed premises gaming machine permits
    - g) Consideration of temporary use notice
    - h) Setting of fees
  - s.304 (1)(b) - Make representations where appropriate
- HCP(50) Town Police Clauses Act 1847
  - Grant or refuse, applications for Private Hire Vehicle, Operators or Hackney Carriage vehicle licenses or suspend private hire or Hackney carriage vehicle licences under the Town Police Clauses Act 1847, and the Local Government (Miscellaneous Provisions) Act 1976, subject to the applicant having a right to be heard by the Regulatory Committee in respect of any decision to refuse an application.
- HCP(51) Police, Factories etc (Miscellaneous Provisions) Act 1916, as amended by section 251 and Schedule 29 to the Local Government Act 1972
  - (i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act
  - (ii) to:-
    - (a) Issue street collection permits up to the allocation for Kenilworth, Royal Leamington Spa, Warwick town centres and other areas as defined by the Licensing & Regulatory Committee; and
    - (b) Issue street collection permits, for special collections in addition to the above numbers, following consultation with and no objection from the Licensing & Regulatory Committee spokespersons.

- HCP(52) Road Traffic Act 1991  
to ask for and accept Disclosure and Barring Service checks for Hackney Carriage and Private Hire Vehicles Drivers Licences under Section 47, and for any other licence for which they may be required.
- HCP(53) Local Government Miscellaneous Provision Act, Section 47, 48, 51, 55  
impose such conditions as considered reasonably necessary:-
- a) approve or refuse, in consultation with appropriate organisation as approved by the Licensing & Regulatory Committee, applications in respect of types of wheelchair accessible vehicles to be accepted as taxis in the case of new licences to be issued in the District
  - b) refuse applications for taxi and private hire drivers licences in respect of applicants who do not pass the knowledge test
  - c) refuse applications for taxi and private hire drivers licences, where the applicants have not attended disability awareness training, and obtained the appropriate certificate
  - d) refuse the licence of a hackney/carriage private hire driver person who fails or refuses to attend the prevention of child sexual exploitation course
  - e) make any minor grammatical or minor wording amendments to the Policies for Hackney Carriage / Private Hire Drivers & Operators, so long as it they do not alter the meaning/spirit of the Policy.
- HCP(54 to 65) SPARE
- HCP(66) Land Drainage Act 1991 (and any amendments thereof)  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
s 14(A) – Notice to enter land and carry out works  
s 24 – Contraventions of prohibition on obstructions – notice to abate nuisance  
s 25 – Powers to require works for maintaining the flow of a watercourse  
s 64 – Powers of entry onto land
- HCP(67 & 68) SPARE
- HCP(69) Criminal Justice and Police Act 2001  
exercise all powers of local authorities under sections 19 to 28 of the including:
- Serving and cancelling closure notices;
  - Making applications for closure orders;
  - Issuing certificates of termination of closure orders;
  - Defending applications for the discharge of closure orders;
  - Recommending appealing against the refusal to make closure orders;
  - Enforcing closure orders;
  - Recommending prosecuting for obstruction of authorised officers or for offences in connection with closure orders; and
  - authorising officers to exercise all or any of these powers.
- HCP(70 to 76) SPARE
- HCP (77) The Legislative and Regulatory Reform Act 2006  
following consultation with a solicitor acting for the Council and relevant

Portfolio Holder, to make any minor grammatical or minor wording amendments to the Enforcement Policy, so long as it they do not alter the meaning/spirit of the policy

HCP (78  
to 80)

SPARE


HCP (81)

Associated Acts and Regulations above:  
to grant a Private Hire Operators licence or Hackney Carriage/Private Hire Drivers Licence of reduced duration following consultation with the Chair/Vice Chair of the Licensing and Regulatory Committee and a representative of Legal Services.

HCP (82)

Microchipping of Dogs Regulations 2015,  
(i) following consultation with a solicitor acting for the Council and relevant Portfolio Holder, institute legal proceedings under the Act  
(ii) to:-  
(a) serve on the keeper of a dog which is not microchipped a notice requiring the keeper to have the dog microchipped within 21 days;  
(b) where the keeper of a dog has failed to comply with a notice under paragraph (a), without the consent of the keeper— (i) arrange for the dog to be microchipped; and (ii) recover from the keeper the cost of doing so;  
(c) take possession of a dog without the consent of the keeper for the purpose of checking whether it is microchipped or for the purpose of microchipping it in accordance with sub-paragraph (b)(i).



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|---|---|---|
|  <b>Executive 6<sup>th</sup> February 2019</b><br><b>Council 20<sup>th</sup> February 2019</b>   |   | <b>Agenda Item No.</b><br><div style="font-size: 2em; text-align: center;"><b>4</b></div> |
| <b>Title</b>  | 2019/20 General Fund Budget and Council Tax                                   |   |
| <b>For further information about this report please contact</b>   | Mike Snow 01926 456800<br>mike.snow@warwickdc.gov.uk                          |   |
| <b>Wards of the District directly affected</b>  | N/A   |   |
| <b>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?</b> | No  |   |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   | 9 <sup>th</sup> January 2019 (Executive)<br>General Fund Base Budgets 2019/20 |   |
| <b>Background Papers</b>  |   |   |

|  |           |
|--|-----------|
| <b>Contrary to the policy framework:</b>                                   | No        |
| <b>Contrary to the budgetary framework:</b>                                | No        |
| <b>Key Decision?</b>   | Yes       |
| <b>Included within the Forward Plan? (If yes include reference number)</b> | Yes - 969 |
| <b>Equality Impact Assessment Undertaken</b>                               | No        |

| <b>Officer/Councillor Approval</b>             |             |                     |
|--|-------------|---------------------|
| <b>Officer Approval</b>                        | <b>Date</b> | <b>Name</b>         |
| Chief Executive/Deputy Chief Executive         | 21/1/2019   | Chris Elliott       |
| Head of Service                                | 21/1/2019   | Mike Snow           |
| CMT  | 21/1/2019   |                     |
| Section 151 Officer                            | 21/1/2019   | Mike Snow           |
| Monitoring Officer                             | 21/1/2019   | Andy Jones          |
| Finance  | 21/1/2019   | Report from Finance |
| Portfolio Holder(s)                            | 21/1/2019   | Peter Whiting       |
| <b>Consultation &amp; Community Engagement</b> |             |                     |
|  |             |                     |
| <b>Final Decision?</b>                         | Yes         |                     |

## 1. **Summary**

- 1.1 This Report informs Members on the Council's financial position, bringing together the latest and original Budgets for 2018/19 and 2019/20, plus the Medium Term Forecasts until 2023/24. In doing so it advises upon the net deficit from 2023/24 and the savings required to balance future years' Budgets.
- 1.2 This report will be presented to Full Council alongside a separate Report recommending the overall Council Tax Charges 2019/20 for Warwick District Council.
- 1.3 Despite significant cuts in Government Funding, this Council has been able to set a balanced Budget for 2019/20 without having to reduce the services it provides. This has been the case for many years as a result of the Fit for the Future Programme it has adopted. It has not had to rely on New Homes Bonus to support core revenue spending and has been able to allocate this funding to project work and replenish reserves. Alongside this the Council has achieved a surplus on its 2018/19 Budget. However, the Council's financial projections show that further savings need to be secured from 2020/21 onwards.

## 2. **Recommendation**

The Executive recommend to Council to approve or to note:

- 2.1 The proposed changes to 2018/19 Budgets detailed in Section 3.2.
- 2.2 The Revised 2018/19 Budget of Net Expenditure of £19,432,400 (Appendix 2) after allocating a surplus of £138,000 (paragraphs 3.2.2).
- 2.3 The proposed changes to 2019/20 Base Budgets detailed in Section 3.3.
- 2.4 The proposed Budget for 2019/20 with Net Expenditure of £18,058,600 taking into account the changes detailed in section 3.3, with a surplus of £88,000, and which is summarised in Appendix 2.
- 2.5 Subject to approval of the above Budget 2019/20, the Council Tax charges for Warwick District Council for 2019/20 before the addition of Parish/Town Councils, Warwickshire County Council and Warwickshire Police and Crime Commissioner precepts, for each band is agreed by Council as follows (3.6.7):

|        | £      |
|--------|--------|
| Band A | 111.24 |
| Band B | 129.78 |
| Band C | 148.32 |
| Band D | 166.86 |
| Band E | 203.94 |
| Band F | 241.02 |
| Band G | 278.10 |
| Band H | 333.72 |

- 2.6 Note the Medium Term Financial Strategy and the future savings still to be made, which will be considered within the Fit For the Future July Executive report (para 3.8).
- 2.7 Approve the ICT Replacement and Equipment Renewal Schedules (Section 3.9.3).
- 2.8 Approve the use of the Corporate Asset Reserve to complete the works required to stop unauthorised access to Council sites (3.9.3) and the transfers between General Fund reserves and changes in delegations as detailed in 3.9.4 and 3.9.5.
- 2.9 Approve the General Fund Capital and Housing Investment Programmes as detailed in Appendices 9 parts 1 and 2, together with the funding of both programmes as detailed in Appendices 9 parts 3 and 4 and the changes described in the tables in paragraph 3.10 and Appendix 8.
- 2.10 Approve the Prudential indicators (para 3.11 and Appendix 12).
- 2.11 Approve the Capital Strategy (para 3.12 and Appendix 11).
- 2.12 Approve the Financial Strategy (para 4.2 and Appendix 10).
- 2.13 Approve the 2018/19 and 2019/20 budgeted surpluses are allocated to form a Contingency Budget of £237,000 for 2019/20 (para 3.13.1).
- 2.14 Approve the 2019/20 proposed New Homes Bonus of £3,359,000 is allocated as follows, as detailed in paragraph 3.13.3:

| <b>New Homes Bonus – 2019/20 Allocation</b> | <b>£</b>         |
|---|------------------|
| Waterloo Housing Association                | 146,200          |
| St. Mary's Lands                            | 260,000          |
| Commonwealth Games Reserve                  | 100,000          |
| Service Transformation Reserve              | 499,800          |
| Community Projects Reserve                  | 362,000          |
| Sea Scout's Headquarters                    | 150,000          |
| CCTV  | 1,000,000        |
| Green Space / Play Areas                    | 101,000          |
| Norton Lindsey Village Hall                 | 190,000          |
| Leisure Developments Phase 2 - Kenilworth   | 550,000          |
| <b>Total Allocated</b>                      | <b>3,359,000</b> |

- 2.14 It is recommended that the Executive agrees to use its discretionary powers and adopt the Business Rate Relief as specified in paragraph 3.14.1 and in the guidance issued by the Ministry of Housing, Communities & Local Government following the Budget announcement on 29th October 2018.
- 2.15 It is recommended that the Executive agrees to adopt the new Council premiums for long term empty and unfurnished dwellings on the levels as prescribed above and as per the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 (paragraph 3.14.2).

### **3. Reasons for the Recommendations**

#### **3.1 Mandatory Obligations**

- 3.1.1 By law, the Council must set a balanced budget before the beginning of the financial year. It must levy a council tax from its local tax payers to meet the gap between expenditure and resources available.
- 3.1.2 It is prudent to consider the medium term rather than just the next financial year, taking into account the longer term implications of decisions in respect of 2019/20. Hence, Members receive a 5 year Financial Strategy, Capital Programme and Reserves Schedule.
- 3.1.3 The Local Government Act 2004, Section 3, states that the Council must set an authorised borrowing limit. The CIPFA Code for Capital Finance in Local Authorities states the Council should annually approve Prudential Indicators.
- 3.1.4 The Chief Financial Officer is required to report on the robustness of the estimates made and the adequacy of the proposed financial reserves. (This statement is made at Appendix 1).

#### **3.2 2018/19 Revenue Budget**

- 3.2.1 Within the Base Budget report considered by the Executive in January, the 2018/19 Budget was showing a surplus of £3,800. These figures have now been updated, with the most notable changes being:-
  - Reduction in interest on borrowing reduced to reflect use of internal borrowing to fund leisure centre project rather than use external borrowing. As a consequence of this, the Council is receiving reduced investment receipts. Net benefit to General Fund £125,000.
  - The legal fees in respect of the Compulsory Purchase Order agreed by Executive in November of £30,000 have been included within the Budget financed from the Contingency Budget.
  - Planning income is estimated to exceed the current estimate of £1.5m by £200,000. This will be offset by the allocation required to the Planning Investment Reserve in respect of the 20% fee increase (£31,700) and an additional £33,300 expenditure required on consultants as a consequence of the increase in applications (£33,300).
  - Street naming and numbering – income projected to be £22,000 below budget.
  - Homelessness disbursements – projected to be £30,000 over budget.
  - Valuation advice – extra £10,800.
- 3.2.2 The projected 2018/19 budget now shows a projected surplus of £138,000, the treatment of which is considered in Section 3.13.

#### **3.3 2019/20 Revenue Budget**

3.3.1 The Base Budget report showed that the 2019/20 Budget had an estimated surplus of £19,100. The following notable changes have subsequently been made to this base budget:-

- Additional Planning fees income, net of the 20% increase due to go to the Planning Investment Reserve £116,600.
- Community Infrastructure Levy administration "top slice", £60,000 income, to be included within 2019/20 S123 list.
- Advertising income – an additional £100,000 was previously included in the budget. More detailed scrutiny of the potential sites suggest this should more realistically be reduced to £15,000 for 2019/20 and £27,000 in subsequent years, so impacting upon the Medium Term Financial Strategy.
- The savings from the proposed local lottery of £30,000 have been removed from the 2019/20 Budget and are forecast to start from 2020/21. This will be subject to a future Executive report.
- Performance Management – following from the recent Peer Challenge, £30,000 has been provided as support to CMT.
- Pay Award and auto enrolment – The 2019/20 pay award has been agreed. This provides for an overall increase of 2% and extra enhancements for lower grades due to the impact of the National Living Wage. This is coming in below the sum previously allowed for, so enabling £98,000 to be released back to the General Fund. In addition, the impact of the Auto Enrolment is costing less, £31,900.
- The borrowing for the recent leisure centre improvements is now assumed to take place mid 2019/20. The net impact on the debt cost and investment interest is estimated to be £134,000.
- Increased postage costs £10,500.

3.3.2 The projected Collection Fund Balance as at 31 March 2019 has been calculated to be a surplus of £1,320,500. This reflects the increased growth in new domestic properties in the District and the resultant increased tax base. Warwickshire County Council and the Warwickshire Police and Crime Commissioner were duly notified of their shares on the 15<sup>th</sup> January 2019. This Council's share is £143,000. This has been factored into the 2019/20 Budget as a one-off item.

3.3.3 Taking into account all known changes, the 2019/20 budget shows a surplus of £99,000. Again, the treatment of this is considered in section 3.13.

### **3.4 Government Grant**

3.4.1 The Government announced the provisional 2019/20 Finance Settlement in December. The Final settlement is expected to be confirmed shortly, ahead of the Council being due to agree its 2019/20 Budget and Council Tax In February. No changes are expected to the Final settlement, but members will be duly informed if necessary.

- 3.4.2 As previously announced as part of the 4 year Spending Settlement (2016/17 to 2019/20), this Council will not be receiving any Revenue Support Grant for 2019/20.
- 3.4.3 Members will recall that earlier Government figures for 2019/20 included "Tariff Adjustments" which would reduce the Council's element of retained Business Rates. These adjustments are widely seen as being "Negative Revenue Support Grant". For Warwick DC the adjustment was to amount to a further reduction in funding for 2019/20 of £237k. Nationally the Tariff Adjustments came to £153m. As expected, as part of the provisional settlement, the Government has announced additional funding to remove the Negative RSG. The Council's financial projections had already allowed for this change. With Revenue Support Grant no longer existing from 2020/21, this adjustment is expected to be subsumed within the 2020/21 Settlement figures for Business Rate Retention (see section 3.5).
- 3.4.4 In addition, the Provisional Settlement included an additional £180 million for local authorities which was funded from the surplus on the Business Rate Retention levy/safety net account. This authority's share is £52,000, which represents a one-off increase to the Council's resources for 2019/20. In line with other changes in business rate income, this will be allocated initially to the Business Rate Retention Volatility Reserve.

### 3.5 **Business Rates**

- 3.5.1 Projecting the Council's element of Business Rate Retention continues to present difficulties. The problems involved in forecasting this are detailed below.
- 3.5.2 Appeals – There are still many appeals awaiting determination by the Valuation Office. An assessment of the success of these needs to be made and suitable provision has been allowed for within the estimated figures. Whilst it is hoped that this figure is suitably prudent, given the size and nature of some of the appeals, there remains a risk. April 2017 saw the introduction of the new "Check, Challenge, Appeal" regime seeking to expedite appeals and deter speculative appeals. Following previous revaluations, backdated appeals continued to be lodged for several years. The number of new appeals coming forward since April 2017 is minimal. However, it is still expected that a significant number of appeals will come forward in subsequent years that will be backdated to 2017. It is necessary for an estimate of these future appeals to be allowed for in the 2018/19 and 2019/20 Estimates.
- 3.5.3 From 2020/21, the existing Baselines within the Business Rate Retention will be re-set. This will reflect the spending needs of individual local authorities (as to be determined by the Fair Funding Review currently on-going, for which consultation responses are sought by February 2019). The review will also reflect the updated business rate bases of local authorities. It remains to be seen what growth in the local business rate base since 2013/14 will be allowed to be retained by local authorities.
- 3.5.4 75% Business Rates Retention – The original intention was to move to a 100% scheme from 2019/20. Due to limited Government time to consider this matter, it is now proposed that a scheme based around 75% retention will be brought in in 2020/21, using existing Regulations, without the need to introduce new

legislation. A Government consultation document has been issued for which responses are requested by February 2019.

- 3.5.5 As with all local authorities, 2020/21 represents a significant risk to the Council's finances with the intended changes to Business Rate Retention. If the Council's share of Business Rates returns to the Baseline, this would represent a potential reduction of over £1m in funding. The Medium Term Financial Strategy (MTFS) does allow for a reduction in funding back to the Baseline. However, this is being mitigated by the use of approximately £600k from the Business Rate Retention Volatility Reserve from 2020/21; the use of the reserve at this level would not be sustainable indefinitely based on current assumptions.
- 3.5.6 Whilst the estimates from 2020/21 are very uncertain, many local authorities will be severely impacted, potentially many far greater than Warwick due to the significant growth in their Business Rates base since 2013/14. With potentially substantial swings in local government funding, it is likely that some sort of safety net will need to be allowed for so as to give authorities time to manage large swings in their funding. The future information and figures from the Government will continue to be monitored, with the impact included in the Council's MTFS.
- 3.5.7 Volatility - Largely due to the regulations governing the accounting arrangements for business rates retention, there can be substantial volatility between years in the amount of retained business rates credited to the General Fund. Consequently it is necessary to maintain a Volatility Reserve to "smooth" the year on year sums received.
- 3.5.8 Business Rates Estimates. For 2019/20, the net Business Rates Retention to the General Fund (The Council's share of Business Rates, +/- contribution from/to the Business rates Retention Volatility Reserve), has been increased to £4.532m. This is believed to still be a prudent estimate. The NNDR1 form which estimates the business rates for 2019/20 is still being finalised as this report is being written ahead of its deadline of 31 January 2018. This will produce some of the final figures that feed into the Business Rates Retention income for the Council for the year. It is not expected that there will be any great variation in the NNDR1 and what has been allowed in the proposed Budget. However, should there be any variation; this will be accommodated within the Business Rate Volatility Reserve.
- 3.5.9 Executive agreed in the Autumn that the Council applies to be part of the proposed Warwickshire 75% Business Rates Retention Pooling Pilot for 2019/20. It is understood that there were many applications to be Pilot Pools, of which 15 were accepted. The Warwickshire application was not successful. Therefore the Council should continue to be a member of the Coventry and Warwickshire Pool for 2019/20 under the current 50% Business Rate Retention scheme.
- 3.5.10 The Business Rates Retention figures within the MTFS are believed to be reasonably prudent taking into account all the above factors. These figures will continue to be reviewed and members will be informed of changes as the MTFS is presented in future reports.

### 3.6 Council Tax

- 3.6.1 As announced within the Provisional Local Government Finance Settlement, District Councils may increase their share of the Council Tax by the greater of up to 3% and £5 without triggering a referendum. This is in line with the 2018/19 limits.
- 3.6.2 The national average council tax for district councils is £180.67, and £223.48 including parish/town council precepts. This Council's council Tax charge for 2018/19 is £161.86 (excluding parish and town council precepts). This Council's charge is in the 2<sup>nd</sup> lowest quartile and when Town and Parish Precepts are included it falls within the lowest quartile.
- 3.6.3 The Council Tax Base was calculated in November of last year, with the Council's preceptors being notified accordingly. As reported to members in November 2018 within the Q2 Budget Review Report, the Tax Base for 2019/20 is 55,577.17 Band D Equivalents. This is an increase of over 1,000 properties to the figures previously factored into the Financial Strategy for 2019/20. The increased forecast growth in the tax base has been factored into the MTFS. This clearly impacts upon the Council's estimated council tax income.
- 3.6.6 The Council's element of the Council Tax is calculated by taking its total budget requirement, subtracting the total funding from Central Government in respect of Revenue Support Grant (RSG), now zero, and Retained Business Rates (Section 3.4 and 3.5 above). This figure is divided by the 2019/20 tax base to derive the District Council Band D Council Tax Charge.
- 3.6.7 The recommendations within this report produce a Band D Council Tax for Warwick District (excluding parish/town council precepts) for 2019/20 of £166.86, this being a £5 increase on that of 2018/19. Based on this increase the District's element of the Council Tax for each of the respective bands will be:

|        | £      |
|--------|--------|
| Band A | 111.24 |
| Band B | 129.78 |
| Band C | 148.32 |
| Band D | 166.86 |
| Band E | 203.94 |
| Band F | 241.02 |
| Band G | 278.10 |
| Band H | 333.72 |

- 3.6.8 £5 increase in council tax will generate an additional £278,000 in 2019/20. Maintaining increases of this magnitude up to 2023/24 will generate an additional £1.5m. This has been included within the projections in the Medium Term Financial Strategy (Section 3.8). It is important that the Council continues to maintain this income base into future years. Costs will continue to face inflationary increases. In addition, there remain threats to the Council's other income streams, most notably its share of Business Rate Retention.
- 3.6.9 Parish and town councils throughout the district were asked to submit their precepts for 2019/20 when informed of their Tax Bases. At the time of writing



this report, not all precepts have been confirmed. It is estimated that the precepts will total just over £1,500,000 based on prior years.

In the Provisional Finance Settlement, the Government has announced it will continue to defer the setting of referendum principles for town and parish councils, on the conditions that:-

- the sector continues to take all available steps to mitigate the need for council tax increases, including the use of reserves where they are not already earmarked for other uses or for “invest to save” projects which will lower ongoing costs; and
- the Government seeing clear evidence of restraint in the increases set by the sector.

The Government says it will keep this area under active review.

3.6.10 The Council Tax is set by aggregating the council tax levels calculated by the major precepting authorities (the County Council and the Police and Crime Commissioner) and the parish/town councils for their purposes with those for this Council. The report to the Council Meeting on the 20th February, 2019 will provide all the required details. This will be e-mailed to all Members as soon as possible following the Police and Crime Commissioner and Warwickshire County Council meetings, which are both on the 6th February. At the time of writing this report, it is assumed that all the Town/Parish Precepts will have been returned. The Council will then be in a position to:-

- (a) consider the recommendations from the Executive as to the Council Tax for district purposes; and
- (b) formally to set the amount of the council tax for each Parish/Town, and within those areas for each tax band, under Section 30 of the 1992 Local Government Finance Act.

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

3.6.12 Should Members wish to propose additions or reductions to the budget, on which no information is given in this report, they must present sufficient information on the justification for and consequences of their proposals to enable the Executive (or the Council) to arrive at a reasonable decision. This report sets out relevant considerations for Members to consider during their deliberations, including the statement at Appendix 1 from the Chief Financial Officer

3.6.13 Section 106 of the Local Government Finance Act 1992, states that any member who has not paid their Council Tax or any instalment for at least two months after it becomes due and which remains unpaid at the time of the meeting, must declare that at the meeting and not vote on any matter relating to setting the budget or making of the Council Tax and related calculations.

### 3.7 New Homes Bonus

3.7.1 This Council's New Homes Bonus (NHB) for 2019/20 is £3,359k. This is an increase from the £2,482k awarded for 2018/19.

3.7.2 The NHB calculations are still based on the following parameters:-

- Since 2018/19 funding is based on 4 years (this previously being 6 years).
- The baseline of 0.4% has continued for 2019/20. New Homes Bonus is only awarded on growth above this level. There was the possibility that the baseline was to be increased, this remains a risk for the future. For Warwick District Council, for 2019/20 the 0.4% baseline represents 253 dwellings. With the total growth of 1,157 Band D properties, the 2019/20 allocation is based on 904 properties. The baseline is reducing the New Homes Bonus 2019/20 allocation by £423,000.

3.7.3 To date this Council has used the money to fund various schemes and initiatives and replenish some of its Reserves, and unlike many local authorities, has not used NHB to support core services. It continues to be the Council's policy to exclude new Homes Bonus in projecting future funding.

3.7.4 As in previous years, Waterloo Housing will receive part of this allocation from their agreement with the Council to deliver affordable Housing in the District. £146,166 is due to be paid to Waterloo in 2019/20. Section 3.13 details how it is proposed to allocate the Residual Balance for 2019/20.

### 3.8 Medium Term Financial Strategy (MTFS)

3.8.1 When Members approved the 2018/19 Budget in February 2018, the Medium Term Financial Strategy showed that that the Council would be in deficit by some £699,000 by 2022/23, as depicted below.

|   | 2019/20<br>£'000 | 2020/21<br>£'000 | 2021/22<br>£'000 | 2022/23<br>£'000 |
|---|------------------|------------------|------------------|------------------|
| Deficit-Savings<br>Required(+)/Surplus(-) future<br>years | 607              | 81               | 929              | 699              |
| Change on previous year                                   | 607              | -526             | 848              | -230             |

Since then, Members have received later projections in the quarterly Budget Review Reports in August and November of this year. These Reports highlighted any major changes.

3.8.2 One of the most significant changes between the forecasts presented to Members in February of each year is always the impact of rolling the forecasts forward a further year. Whilst there is additional income from an increased Taxbase and the Band D charge, alongside the growth in the Leisure Concessions Contract, this is more than offset by inflation and other unavoidable commitments such as pensions. By adding 2023/24 to the prediction in the table above, the savings required increase by some £0.5 million before adding any new developments.

3.8.3 There have been many changes to staffing budgets during the year which have already been reported to Members. The most significant of these being restructure of the Assets Team, £81,000, Finance changes, £88,000, making the Car parks Project Manager permanent, £49,000 and changes within the Bereavement Service, £40,000.

3.8.4 Income to the Council will increase more than that forecast in February 2018. The most notable sources of this is £224,000 from the growth in the Tax Base in 2019/20 and £145,000 Fees and Charges Income above the 2% factored in. In addition, the increase in planning fees discussed in paragraph 3.3.1 of £116,600 has also been included as a recurring item into future years.

3.8.5 As part of the 2019/20 Budget Setting Process, it was established that two budgets were inadequate to fund unavoidable Costs. The Repairs and Maintenance Programme has been increased by £96,000 and the net cost of Housing Benefit Subsidy by £97,000.

3.8.6 The following savings have been re-profiled to reflect more likely timeframes:-

- Office Relocation £300,000 saving forecast to start January 2022 (9 months delay)
- Town Hall saving £85,000 saving forecast to start April 2022 (9 months delay)
- Local Lottery £30,000 saving forecast to start April 2020 (see paragraph 3.3.1)

3.8.7 Taking into account the above changes, the savings to be found within the Medium Term Financial Strategy are as follows:-

|   | <b>2020/21</b> | <b>2021/22</b> | <b>2022/23</b> | <b>2023/24</b> |
|---|----------------|----------------|----------------|----------------|
|   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   | <b>£'000</b>   |
| Deficit-Savings<br>Required(+)/Surplus(-)<br>future years | 330            | 1,025          | 456            | 574            |
| Change on previous year                                   | 330            | 695            | -569           | 118            |

Appendix 5 shows the summary pages from the MTFS. The further detailed pages are intended to be available ahead of this report being considered by members, and will be included in the Budget Book which will be available before the 20 February Council meeting.

3.8.8 The profile of the increased savings include the anticipated increased costs when some of the contracts are re-let to commence April 2021. From 2022/23 the savings to be found reduce as the savings relating to the office re-location, Town Hall and Senior Management review are due to commence.

3.8.9 A Fit For the Future report is due to be brought to the Executive in July 2019. This will detail progress on savings and other projects currently being worked upon. In addition, it will include proposals for further savings or income generation.

3.8.10 As discussed in section 3.5, the level of savings to be made is very much dependant on the income that the Council receives from Business Rate Retention. From 2020/21, prudent assumptions have been made as to what the

level of this income will be. The financial projections will be updated as more information is available about likely level of future business rate income.

### **3.9 Reserves and Balances**

3.9.1 Members agreed that £1.5m should be the minimum level for the core General Fund Balance. This balance supports the Council for future unforeseen demands upon its resources. In order to consider a reasonable level of general reserves, a risk assessment has been done and is contained at Appendix 4. This shows the requirement for the General Fund balance of over £1.5 million against the risks identified above.

3.9.2 The General Fund has many specific Earmarked Reserves. These are attached at Appendix 5 showing the actual and projected balances from April 2018, along with the purposes for which each reserve is held. Finance and Audit Scrutiny Committee is especially asked to scrutinise this element and pass comment to Executive.

3.9.3 Those reserves which show a significant change in the overall balance in the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2023 are detailed below and also shown in Appendix 5:-

- i. Business Rates Volatility Reserve – This reserve smooths out the receipt of business rates income and contributions to the reserve are estimated to be a net £2.54m over the period 2018/19 to 2022/23.
- ii. Car Parking Repairs and Maintenance Reserve – the balance on the reserve is expected to decrease by £688k over the period due to funding of multi-storey car park surveys, replacement pay & display ticket machines, essential maintenance and business support and ranger officers fixed term contracts.
- iii. Community Projects Reserve – this reserve is funding various community projects including St Marys Lands Improvements, the WDC contribution to Whitnash Community Hub, Kenilworth Wardens Relocation, Europa Way etc. It is recommended to receive an appropriation from the 2019/20 New Homes Bonus of to £362k. Since the reserve was created in 2017/18, £2.8m will have been allocated to community projects across the district.
- iv. Corporate Asset Reserve - Projections have shown that this reserve should have sufficient funding for the next 4 years. However further sources of funding need to be sought if the Council is to continue to properly maintain its assets into the future. The use of this reserve will be subject to the March Executive report on the Planned Maintenance Programme. It is now proposed £54,000 is allocated from this reserve for further work now required to complete unauthorised access works required to some of the Council's open spaces.
- v. ICT Replacement Reserve – this reserve will receive annual contributions of £250,000, amounting to £1m over the period 2018/19 to 2022/23. The latest forecast for the replacement of the Councils' ICT Equipment is attached at Appendix 6 for Members approval. There have been some significant changes to the 2019/20 projection presented to Members in February 2018, notably:
  - An increase in Microsoft licensing costs to enable the entire organisation to move to Office365. This had been agreed by the ICT Steering Group. This Council's Microsoft costs remain comparable to neighbouring

authorities. The cost of Microsoft licences to the public sector is being discussed and negotiated nationally.

- Infrastructure (General) has been increased in 2019 to allow for the purchase of additional storage capacity.
- Desktop Infrastructure has been increased in 2019 to allow for the refresh of Members' ICT devices after the elections in May.

Taking all of these changes into account and assuming that all of the actual replacement costs are in line with these projections, the Reserve will have inadequate resources to fund all of the items scheduled to be replaced in 2022/23.

- vi. Equipment Renewal Reserve – this reserve will receive top ups of £100k per annum from 2019/20 Members are asked to note the significant potential demands on this Reserve in 2019/20, if all of these items are drawn down to this value, the Reserve will be exhausted during 2022/23 despite £100,000 being transferred to this Reserve each year.
- vii. Homelessness Prevention Reserve – Government grants amounting to £529k will be received in 2018/19 and 2019/20 and allocations of £278k are expected to be made from the reserve in the same years resulting in a net increase of £274k over the period 2018/19 to 2022/23.
- viii. Leisure Options Reserve – the reserve is funding £0.5m for the 2018/19 management fee payable to Everyone Active and is also contributing £0.6m to the General Fund in lieu of the 18/19 contractor concession payment resulting in an estimated balance on the reserve of £291k at the end of 18/19. This is further reduced by £200k as a result of funding recently agreed towards Phase 2 of the Leisure Improvements programme.
- ix. Planning Investment Reserve – income amounting to £1.4m arising from increased planning fees will be credited to the reserve over period 2018/19 to 2022/23 and this will be offset by the reserve funding various posts e.g. temporary Senior EHO, Development Monitoring Officer and Community Infrastructure Levy (CIL) officer resulting in an estimated balance of £784k at the end of 2022/23.
- x. Public Amenity Reserve – Schemes are planned which will utilise all the funding within this reserve by the end of 2019/20. To fund the next green spaces and play areas projects identified from the parks and play area audits in line with Green Space Strategy, further significant funding will be required.
- xi. Public Open Spaces Planning Gain Reserve – this reserve is built up of S106 contributions received in previous years and is dedicated to one-off improvements of public open spaces including play areas. It is providing £370k towards the 2019/20 play area capital programme after which it will be exhausted.
- xii. Service Transformation Reserve – this reserve was created to enable services to continue to be provided pending delivery of required savings and to finance "Fit for the Future". The reserve will receive a top up of £500k from the 2019/20 New Homes Bonus. Current projects being financed from this reserve include the new offices project, various temporary posts, the Transforming our Workplace project and improvements to the catering and events offerings at the Royal Pump Rooms. In addition it is funding capital expenditure to the tune of

£308k in 2018/19. On this basis the balance of the reserve is expected to reduce by £608k over the period 2018/19 to 2022/23.

3.9.4 There are various small reserves which for one reason or another it is appropriate to close at the end of 2018/19 and transfer the balances on those reserves to other reserves. The proposed closures together with reasons and which reserve the balances are being transferred to are detailed below;

- i. Art Fund Reserve – transfer balance of £75k to the Art Gallery Gift Reserve in order to rationalise the number of Art Gallery Reserves.
- ii. Energy Management Reserve – transfer balance of £112k to the Corporate Assets Reserve as the Energy Management Reserve is effectively redundant and to reduce duplication.
- iii. Rent Bond Reserve – transfer balance of £22k balance to Homelessness Reserve in order to reduce duplication as both reserves deal with the homeless.
- iv. Right to Bid and Right to Challenge Reserves – transfer balances of £20k and £26k respectively to the Community Projects Reserve as both reserves have never been used and any subsequent expenditure can be met from the Contingency budget.

3.9.5 Drawing down funding from some of the reserves can result in excessive administration and delay, especially where formal Executive approval is required. To assist in this, it is proposed to amend the delegations to the relevant Head of Service, in consultation with the portfolio holder and Head of Finance. Any such allocations will be subsequently reported within a future report. The reserves where it is proposed to amend the delegations are set out below:-

| <b>Reserve</b>                 | <b>Delegated to</b> |
|--------------------------------|---------------------|
| Planning Reserve               | Head of Development |
| Building Control Reserve       | Head of Development |
| Service Transformation Reserve | Chief Executive     |

### 3.10 General Fund and Housing Capital Programmes

3.10.1 In accordance with the Council's Code of Financial Practice, all new and future capital schemes, must be in line with the Council's corporate priorities including its capital strategy (see Appendix 11) and a full business case will be required as part of reports to the Executive for approval. This case will identify the means of funding and, where appropriate, an options appraisal exercise will be carried out. Should there be any additional revenue costs arising from the project, the proposed means of financing such must also be included in the Report and Business Plan.

3.10.2 The Capital Programme has been updated throughout the year as new and changes to projects have been approved. In addition to the changes throughout the year, it is proposed to add several new schemes to the Capital Programme as detailed in Appendix 8. These are detailed below:-

| <b>Scheme</b>                         | <b>Year</b> | <b>Amount</b> | <b>Financed From</b>    |
|---------------------------------------|-------------|---------------|-------------------------|
| 2 <sup>nd</sup> Warwick Sea Scouts HQ | 2019/20     | £150,000      | 2019/20 New Homes Bonus |

| <b>Scheme</b>  | <b>Year</b>       | <b>Amount</b> | <b>Financed From</b>   |
|--|-------------------|---------------|--|
| Replacement CCTV System  | 2019/20           | £1,000,000    | 2019/20 New Homes Bonus  |
| Play Area Improvements   | 2019/20           | £470,000      | Public Planning Open Space Reserve (£369k) and 2019/20 New Homes Bonus (£101k) |
| Norton Lindsey Village Hall  | 2019/20           | £190,000      | 2019/20 New Homes Bonus  |
| Leisure Refurbishments – Phase 2 Kenilworth  | 2018/19 – 2019/20 | £750,000      | Leisure Options Reserve (£200k) and 2019/20 New Homes Bonus (£550k)            |
| Desktop Infrastructure, Network Devices LAN & WAN, Infrastructure General, Network General | 2022/23           | £277,000      | ICT Replacement Reserve  |
| Rural & Urban Initiatives Grants – extension of current programme                          | 2022/23           | £150,000      | Capital Investment Reserve   |
| Recycling & Refuse Containers – extension of current programme                             | 2022/23           | £80,000       | Capital Investment Reserve   |

3.10.3 A report elsewhere on this Executive agenda concerning the St Marys Lands Masterplan includes schemes which impact on the Capital Programme. These have been incorporated in the Capital Programme as follows:-

| <b>Scheme</b>                              | <b>Year</b> | <b>Amount</b> | <b>Financed From</b>                    |
|--|-------------|---------------|---|
| Management & Maintenance Plan              | 2019/20     | £30,000       | 2019/20 New Homes Bonus and Eco Credits |
| Cycleway Connection                        | 2019/20     | £135,000      | 2019/20 New Homes Bonus                 |
| Extension to Bread and Meat Close Car Park | 2019/20     | £50,000       | 2019/20 New Homes Bonus                 |
| Reservoir Enhancement                      | 2020/21     | £5,000        | Eco Credits                             |
| Jubilee Woods Improvements                 | 2020/21     | £5,000        | Eco Credits                             |
| Playing Fields Drainage Imp                | 2020/21     | £15,000       | Eco Credits                             |

3.10.4 In addition to the new projects incorporated in 3.10.2 and 3.10.3 above the following capital projects are expected to come forward over the next few years:-

- \* Investment in replacement multi storey car parks
- \* Office relocation
- \* Europa Way Community Stadium

3.10.5 Slippage to 2019/20 in the General Fund Programme has been incorporated as reported during the year.

3.10.6 In addition the following table shows the additional changes to current schemes that are required to be reported to Members. The full details are within Appendix 8:-

| <b>Scheme</b>                               | <b>Year</b>        | <b>Amount</b> | <b>Comments</b>  |
|---|--------------------|---------------|--|
| Desktop Infrastructure                      | 2021/22            | £50,000       | Increase met from ICT Reserve  |
| Infrastructure Replacement                  | 2018/19            | £17,100       | Increase met from ICT Reserve  |
| Infrastructure General                      | 2019/20            | £16,500       | Increase met from ICT Reserve  |
| Network                                     | 2019/20            | £11,500       | Increase met from ICT Reserve  |
| Leamington Parking Displacement             | 2019/20            | £50,000       | Increase re Edmondscote Track Parking Proposals funded from Car Parking Displacement Reserve                 |
| Community Stadium Project                   | 2019/20 to 2022/23 | £179,200      | Transfer of Community Stadium Project Officers salary costs etc. to capital – funded from internal borrowing |
| St Marys Lands – Main Entrance Improvements | 2019/20            | £50,000       | Slippage from 2018/19  |
| Desktop Infrastructure                      | 2018/19            | £6,000        | Resources brought forward from 2019/20   |
| Infrastructure Replacement                  | 2018/19            | £40,000       | Resources brought forward from 2019/20   |
| Leamington Parking Displacement             | 2019/20            | £130,000      | Slippage from 2018/19  |
| Desktop Infrastructure                      | 2019/20            | -£22,000      | Savings  |
| Council Chamber PA System                   | 2018/19            | -£45,000      | Scheme transferred to revenue  |
| Recycling and Refuse Containers             | 2018/19            | -£14,500      | Savings  |

3.10.7 Appendix 9 Part 5 shows the General Fund unallocated capital resources. These total £1.789.4m. The Capital Investment Reserve represents the largest share of this at £1.13m, for which the Council has agreed the minimum balance should be £1m. Whilst the Council does hold other reserves to fund capital projects, it will be noted that these are limited and have been reserved for specific purposes. In addition to the resources shown here, within the Housing Investment Resources, the Right to Buy “Any Purposes Capital Receipts” projected at £7.63m (Appendix 9, part 4) are available to fund non Housing schemes.

3.10.8 The latest Housing Investment Programme (HIP) is shown at Appendix 9 part 2.

3.10.9 Appendix 8 details variations to the HIP from the programme approved as part of the February 2018 budget report. This includes new schemes approved during 2018/19, changes to current schemes, and slippage from 2017/18.



3.10.10 Appendix 9 part 4 shows the funding of the HIP and the forecast balances at year end until 31<sup>st</sup> March 2023 after the HIP has been financed.

The Capital receipts primarily relate to Right to Buy (RTB) sales. The council has freedom on how the any purpose receipts are utilised, being able to fund General Fund and Housing Capital schemes.

1-4-1 RTB receipts have to be utilised in replacing housing stock that has been purchased from the council by existing tenants through the RTB scheme. This can be through new build properties (such as Sayer Court), the purchase of existing properties (such as Cloister Way) or buy back of existing council properties previously sold through RTB. However they can only be used to fund up to 30% of the replacement cost as per RTB regulations. If the funding is not used within a three year period from the date of receipt, the funding will be repayable to the Government, along with interest. It is envisaged that there will be no requirement to repay any 1-4-1 receipts to the Government as they will be utilised to finance current or potential schemes within the Housing Investment Programme. Within the current Housing Investment Programme there are schemes for the acquisition of properties during 2019/20, as agreed by members. This will fully utilise the 1-4-1 funding that the Council currently holds and will receive in 2019/20, with it projected to have a zero 1-4-1 balance as at 31 March 2020. The projections show a further £1.4m per annum will be available thereafter for further schemes, with this funding having to be used within the 3 year timescale.

3.10.11 HRA Capital Investment Reserve. This reserve is funded by the surpluses generated on the Housing Revenue Account. The HRA Business Plan assumes that this funding will be used for the provision of new HRA stock, and to allow debt repayments on the £136.2m loan taken out to purchase the HRA housing stock to commence from 2052/53.

3.10.12 The Major Repairs Reserve is used to fund capital repairs of the HRA stock. The contributions to this reserve are based on depreciation calculations.

3.10.13 Section 106 are payments received from developers in lieu of them providing new on site affordable homes, enabling the Council to increase the HRA stock or assisting housing associations to provide new dwellings. These S106 payments usually have a time limit attached to them by which time they need to be utilised or they may need to be repaid to the developers.

3.10.14 The Right to Buy Capital Receipts are shown within the sources of Housing Investment Programme funding. As considered previously by members, these capital receipts are not ring-fenced and can be used for any capital projects.

### 3.11 Prudential Indicators

3.11.1 The Council is required to determine an authorised borrowing limit in accordance with The Local Government Act 2004, Section 3, and to agree prudential indicators in accordance with the CIPFA Code for Capital Finance in Local Authorities.

3.11.2 The Indicators are shown at Appendix 12. Further indicators are included within the Treasury Management Strategy Report.

### **3.12 Capital Strategy**

3.12.1 From 2019/20, the CIPFA revised Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

3.12.2 The aim of this capital strategy is to ensure that all elected members on the full Council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite. The requirement for a Capital Strategy from CIPFA is as a result of many local authorities investing large sums in non-treasury assets, often to secure a financial return, or for other purposes.

3.12.3 This capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments such as acquisition of Investment Properties or Loans to Third parties will be reported through the Capital Strategy. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The capital strategy endeavours to show:

- The corporate governance arrangements for these types of activities;
- Any service objectives relating to the investments;
- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- The payback period (Minimum Revenue Policy policy);
- For non-loan type investments, the cost against the current market value;
- The risks associated with each activity.

3.12.4 Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.

3.12.5 Where the Council has borrowed to fund any non-treasury investment, there should also be an explanation of why borrowing was required.

3.12.6 The proposed Capital Strategy is included as Appendix 11. This will be subject to further review during 2019/20, notably in respect of the implications coming out of the Asset Management Strategy that is being produced in forthcoming months. The intention is that the Capital Strategy is a corporate document that supports the whole of the Council's capital expenditure and funding.

### **3.13 Appropriation of funding and balances**

3.13.1 2018/19 revenue Budget shows a surplus of £138,000, with 2019/20 showing £99,000. It is proposed that these balances are used to create a Contingency Budget for 2019/20 of £237,000.

3.13.2 New Homes Bonus remains the major source of additional funding over which the Council has discretion as to how it is used, as discussed in section 3.7.

3.13.3 It is proposed to use the New Homes Bonus as follows:-

|   |            |
|---|------------|
| Waterloo Housing Association  | £146,200   |
| Leisure Options Phase 2, as discussed in January Executive report   | £550,000   |
| CCTV – as discussed in July 2018 Executive report, subject to further report post tenders   | £1,000,000 |
| Commonwealth Games Reserve – as discussed in March 2019 Executive report. Allocation to include funding of Commonwealth Officer. Future years contributions form NHB planned. | £100,000   |
| Public Amenity Reserve – to fund green space and play area works, to be supplemented with use of Public Open Spaces Planning Gain Reserve                                     | £101,000   |
| St Marys Land – subject to separate Executive report *  | £260,000   |
| Sea Scouts HQ – as discussed in July 2018 Executive report *  | £150,000   |
| Norton Lindsay Village Hall – as discussed in October 2018 Executive report *   | £190,000   |
| Community Projects Reserve  | £499,800   |
| Service Transformation Reserve  | £362,000   |
| * These allocations will be carried forward in the Community Projects Reserve on 31 March 2020 if not fully utilised by that date.  |            |

### 3.14 Business Rates and Council Tax

#### 3.14.1 Retail Discount (Non Domestic Rates)

The Government announced in the Budget on 29 October 2018 that it will provide a business rates Retail Discount scheme for occupied retail properties with a rateable value of less than £51,000 in each of the years 2019-20 and 2020-21. The value of discount should be one third of the bill, and must be applied after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied. The Government is not changing the legislation around the reliefs available to properties. Instead the Government will reimburse local authorities that use their discretionary relief powers, introduced by the Localism Act (under section 47 of the Local Government Finance Act 1988, as amended) to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47. Central government will fully reimburse local authorities for the local share of the discretionary relief (using a grant under section 31 of the Local Government Act 2003).

#### 3.14.2 Council Tax Empty Dwellings

Since 2013, local authorities in England have had the discretion to charge a premium of up to 50% on 'long-term empty dwellings' – that is, homes that have been unoccupied and substantially unfurnished for at least two years. This Council adopted this discretion on the basis that it would be an incentive for owners to bring empty properties into use. The premium is in addition to the usual council tax charge that applies to the property. A Bill was laid in order to

allow Councils to increase these empty property premiums and this received Royal Assent on 1st November 2018 and is now law.

This new law gives Councils the option to charge the following premiums for long term empty dwellings and thus strengthens the incentive for owners to bring empty properties back into use;

Financial Year 2019/20

– Maximum of 100% premium (previously 50%)

Financial Year 2020/21

– Maximum of 100% premium – empty less than 5 years

– Maximum of 200% premium – empty at least 5 years

Financial Year 2021 onwards

– Maximum of 100% premium – empty less than 5 years

– Maximum of 200% premium – empty at least 5 years but less than 10 years

– Maximum of 300% premium – empty at least 10 years

#### 4. **Policy Framework**

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

These are the words to use:

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 seeks to continue to ensure that the Council has adequate financial resources to support its various strategies and the provision of services.

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.

| <b>FFF Strands</b>  |  |  |
|---|--|--|
| <b>People</b>   | <b>Services</b>  | <b>Money</b>   |
| <b>External</b>   |  |  |
| <b>Health, Homes, Communities</b>   | <b>Green, Clean, Safe</b>  | <b>Infrastructure, Enterprise, Employment</b>  |
| <u>Intended outcomes:</u><br>Improved health for all<br>Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities | <u>Intended outcomes:</u><br>Area has well looked after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and ASB | <u>Intended outcomes:</u><br>Dynamic and diverse local economy<br>Vibrant town centres<br>Improved performance/productivity of local economy<br>Increased employment and income levels |
| <b>Impacts of Proposal</b>  |  |  |
| The recommendations within the report seek to help provide future funding for the above outcomes.   |  |  |
| <b>Internal</b>   |  |  |
| <b>Effective Staff</b>  | <b>Maintain or Improve</b>   | <b>Firm Financial Footing</b>  |

|   | <b>Services</b>   | <b>over the Longer Term</b>  |
|---|---|--|
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours | <u>Intended outcomes:</u><br>Focusing on our customers' needs<br>Continuously improve our processes<br>Increase the digital provision of services | <u>Intended outcomes:</u><br>Better return/use of our assets<br>Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money          |
| <b>Impacts of Proposal</b>  |   |  |
| The recommendations within this report seek to ensure the Council has adequate funding to enable it to support staff in the provision of services.  | The recommendations within the report seek to help provide future funding so as to enable the Council to maintain and improve service provision.  | The recommendations within this report seek to ensure the best use of made of the Council's financial resources whilst ensuring the Council's financial position is sound going into the future. |

## **4.2 Supporting Strategies**

- 4.2.1 Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained here. The Council has a Financial Strategy, as updated within Appendix 10. This Strategy sets out details of the Council's overall financial position, and some of the key policies for the use of the Council's resources and how these are managed. Members are recommended to approve the updated Financial Strategy.
- 4.2.2 The Council is now required to produce a Capital Strategy. This is discussed in more detail within section 3.12 and the Capital Strategy set out in Appendix 11.

## **4.3 Changes to Existing Policies**

This report does not propose any recommendations to any of the Council's existing policies.

## **4.3 Impact Assessments – Not Applicable**

## **5. Budgetary Framework**

- 5.1 The Council's budget and Council tax setting is a major component in reflecting and expressing the Council's priorities and policies. The budgets proposed for both capital and revenue are in accordance with Fit for the Future. The financial strategy and capital strategy are revised in the light of the proposed revenue and capital budgets, and the issues that these budgets address.
- 5.2 Officers monitor the current year's budgets by way of the monthly Budget Review process which is duly reported to the Council's Senior Management Team. The same process is applied when reporting quarterly to Members.

Members are also kept informed on progress with Earmarked Reserves and the Contingency Budget, alongside the latest predictions in the MTFS.

- 5.3 Despite facing substantial reductions in funding in recent years, the Council has managed to maintain and improve main services. Alongside this, the Council has a level of reserves well in excess of most local authorities. Whilst the Council may on the face of it be currently in a strong financial position, there is no scope for complacency. Members will be aware of the substantial sums needed to be spent on the Council's municipal assets in future years, multi storey car parks being of specific note. In addition, moving forward, there remains uncertainty as to the Council's future funding levels. This is notably with regard to Business Rates (as discussed in paragraph 3.5) and New Homes Bonus (para 3.7). Consequently, the additional funds required by the Council in forthcoming years are likely to be in excess of the shortfall forecast in the MTFS (section 3.9).

## **6. Risks**

### **6.1 Business Rates Retention**

As detailed in section 3.5, there are still substantial risks around Business Rates Retention, especially from 2020/21 with the following changes:-

- The impact of the Fair Funding Review
- The introduction of the 75% Business Rate Retention scheme
- The re-set of the Baselines.

The funding of the potential "Tariff Adjustment" of £237k for 2019/20 by the Government has removed that risk for the year.

- 6.2 The Strategy now assumes that £5 per annum increases in Council Tax for future years on the basis that the current referendum limits will not be changed. This will be subject to future Government determination. There is therefore a degree of risk as to whether this level of Council Tax increase will be able to be continued.
- 6.3 Many of the Risks in the Significant Business Risk Register are Finance related and the Finance Service Area has its own Risk Register. Both are reviewed regularly.
- 6.4 Whilst the country is now seeing an upturn in the economy with interest rates expected to increase, it is still susceptible to changes in the world economic and political environment which could reverse the trend. A return to recession would see the projected rise in interest rates delay further and increased unemployment would in turn impact on the Council's finances by increasing the level of Council Tax Reduction claimants and reduce customers' discretionary spending in the Council's income generating areas, to give but one example. Inflation rates are influenced by the economy. High inflation rates restrict the Council's own purchasing powers and also impact on its contractors whose annual contract uplifts may have been based on a lower RPI period.
- 6.5 The MTFS has a significant amount of savings built in from the Fit for the Future Programme. Failure to deliver these projects, all or in part, will increase the deficit and savings yet to be identified. Delays may drive up the costs of the enabling works and mean savings do not materialise as early as expected.

There may also be revenue implications should the projects not have been fully assessed.

- 6.6 Unforeseen events, such as planning appeals, uninsured damage, legal challenges, can expose the Council to incur expenditure not previously budgeted for. Whilst the Council endeavours to cover these from its Contingency Budgets and Reserves, they may not prove adequate.
- 6.7 As discussed within the Financial Strategy (Appendix 10), Brexit remains a major risk. The potential impacts upon the Council are not possible to fully assess. The Council does hold reserves which should be able to help cushion the Council from any potential impact in the short/medium term.
- 6.8 Changes in legislation may influence assumptions built into Budgets and the 5 year Strategy as well as increasing the costs of implementing these changes.
- 6.9 As previously reported to members, and included within Section 3.9, Reserves and Balances, the financial projections do not allow for adequate funding to enable the Council to maintain its assets in the meantime. The Corporate Assets Reserve, ICT Reserve and the Equipment Renewals Reserve are all forecast to have more demands over them in forthcoming years than they can accommodate. Consequently, in addition to the savings referred to in Section 3.8 (Medium Term Financial Strategy), the Council needs to secure funding to enable these reserves to be replenished, and so maintain current service provision.
- 6.10 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, regular Budget Review reports are issued to the Executive and Senior Management Team.
  - Financial Planning with the MTFS/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).
  - 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 Reports, and the financial implications of all proposals.

- Within the proposed 2019/20 Budget there is a Contingency Budget of £237,000 for any unplanned unavoidable expenditure.
- Reserves – The Council holds reserves as discussed within section 3.9. Whilst much of these reserves have already been earmarked for specific projects, it is important that reserves are held for any unforeseen demands.
- The General Fund Balance is £1.5m as discussed in paragraph 3.10.1. 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. Each Service Area's Risk Register is presented to Finance and Audit Scrutiny Committee annually on a rolling basis for scrutiny.

## **7. Alternative Option(s) considered**

- 7.1 The Council does not have an alternative to setting a Budget for the forthcoming year. Members could however decide to amend the way in which the budget is broken down or not to revise the current year's Budget. However, the proposed latest 2018/19 and 2019/20 budgets are based upon the most up to date information. Any changes to the proposed budgets will need to be fully considered to ensure all implications (financial or otherwise) are addressed.



## **STATEMENT BY THE CHIEF FINANCIAL OFFICER**

I am required to make this report by the Local Government Act 2003.

### ***Robustness of Budgets***

The preparation of the budgets started back in July. As the Head of Finance, and being a qualified and experienced accountant, I have overseen the process. The budgets have used the current year as their base. Budget Review process has shown where these do not form a reasonable basis for the following year. There has been a high level of scrutiny to the budget this year, along with budget monitoring throughout the year, from:-

- Budget Managers, the Senior Management Team (SMT) and Corporate Management Team (CMT)
- Portfolio Holders
- The Executive through the various preceding reports set out in the background papers
- Scrutiny Committees

Consequently I am satisfied that the budgets are prepared on a robust basis.

Heads of Service should also confirm the robustness of the budgets. Officers in all Services have been actively involved in preparing the budgets with the accountants. SMT members agreed the base budget.

In preparing the Budget, in view of the tight financial climate facing the Council along with the whole of the public sector, many budgets have again not been increased for inflation, following 5 years of these budgets being reduced. With continuing improved procurement and management of contracts, better value for money should be able to be obtained from budgets. The Council is therefore committed to maintaining the procurement support that it is able to provide to budget managers. Where it is not possible to contain expenditure within budgets, there is the potential to allocate funds from the Contingency Budget. To date these reductions in budget have not had any material impact upon services, as budget managers have managed to accommodate these budget reductions.

### ***Adequacy of Reserves***

There has been much discussion over what the appropriate levels of reserves are for a local authority to hold, with various papers being issued on this subject. However, it is for each authority to determine the right level of reserves, reflecting its individual circumstances and risk appetite.

The Audit Commission in its December 2012 report "Striking a Balance" discussed the reserves held by local authorities. Whilst it recognised it was for each body to determine the level of reserves it should hold, it was important for it to be clear

why it was holding those reserves. Within the main report and Appendix 3, the Council's reserves are discussed in detail.

In the Audit Commission's Value for Money Guidance (December 2010) the following is stated:-

*"Financial planning*

*An annual budget is not enough to secure financial resilience. Organisations should set the budget in the context of a longer-term financial strategy and a medium-term financial plan (MTFP) covering for example, a three-to five-year horizon. The MTFP needs to be realistic. Assumptions around inflation, income levels, demographics and future demand for services need to be modelled and based on reasonable predictions.*

*The financial position of an organisation will depend on a number of factors including the level of borrowing, receivables outstanding, investment risks, council tax collection rates and levels of reserves."*

The Council's budget and financial planning regime can be demonstrated to be robust.

The Code of practice on local authority accounting requires the purpose, usage and basis of transactions of earmarked reserves to be identified clearly. This is set out in Appendix 3 of this report and Finance and Audit Scrutiny Committee have been asked to pay particular attention to this (para 3.10.2 of report). In accordance with best practice on reserves and balances these have therefore been reviewed as part of the annual budget preparation. In addition there are forecasts for future years which are reflected in the medium term financial strategy. In considering the level of reserves in addition to the cash flow requirements CIPFA recommends that the following factors are considered: -

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

| <b>Budget assumptions</b>  | <b>Financial standing and management</b>  |
|--|---|
| capital developments   |   |
| The availability of other funds to deal with major contingencies | The adequacy of the authority's insurance arrangements to cover major unforeseen risks. |

I have considered these matters and can advise members that they currently have a satisfactory level of reserves and balances, but need to address the medium term financial forecast in order to deliver balanced budgets in future years. Risks which may impact upon the Council's finances and the Budget, together with controls and mitigations, are set out in Section 6, and a risk assessment against the general fund reserve is set out in **Appendix 11**. The Council has self-insurance for small items but generally relies on external insurance for claims above £25,000, so there is no major risk in this area.

In making this assessment I have taken into account the contingency budget of **£200,000** for 2019/20. The contingency provision reduces the possibility of the Council calling upon its General Fund balances

The immediate in-year budget risks to which the Council is exposed are low. However, there are currently additional risks in relation to the uncertain state of the economy and the impact of Brexit (including on how this may impact upon the Council's partners), the current volatility of the Council's income sources, and the risks associated with capital schemes.

The medium term financial strategy has been prepared on a prudent basis given the uncertainties that face local government finance into the future. Whilst the 2019/20 budget has been prepared prudently, there are undoubtedly risks associated with it. However, with the level of reserves, the Council should be able to manage any risks throughout the year.

In considering 2020/21 there are significant uncertainties relating to the Council's share of Business Rates as result of the Fair Funding Review, the reset of the Business Rate Retention Scheme and the introduction of the 75% Business Rate Retention Scheme. Prudent estimates for business rates retention have been included from 2020/21, allowing for a significant reduction from the level budgeted for 2019/20. To help meet this reduction, the Council should be able to make use of the Business Rate Retention Volatility Reserve in the short/medium term. However, this will not be sustainable if the Council does not reduce its overall spending level to match its Business Rate income without relying on contributions from the reserve.

Members will need to address the underlying budget deficit in future years, and will need to ensure that proposals are brought forward in good time to balance the budget for 2020/21. Within the proposed Budget there are projects as part of Fit For the Future aimed at reducing costs and ensuring service provision meets customer expectations, further projects need to be agreed by members during 2019 that will make further

savings. Members need to be mindful of the underlying budget situation throughout their decision-making and ensure that the savings requirement is given due priority.

Mike Snow

Head of Finance

January 2019

## WARWICK DISTRICT COUNCIL

## GENERAL FUND SUMMARY

|  | NET EXPENDITURE        |                                    |                                  |                                    |
|--|------------------------|------------------------------------|----------------------------------|------------------------------------|
|  | Actual<br>2017/18<br>£ | Original<br>Budget<br>2018/19<br>£ | Latest<br>Budget<br>2018/19<br>£ | Original<br>Budget<br>2019/20<br>£ |
| <b>Portfolio Service Expenditure:</b>                                  |                        |                                    |                                  |                                    |
| Business (Development Services)  | 1,583,251              | 1,538,700                          | 2,011,200                        | 1,786,200                          |
| Cultural Services  | 4,880,322              | 4,396,200                          | 5,230,200                        | 3,323,400                          |
| Development Services   | 93,874                 | 440,400                            | 25,500                           | 26,500                             |
| Finance  | 2,323,905              | 3,305,400                          | 2,729,300                        | 2,894,800                          |
| Health & Community Protection  | 2,495,110              | 2,751,600                          | 2,911,200                        | 2,925,100                          |
| Housing Services - General Fund  | 1,177,468              | 1,667,200                          | 1,605,800                        | 1,510,000                          |
| Neighbourhood Services   | 5,557,309              | 5,275,500                          | 6,193,200                        | 5,802,700                          |
| Strategic Leadership   | 1,571,613              | 2,696,100                          | 2,978,500                        | 2,794,900                          |
| <b>NET COST OF GENERAL FUND SERVICES</b>                               | <b>19,682,852</b>      | <b>22,071,100</b>                  | <b>23,684,900</b>                | <b>21,063,600</b>                  |
| Replacement of Notional with Actual Cost of Capital                    |                        |                                    |                                  |                                    |
| - Deduct Notional Capital Financing Charges in Estimates               | (4,356,088)            | (5,236,200)                        | (5,236,200)                      | (5,236,200)                        |
| - Add Cost of Loan Repayments, Revenue Contributions and Interest Paid | 46,042                 | 500,700                            | 240,100                          | 603,800                            |
| Revenue Contributions to Capital                                       | 805,767                | 80,000                             | 85,000                           | 2,266,000                          |
| Contributions to / (from) Reserves                                     | 97,808                 | 4,128,824                          | 3,689,900                        | 1,702,500                          |
| Net External Investment Interest Received                              | (246,595)              | (461,500)                          | (330,900)                        | (472,300)                          |
| IAS19 Adjustments  | (1,810,238)            | (2,030,500)                        | (1,675,800)                      | (1,667,400)                        |
| Accumulated Absences Account   | 3,256                  | -                                  | -                                | -                                  |
| Contributions to / (from) General Fund Balance                         | 1,124,629              | (310,255)                          | (1,024,642)                      | (201,393)                          |
| <b>NET EXPENDITURE FOR DISTRICT PURPOSES</b>                           | <b>15,347,433</b>      | <b>18,742,169</b>                  | <b>19,432,358</b>                | <b>18,058,607</b>                  |
| Less: Revenue Support Grant  | (793,675)              | (306,736)                          | (306,736)                        | -                                  |
| Less Business Rates  | (4,273,887)            | (6,976,500)                        | (7,968,000)                      | (5,268,000)                        |
| Less: General Grants   | (2,031,831)            | (2,817,411)                        | (2,516,100)                      | (3,374,000)                        |
| Collection Fund (Surplus) / Deficit                                    | 20,000                 | -                                  | -                                | (143,000)                          |
| <b>EXPENDITURE BORNE BY COUNCIL TAX - WARWICK DISTRICT COUNCIL</b>     | <b>8,268,040</b>       | <b>8,641,522</b>                   | <b>8,641,522</b>                 | <b>9,273,607</b>                   |
| Aggregate Parish Council Expenditure                                   | 1,412,612              | 1,522,679                          | 1,522,679                        | To Follow                          |
| <b>COMBINED DISTRICT AND PARISH EXPENDITURE BORNE BY COUNCIL TAX</b>   | <b>9,680,652</b>       | <b>10,164,201</b>                  | <b>10,164,201</b>                | <b>9,273,607</b>                   |
| Warwickshire County Council Expenditure                                | 68,463,549             | 72,805,334                         | 72,805,334                       | To Follow                          |
| Warwickshire Police and Crime Commissioner                             | 10,119,192             | 10,890,249                         | 10,890,249                       | To Follow                          |
| <b>TOTAL EXPENDITURE BORNE BY COUNCIL TAX</b>                          | <b>88,263,393</b>      | <b>93,859,785</b>                  | <b>93,859,785</b>                | <b>9,273,607</b>                   |
| <b>BAND D EQUIVALENT COUNCIL TAX:</b>                                  |                        |                                    |                                  |                                    |
| Warwick District Council   | 156.86                 | 161.86                             | 161.86                           | 166.86                             |
| Parish and Town Councils (Average)                                     | 26.80                  | 28.52                              | 28.52                            | To Follow                          |
| <b>DISTRICT &amp; PARISH BAND D EQUIVALENT COUNCIL TAX</b>             | <b>183.66</b>          | <b>190.38</b>                      | <b>190.38</b>                    | <b>166.86</b>                      |
| Warwickshire County Council  | 1,298.88               | 1,363.68                           | 1,363.68                         | To Follow                          |
| Warwickshire Police Authority  | 191.98                 | 203.98                             | 203.98                           | To Follow                          |
| <b>TOTAL BAND D EQUIVALENT COUNCIL TAX</b>                             | <b>1,674.52</b>        | <b>1,758.04</b>                    | <b>1,758.04</b>                  | <b>166.86</b>                      |
| Council Tax Base (Band D Equivalents)                                  | 52,709.68              | 53,388.87                          | 53,388.87                        | 55,577.17                          |

ANDREW MOBBS  
Leader of the Executive

MIKE SNOW  
Responsible Financial Officer

# Medium Term Financial Strategy

## Appendix 3(i)

|   | 2018/19<br>£'000 | 2018/19<br>latest<br>£'000 | 2019/20<br>£'000 | 2020/21<br>£'000 | 2021/22<br>£'000 | 2022/23<br>£'000 | 2023/24<br>£'000 |
|---|------------------|----------------------------|------------------|------------------|------------------|------------------|------------------|
| Net Cost Of General Fund Services                   | 22,070           | 23,685                     | 21,062           | 21,361           | 22,008           | 21,929           | 22,420           |
| Investment Interest                                 | -461             | -331                       | -472             | -647             | -763             | -889             | -889             |
| New Homes Bonus-unallocated Balance                 |                  |                            |                  |                  |                  |                  |                  |
| Other Financing Adjusments                          | -2,867           | -3,922                     | -2,531           | -7,303           | -6,554           | -6,301           | -6,043           |
| <b>Net Expenditure after adjustments</b>            | <b>18,742</b>    | <b>19,432</b>              | <b>18,059</b>    | <b>13,411</b>    | <b>14,691</b>    | <b>14,739</b>    | <b>15,488</b>    |
| Revenue Support Grant                               | -311             | -311                       |                  |                  |                  |                  |                  |
| NNDR (Business Rate Retention, including SBR grant) | -7,277           | -7,968                     | -5,268           | -3,337           | -3,444           | -3,554           | -3,666           |
| Collection Fund Balance                             |                  |                            | -143             |                  |                  |                  |                  |
| New Homes Bonus                                     | -2,482           | -2,482                     | -3,359           |                  |                  |                  |                  |
| Other Grants and Government Funding                 | -30              | -30                        | -15              |                  |                  |                  |                  |
| <b>Amount being from Council Tax</b>                | <b>-8,642</b>    | <b>-8,642</b>              | <b>-9,274</b>    | <b>-9,744</b>    | <b>-10,222</b>   | <b>-10,729</b>   | <b>-11,248</b>   |
| Band D Equivalent                                   | £161.86          | £161.86                    | £166.86          | £171.83          | £176.84          | £181.84          | £186.84          |
| % increase on previous year                         | 3.18%            | 3.18%                      | 3.09%            | 2.98%            | 2.92%            | 2.83%            | 2.75%            |
| Net Expenditure after adjustments                   | 18,742           | 19,432                     | 18,059           | 13,411           | 14,691           | 14,739           | 15,488           |
| Total Grant and Council Tax Income                  | -18,742          | -19,433                    | -18,059          | -13,081          | -13,666          | -14,283          | -14,914          |
| Deficit-Savings Required(+)/Surplus(-) future years |                  | 0                          | 0                | 330              | 1,025            | 456              | 574              |
| Change on previous year                             |                  |                            |                  | 330              | 695              | -569             | 118              |
| Current Year Surplus(-) Defict (+)                  |                  | 0                          |                  |                  |                  |                  |                  |

|  | 2018/19<br>£'000 | 2018/19<br>latest<br>£'000 | 2019/20<br>£'000 | 2020/21<br>£'000 | 2021/22<br>£'000 | 2022/23<br>£'000 | 2023/24<br>£'000 |
|--|------------------|----------------------------|------------------|------------------|------------------|------------------|------------------|
| Base Cost of General Fund Services           | 20,869           | 22,070                     | 23,685           | 21,062           | 21,031           | 20,983           | 21,473           |
| Inflation on Controllable Expenditure        | 0                | 0                          | 219              | 270              | 276              | 304              | 314              |
| Recurring Growth                             | -124             | -212                       | 362              | -22              | 1,144            | 215              | 28               |
| Items funded from Reserves                   | 1,316            | 2,204                      | 869              | 1,164            | 140              | 86               | 182              |
| Total New time limited growth/savings        | 708              | -377                       | -222             | -796             | -1,240           | -1,215           | -1,280           |
| Less previous year 1 Off/Time Limited Growth | -2,962           | 0                          | -3,851           | -647             | -368             | 1,100            | 1,129            |
| Changes in Capital Charges                   | 2,263            | 0                          | 0                | 0                | 0                | 0                | 0                |
| <b>Net Cost of General Fund Services</b>     | <b>22,070</b>    | <b>23,685</b>              | <b>21,062</b>    | <b>21,031</b>    | <b>20,983</b>    | <b>21,473</b>    | <b>21,846</b>    |
| Less:Capital Financing Charges               | -5,236           | -5,236                     | -5,236           | -5,236           | -5,236           | -5,236           | -5,236           |
| Less IAS19 included above                    | -2,031           | -1,676                     | -1,667           | -1,667           | -1,667           | -1,667           | -1,667           |
| add:Government Grants Deferred W/Out         | 0                | 0                          | 0                | 0                | 0                | 0                | 0                |
| <b>Controllable Expenditure</b>              | <b>14,803</b>    | <b>16,773</b>              | <b>14,159</b>    | <b>14,128</b>    | <b>14,080</b>    | <b>14,570</b>    | <b>14,943</b>    |
| <b>Financing Charges etc.</b>                |                  |                            |                  |                  |                  |                  |                  |
| Loan repayments etc                          | 501              | 240                        | 604              | 605              | 599              | 588              | 588              |
| Revenue Contributions to Capital             | 80               | 85                         | 2,266            | 80               | 80               | 80               | 80               |
| Contributions to/from reserves               | 4,129            | 3,690                      | 1,703            | -1,085           | -330             | -66              | 192              |
| External investment interest                 | -461             | -331                       | -472             | -647             | -763             | -889             | -889             |
| <b>Total Financing Charges etc</b>           | <b>4,249</b>     | <b>3,684</b>               | <b>4,101</b>     | <b>-1,047</b>    | <b>-414</b>      | <b>-287</b>      | <b>-29</b>       |
| Contribution to/from GF Balance              | <b>-310</b>      | <b>-1,025</b>              | <b>-201</b>      |                  |                  |                  |                  |
| <b>(Deficit)/Surplus</b>                     |                  | <b>0</b>                   |                  |                  |                  |                  |                  |
| <b>(Deficit)/Surplus from SBR Grant</b>      |                  |                            |                  |                  |                  |                  |                  |
| <b>Net Expenditure</b>                       | <b>14,859</b>    | <b>14,856</b>              | <b>18,742</b>    | <b>13,417</b>    | <b>12,756</b>    | <b>13,321</b>    | <b>13,899</b>    |
| Revenue Support Grant                        | -307             | -307                       | 0                | 0                | 0                | 0                | 0                |
| New Homes Bonus returned                     | -4               | -4                         |                  |                  |                  |                  |                  |
| NNDR redistributed                           | -6,976           | -7,968                     | -5,268           | -3,337           | -3,444           | -3,554           | -3,666           |
| Homelessness Prevention Grant                | -301             | 0                          | 0                |                  |                  |                  |                  |
| New Burdens Self and Custom Build Housing    | -30              | -30                        | -15              |                  |                  |                  |                  |
| New Homes Bonus                              | -2,482           | -2,482                     | -3,359           | 0                | 0                | 0                | 0                |
| Collection Fund Balance                      |                  |                            | -143             |                  |                  |                  |                  |
| <b>Total AEF/Collection Fund</b>             | <b>-10,100</b>   | <b>-10,791</b>             | <b>-8,785</b>    | <b>-3,337</b>    | <b>-3,444</b>    | <b>-3,554</b>    | <b>-3,666</b>    |
| <b>Council Tax borne expenditure</b>         | <b>8,642</b>     | <b>8,642</b>               | <b>9,274</b>     | <b>9,744</b>     | <b>10,222</b>    | <b>10,729</b>    | <b>11,248</b>    |
| <b>Equivalent to Band D Council Tax</b>      | <b>161.86</b>    | <b>161.86</b>              | <b>166.86</b>    | <b>171.83</b>    | <b>176.84</b>    | <b>181.84</b>    | <b>186.84</b>    |
| % increase on previous year                  | 3.18%            | 3.18%                      | 3.09%            | 2.98%            | 2.92%            | 2.83%            | 2.75%            |
| Council Tax Base                             | 53,389           | 53,389                     | 55,577           | 56,700           | 57,800           | 59,000           | 60,200           |

## APPENDIX 4

### Risks Influencing the Level of General Fund Balance

| <b>Risk Area</b>   | <b>Provision</b>    |
|--|---------------------|
| The possibility the Council overspends – risk increased with budgets reduced to reflect prior year underspends, reductions in “non-contractual” budgets.                       | £0.1 million        |
| Economic cycle issues affect the budget – over and above what can be expected to be contained within routine monitoring procedures, including the potential risks from Brexit. | £0.3 million        |
| Development control income adversely affected by planning policies and economic cycle.   | £0.2 million        |
| Costs of environmental prosecution or public enquiry. This is always a possibility and is difficult to forecast in terms of cost.  | £0.1 million        |
| Car parking income doesn't achieve budget forecast.  | £0.15 million       |
| Uninsurable event – eg environmental or asbestos claim outside terms of insurance policies.  | £0.15 million       |
| Costs of potential planning appeals.   | £0.2 million        |
| Possible impacts of budget reductions by other public agencies on this council and the area of Warwick District.   | £0.1 million        |
| Reduction in Retained Business Rates   | £0.1million         |
| Cost arising from unanticipated risks  | £0.1 million        |
| <b>Total</b>   | <b>£1.5 million</b> |



| Name of Reserve & Purpose  | Use of Reserve/Balance  | Management and Control   | Review Mechanism  |
|--|---|--|---|
| <b>General Fund Reserves</b>   |   |  |   |
| <b>Art Fund Reserve</b> To fund major art purchases for the Art Gallery and Museum   | Items to be financed from this reserve are charged to the Art Gallery and Museum Account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process. The reserve is "topped up" from public donations and any unspent balance on the Art Gallery and Museum purchases budget. | It is proposed to transfer the balance on this reserve to the At Gallery Gift Reserve.   |   |
| <b>Art Gallery Gift Reserve</b> To provide finance for major Art Gallery and Museum purchases linked to the specific conditions imposed by the original gift of the money to the Council   | Items to be financed from this reserve are charged to the Art Gallery and Museum Account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.  | The Head of Cultural Services has delegated authority to make such purchases as necessary from this reserve subject to reporting retrospectively to the Executive. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.  | This reserve is reviewed during the final accounts process but as the reserve was created by a private donation and has conditions of use attached to it, levels and potential closure are not applicable   |
| <b>Biodiversity Reserve</b>  | Reserve established to hold developers contributions resulting from loss of habitat arising from their developments. These contributions are then used for biodiversity improvements offsite  | The Head of Neighbourhood Services, in agreement with the Head of Finance, has delegated authority to spend from this reserve.   | This reserve is reviewed during the final accounts process but as the reserve was created from S106 contributions which generally have conditions of use attached to them, levels and potential closure are not applicable  |
| <b>Building Control Reserve</b> The fee earning part of the Building Control service should not make a loss over a rolling three year period. This reserve has been created to assist in this with annual surpluses being paid into it and any annual losses being funded from it. It also funds any improvements required in the service. | Annual surpluses/deficits are credited/debited to this reserve as necessary. If funding improvements e.g. IT, reserve makes the necessary contribution to either the General Fund or Capital Financing as appropriate.  | It is proposed for approval for expenditure to be met from this reserve to be delegated to the Head of Development Services and Head of Finance, in consultation with the relevant portfolio holder. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.  | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.   |
| <b>Business Rate Retention Volatility Reserve</b>  | Reserve established to provide finance for "smoothing out" future retained Business Rate revenues.  | Executive to approve usage.  | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.   |
| <b>Capital Investment Reserve</b> To provide finance for the Council's General Fund capital programme not met by other resources e.g. capital receipts, RCCO, external contributions, other reserves.  | This reserve provides the balancing figure for financing the Council's General Fund capital programme and the relevant amount is transferred to the Capital Adjustment Account as part of the final accounts process. Annual "repayments" in respect of recently financed schemes are made to the reserve from the General Fund.                                | The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any variation to this figure will be formally agreed by the Executive either as part of the final accounts process or as part of the normal process of revising the General Fund Capital Programme. In addition the reserve is monitored by Finance on a regular basis to provide information for reviews of capital programme resources. | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the Estimates and Final Accounts processes where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. In addition the adequacy of the reserve is reviewed as part of the financial strategy and capital programme setting processes. Normal practice is to keep the level at around £1,000,000. |
| <b>Car Parks Displacement Reserve</b>  | substantial work is required to be carried out in respect of some of the Council's car parks in forthcoming years. There will be some costs for arranging alternative parking arrangements, along with possible loss of income.   | Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.   |

| Name of Reserve & Purpose  | Use of Reserve/Balance  | Management and Control   | Review Mechanism  |
|--|---|--|---|
| <b>Car Parks Repairs and Maintenance Reserve</b>   | Reserve created from Car Parks revenue repairs and maintenance budget in order to provide resources for future years.   | Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. |
| <b>Cemetery Land Purchase Reserve</b>  | To purchase land for cemetery extensions  | The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any variation to this figure will be formally agreed by the Executive either as part of the final accounts process or as part of the normal process of revising the General Fund Capital Programme. In addition the reserve is monitored by Finance on a regular basis to provide information for reviews of capital programme resources. | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. |
| <b>Commonwealth Games (Bowls) Reserve</b>  | To set aside funds towards funding the project in future years.   | The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. |
| <b>Community Forums Reserve</b>  | To provide finance for the annual programme of Community Forum Grants   | February 2013 Executive approved 4 year programme 2014/15 to 2017/18.  | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. |
| <b>Community Projects Reserve</b>  | Reserve created from 2017/18 New Homes Bonus to provide finance for various District wide community projects.   | Approval for project spend will be way of reports to the Executive.  | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. |
| <b>Commuted Sums Reserve</b> Commuted Sums are received from developers in respect of the adoption of public open space or other facilities to be maintained at the Council's expense. | Credits are made annually to the General Fund based on (usually) 1/13 of the capital sum starting from the year in which the maintenance of the facility begins. This date notified by the relevant Service Area. | The General Fund Estimates and its financing is approved by the Executive. This sets the contribution to/from this reserve. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.   | The balance on this reserve is dictated by receipts from developers.  |
| <b>Corporate Assets Reserve</b>  | To provide finance for refurbishment of facilities following the Stock Condition Survey   | Subject to future Executive reports, approvals from the reserve have been delegated to SAG and the Section 151 Officer in consultation with the portfolio holders for Assets and Finance.  | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. |
| <b>Covent Garden Multi Storey Reserve</b>  | To provide finance to cover lost income and 1st years debt charges when the car park is redeveloped   | Authority to spend is delegated to the Head of Finance in line with the actual lost net income and debt charges. Executive to be informed upon the use of the reserve and balance thereof.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. |

| Name of Reserve & Purpose  | Use of Reserve/Balance  | Management and Control   | Review Mechanism   |
|--|---|--|--|
| <b>Election Expenses Reserve</b> To provide finance to fund the expense incurred in holding the District Council elections every four years.   | The cost of the election is charged to a service account and a contribution from this reserve is credited to the General Fund from this reserve as part of the final accounts process. In the years where no election is held an annual contribution of £30,000 is made to the reserve..  | The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.  |
| <b>Energy Management Reserve</b> To provide finance for the Council's energy saving schemes within its General Fund and Housing Revenue Account properties   | Energy Management Schemes undertaken by Property are charged to the relevant service account during the year. The total cost is notified to Finance and the comparable amount is credited to the General Fund or Housing Revenue Account from this reserve as part of the final accounts process. Annual contributions are made into the Reserve as repayments for schemes previously financed. | The Head of Housing and Property Services has delegated authority to spend up to £50,000 on any one scheme from this reserve. Schemes above this level require the approval of the Executive. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.  |
| <b>Enterprise Projects Reserve</b>   | Reserve is used to smooth surpluses/deficits  | Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes, with delegations over usage agreed by Executive August 2017 to the Head of Development Services up to £20k..  | Reserve reviewed by Finance as part of Estimates and closedown procedures.   |
| <b>Equipment Renewal Reserve</b> To finance a rolling programme of equipment and property replacement and renewal.   | Revenue Items to be financed from this reserve are charged to the Service Accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.  | Items proposed to be financed from this reserve should first be approved by Executive to be included within the ERR Schedule. Use of reserve is subsequently controlled by SMT who consider the Business Case seeking release of funding from the reserve, and may approve if appropriate followed by approval from Chief Executive and relevant portfolio holders. The standard Business case template to be used for SMT's consideration was presented and approved by the September 2011 Executive. | Reserve reviewed as part of Estimates and closedown procedures. Balance increased on basis of Executive approval. Based on the current programme It is anticipated that the reserve will be extinguished by the end of 2022/23.  |
| <b>General Fund Early Retirement Reserve</b> To provide finance to cover the one off pension costs to the General Fund as a result of the early retirement of Officers and to provide finance to cover redundancy costs to the General Fund. | Items to be financed from this reserve are charged to the Service Accounts during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.  | Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.  |
| <b>Gym Equipment Reserve</b> To provide finance for the replacement of the Gym Equipment within the Council's Leisure Centres  | Suitable schemes are identified and included within the capital programme. The relevant amount from this reserve is then utilised to finance them. Current practice is to credit the reserve with £30,000 per annum. However, as a result of the Leisure Centres Options project this will cease from 2016/17 onwards.  | The Head of Cultural Services, in conjunction with the S151 Officer and Cultural Services Portfolio Holder, has delegated authority to approve future expenditure from this reserve. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.  | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer essentially three times a year a) when the Financial Strategy is updated b) at budget setting and c) final accounts where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. In addition the adequacy of the reserve is taken into account when revising the capital programme. |
| <b>Harbury Lane Reserve</b>  | A reserve has been created over a number of years to fund this project; of which £84,000 is unspent in the 2017/18 budget. These monies will be transferred to the proposed Harbury Lane Reserve towards future funding requirements.   | The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.   | The level and continued requirement of this reserve will be reviewed by finance in conjunction with the Chief executive and the leader.  |

| Name of Reserve & Purpose   | Use of Reserve/Balance   | Management and Control  | Review Mechanism   |
|---|--|---|--|
| <b>Hill Close Gardens Reserve</b>   | This reserve will be used to help fund maintenance of Hill Close Gardens.  | £20,000 per annum will be credited to the Income & Expenditure account as part of the Council's budget setting process.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure   |
| <b>Homelessness Prevention Reserve</b>  | In March 2017, the Government announced that this Council would receive Flexible Homelessness Support Grant £275,000 in 2017/18 and £340,500 in 2018/19 towards Homelessness Prevention.   | It is recommended that the Head of Housing Services has delegated authority to draw down from the Reserve in conjunction with the Service Portfolio Holder, Head of Finance and Finance Portfolio Holder.   | This money is ring-fenced to prevent or deal with homelessness with the funding being allocated to the reserve until Council has determined how this money will be spent.  |
| <b>ICT Replacement Reserve</b> To provide finance for the Council's ICT Replacement programme   | This reserve has been established in order to provide certainty of finance for the Councils ICT replacement programme.   | The ICT Services Manager has delegated authority to spend from this reserve in consultation with the Head of Finance and relevant Portfolio Holders   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer and ICT Manager essentially three times a year a) when the Financial Strategy is updated b) at budget setting and c) final accounts where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. In addition the adequacy of the reserve is taken into account when revising the capital programme. |
| <b>Insurance Reserve</b> To provide finance to cover the Council's self insurance against potential claims and to pay for security improvements to the Council's General Fund properties. The reserve also holds sufficient funds to cover any potential claim with regard to the Municipal Mutual Insurance "clawback" re previous claims settled. | Self insurance claims and Security Improvements are charged to the service accounts and the comparable amount is credited to the General Fund from this reserve as part of the final accounts process.   | The Insurance Officer has authority to spend up to £15,000 ( £1,000 per project ) in any one year on security improvements. Items above these thresholds have to be authorised by the Head of Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year. | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.  |
| <b>Investment Volatility Reserve</b>  | Set up to capture a portion of the gain on corporate equity funds to be used to smooth possible future fluctuations  | Authority to spend from this reserve is delegated to the Head of Finance.   | The use of this reserve will be included within future Budget reports to be agreed by the Executive  |
| <b>Leisure Options Reserve</b>  | This reserve has been established to cover such items as the reduction in income whilst the Leisure Centre refurbishment programme is under way and also the first year and a half's debt charges arising from the prudential borrowing for this project. The reserve will also fund the re-profiling of the contractor concessions arising from the outsourcing of the Leisure Centres operation. | Authority to spend from this reserve is delegated to the Head of Finance in line with the actual lost income and debt charges incurred..  | The continuing need for the reserve will be reviewed by Finance in conjunction with the S151 Officer and Head of Cultural Services, and depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.  |
| <b>Local Plan Delivery Reserve</b>  | The reserve is used for items of work required to help the implementation of the Local Plan. This would include detailed work on a specific proposal to help turn it from a proposal to reality.   | Approval to spend from this reserve is delegated to the Chief Executive, Head of Finance and Head of Development Services in consultation with the Deputy Leader (Responsible for the Local Plan) and all group leaders.  | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.  |
| <b>Planning Investment Reserve</b>  | Creation of a reserve into which the 20% uplift in planning fees will be allocated.  | To be apportioned by the Head of Finance.   | The level and continuing need for the reserve is reviewed by Finance followed by a recommendation to the Executive can include increasing/decreasing the balance or complete closure   |

| Name of Reserve & Purpose  | Use of Reserve/Balance  | Management and Control  | Review Mechanism  |
|--|---|---|---|
| <b>Planning Reserve</b> Originally created to provide finance to cover the costs incurred by the Council with regard to appeals against its planning decisions. The Reserve also now pays for issues relating to planning policy, for example the costs associated with the Local Plan, and associated research. | Items to be financed from this reserve are charged to the Planning Service Account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.          | Approval for expenditure to be met from this reserve is proposed to be delegated to the Head of Development and Head of Finance, in consultation with the relevant portfolio holder. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.   |
| <b>Public Amenity Reserve</b>  | To provide finance for play area and public open space improvements   | The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any further upward variation in the contribution would have to be approved by the Executive either as part of a report on the particular scheme in question or as part of a revision of the capital programme during the budget monitoring process. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year. | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.   |
| <b>Public Open Spaces Planning Gain Reserve</b>  | Expenditure from this reserve will be charged to Service Accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.   | The Head of Neighbourhood Services, in agreement with the Head of Finance, has delegated authority to spend from this reserve.  | This reserve is reviewed during the final accounts process but as the reserve was created from S106 contributions which generally have conditions of use attached to them, levels and potential closure are not applicable  |
| <b>Rent Bond Scheme Reserve</b>  | Reserve established to assist households who are homeless, threatened with homelessness or in housing need by guaranteeing one month's rent to the landlord.  | Authority to spend from this reserve is delegated to the Head of Housing and Property Services.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.   |
| <b>Right to Bid Reserve</b>  | To provide finance to help meet compensation claims arising from the Council listing properties as Community Assets.  | It is proposed to close this reserve and transfer the balance to transfer the balance to Community Projects Reserve.  |   |
| <b>Right to Challenge Reserve</b>  | To provide finance to assist in dealing with bids from local communities etc. to take over running services from the Council.   | It is proposed to close this reserve and transfer the balance to transfer the balance to Community Projects Reserve.  |   |
| <b>Riverside House Maintenance Reserve</b>   | This reserve will be used to fund backlog maintenance on Riverside House.   | Approval to spend from this reserve is delegated to the Asset Manager and Head of Finance in consultation with the relevant portfolio holders.  | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure. It is expected that this reserve will be liquidated during 2016/17. |
| <b>Services Transformation Reserve</b>   | Reserve created to enable services to continue to be provided pending delivery of required savings and to finance "Fit for the Future" schemes so as to help the Council secure the savings needed in its medium term financial strategy. | The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.   |
| <b>Tourism Reserve</b> To provide finance for initiatives relating to the Council's on-going promotion of tourism  | Items to be financed from this reserve are charged to the Service Accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.  | Authority to spend delegated to Deputy Chief Executive in consultation with the Development Services Portfolio Holder, Finance Portfolio Holder and S 151 Officer.  | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure.   |
| <b>Housing Revenue Account</b>   |   |   |   |

| Name of Reserve & Purpose   | Use of Reserve/Balance   | Management and Control   | Review Mechanism   |
|---|--|--|--|
| <b>Housing Revenue Account</b> To provide a contingency reserve to protect the Housing Revenue Account against any unexpected, adverse, revenue or capital cash flows arising during the year.  | The balance will be applied as necessary to finance housing landlord revenue or capital budget variations.   | The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan.  | The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan . The Self Financing Business Plan is based on maintaining a minimum £1.25m balance.   |
| <b>HRA Early Retirement Reserve</b> To provide finance to cover the pension one off costs to the Housing Revenue Account as a result of the early retirement of Housing Service Officers and to provide finance to cover redundancy costs properly chargeable to the Housing Revenue Account. | Items to be financed from this reserve are charged to the Housing Revenue Account during the year and notified to Finance. An appropriate amount is then transferred to the Housing Revenue Account as part of the final accounts process. | Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.   | The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing/decreasing the balance or complete closure |
| <b>Housing Capital Investment Reserve</b> To provide finance for new build projects.  | To provide finance for new build projects.   | The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan in order to achieve the required number of new build homes. | The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan .  |
| <b>Major Repairs Reserve</b> To provide funding for major capital works to the Council's housing stock  | The relevant amount required to finance the Housing Revenue Account capital programme is transferred to the Capital Adjustment Account as part of the final accounts process.  | The contribution made from this reserve towards capital expenditure is dictated by the developing needs of the HRA Self Financing Business Plan and will be reviewed as part of the formal Business Plan governance process.   | The operation of this reserve will be reviewed as part of the ongoing monitoring of the Self Financing Business Plan..   |

**GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES**

**APPENDIX 5b**

| Reserve  | Use of Reserve 2018/19 to 2022/23   | Balance<br>1/4/2018<br>£000 | Estimated<br>Balance<br>1/4/2019<br>£000 | Estimated<br>Balance<br>1/4/2020<br>£000 | Estimated<br>Balance<br>1/4/2021<br>£000 | Estimated<br>Balance<br>1/4/2022<br>£000 | Estimated<br>Balance<br>1/4/2023<br>£000 |
|--|---|-----------------------------|--|--|--|--|--|
| <b><u>EARMARKED RESERVES</u></b>                   |   |                             |  |  |  |  |  |
| <b>Art Fund Reserve</b>                            | There is a recommendation in the budget report to close this reserve at the end of 2018/19 and transfer the balance to the Art Gallery Gift Reserve in order to rationalise the Art Gallery reserves.   | 75                          | 0  | 0  | 0  | 0  | 0  |
| <b>Art Gallery Gift Reserve</b>                    | Balance on this reserve now includes the monies transferred from the Art Fund Reserve. Currently there is no expenditure to be met from this reserve. External donations of approximately £1k per annum will be credited to this reserve.   | 57                          | 133                                      | 134                                      | 135                                      | 136                                      | 137                                      |
| <b>Building Control Reserve</b>                    | Approvals from this reserve currently cover marketing consultancy (£19k), scanning of paper files (£5k), future improvements to IT systems (£32k) and Building Control salary changes (£48k). Commitments relating to the foregoing not currently in the budgets will reduce the 1/4/2023 balance to £74k   | 139                         | 195                                      | 179                                      | 163                                      | 146                                      | 130                                      |
| <b>Business Rate Retention Volatility Reserve</b>  | Reserve set up to "smooth" receipt of business rate income  | 889                         | 4,775                                    | 5,511                                    | 4,928                                    | 4,076                                    | 3,434                                    |
| <b>Capital Investment Reserve</b>                  | This reserve is currently funding £1,077k of General Fund capital expenditure over the period 2018/19 to 2022/23. The reserve will receive top ups amounting to £800k over the same period in respect of RUCIS capital schemes funding. Included in the balance on the reserve is £200k committed to future Spencers Yard projects and £40k re the Asset Management Plan. Therefore the uncommitted balance on the reserve at 31/3/2023 is estimated to be £888k which is below the £1m minimum balance recommended for this reserve. | 1,249                       | 1,312                                    | 1,135                                    | 1,131                                    | 1,131                                    | 1,131                                    |
| <b>Car Park Displacement Reserve</b>               | substantial work is required to be carried out in respect of some of the Council's car parks in forthcoming years. There will be some costs for arranging alternative parking arrangements, along with possible loss of income.   | 100                         | 196                                      | 66                                       | 66                                       | 66                                       | 66                                       |
| <b>Car Parking Repairs and Maintenance Reserve</b> | Reserve created in order to provide resources for future years repairs and maintenance programmes. It is currently funding multi storey surveys, essential R & M, replacement pay & display ticket machines, fixed term business support and ranger officers.   | 732                         | 159                                      | 17                                       | -32                                      | 6  | 44                                       |
| <b>Cemetery Land Purchase Reserve</b>              | Reserve established to provide finance for the purchase of land for cemetery extensions. Currently no such purchases are included in the General Fund Capital Programme. Contributions to the reserve will be provided for by a surcharge imposed on out of area burial fees.   | 16                          | 16                                       | 16                                       | 16                                       | 16                                       | 16                                       |

**GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES**

**APPENDIX 5b**

| Reserve                                   | Use of Reserve 2018/19 to 2022/23   | Balance<br>1/4/2018<br>£000 | Estimated<br>Balance<br>1/4/2019<br>£000 | Estimated<br>Balance<br>1/4/2020<br>£000 | Estimated<br>Balance<br>1/4/2021<br>£000 | Estimated<br>Balance<br>1/4/2022<br>£000 | Estimated<br>Balance<br>1/4/2023<br>£000 |
|---|---|-----------------------------|--|--|--|--|--|
| <b>Commonwealth Games (Bowls) Reserve</b> | This reserve is currently funding the Project Manager salary costs and various ancillary costs. Taking into account future salary commitments the reserve is predicted to be negative by £53k by the end of 2022/23. However, depending on the receipt of future years New Homes Bonus allocations from it will be made to ensure that the reserve can meet its commitments.  | 0                           | 142                                      | 62                                       | 62                                       | 62                                       | 62                                       |
| <b>Community Forums Reserve</b>           | Reserve created from 2013/14 New Homes Bonus to provide finance for the Community Forum Grants.   | 33                          | 21                                       | 14                                       | 14                                       | 14                                       | 14                                       |
| <b>Community Projects Reserve</b>         | Reserve created from 2017/18 and 2018/19 New Homes Bonus to provide finance for various District wide community projects. Reserve will be topped up by £362k from the 2019/20 New Homes Bonus in order to ensure that it can continue to meet its current commitments. Allocations not currently factored into budgets are expected to reduce the balance on this reserve to £365k by the end of 2022/23.   | 627                         | 892                                      | 417                                      | 417                                      | 417                                      | 417                                      |
| <b>Corporate Assets Reserve</b>           | Reserve created from 2012/13 budget surplus to provide finance for refurbishing facilities following the Stock Condition Survey. An Executive report from April 2018 identified potential calls on this reserve amounting to £1.292m which is spent will reduce the balance on this reserve to £925k by the end of 2022/23. Drawdown from reserve subject to future Executive reports. The balance of £112k on the Energy Management Reserve will be transferred to this reserve at the end of 2018/19. | 2,379                       | 2,217                                    | 2,217                                    | 2,217                                    | 2,217                                    | 2,217                                    |
| <b>Covent Garden Multi Storey Reserve</b> | Reserve created from 2015/16 budget surplus to subsidise the lost car park income from Covent Garden MSCP until rebuilt following expected demolition as part of the New Offices project. The reserve will also cover the initial debt financing costs on borrowing to be taken out to finance the rebuild. No allocations from this reserve are currently included in the budgets but it is expected that the £900k balance will be extinguished by 2022/23.   | 900                         | 900                                      | 900                                      | 900                                      | 900                                      | 900                                      |



**GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES**

**APPENDIX 5b**

| Reserve                                       | Use of Reserve 2018/19 to 2022/23  | Balance<br>1/4/2018<br>£000 | Estimated<br>Balance<br>1/4/2019<br>£000 | Estimated<br>Balance<br>1/4/2020<br>£000 | Estimated<br>Balance<br>1/4/2021<br>£000 | Estimated<br>Balance<br>1/4/2022<br>£000 | Estimated<br>Balance<br>1/4/2023<br>£000 |
|---|--|-----------------------------|--|--|--|--|--|
| <b>Election Expenses Reserve</b>              | £35k per annum will be credited to the reserve to help defray the costs of the May 2023 election and £90,000 released to help pay for the May 2019 election.   | 75                          | 105                                      | 15                                       | 50                                       | 85                                       | 120                                      |
| <b>Energy Management Reserve</b>              | There is a recommendation in the budget report to close this reserve at the end of 2018/19 and transfer the balance to the Corporate Assets Reserve as this reserve is effectively redundant.  | 112                         | 0  | 0  | 0  | 0  | 0  |
| <b>Enterprise Projects Reserve</b>            | Reserve set up to "smooth" future years surplus/deficits, currently only contributions to the reserve are forecast   | 109                         | 145                                      | 181                                      | 217                                      | 253                                      | 289                                      |
| <b>Equipment Renewal Reserve</b>              | Projects will be approved by SMT, Chief Executive and relevant Portfolio Holders prior to going ahead. The reserve will receive top ups of £100k per annum in 2019/20, 2020/21, 2021/22 and 2022/23 and is being used to support a number of projects detailed in a separate appendix. If all projects contained in the appendix are approved and spent the reserve will have a negative balance of £234k approx. at the end of 2022/23. | 728                         | 618                                      | 681                                      | 745                                      | 810                                      | 889                                      |
| <b>General Fund Early Retirements Reserve</b> | This reserve is funding redundancy and early retirement costs in 18/19 resulting from the Revenues and Benefits and Asset Management functions Redesign.   | 164                         | 85                                       | 85                                       | 85                                       | 85                                       | 85                                       |
| <b>Harbury Lane Reserve</b>                   | This reserve will provide funding towards the proposed Travellers Site in Harbury Lane   | 84                          | 84                                       | 84                                       | 84                                       | 84                                       | 84                                       |
| <b>Hill Close Gardens Reserve</b>             | Reserve created from 15/16 New Homes Bonus and will be used to make payments to the Hill Close Gardens Trust for ongoing expenditure until exhausted in 2019/20.   | 40                          | 20                                       | 0  | 0  | 0  | 0  |
| <b>Homelessness Prevention Reserve</b>        | Government grants amounting to £529k will be received in 18/19 and 19/20 towards Homelessness Prevention. Allocations of £278k are due to be made from the reserve in 18/19 and 19/20. In addition there is a recommendation in the budget report to close the Rent Bond Reserve and transfer the £22k balance to this reserve.  | 267                         | 482                                      | 541                                      | 541                                      | 541                                      | 541                                      |
| <b>ICT Replacement Reserve</b>                | This reserve is to provide for planned ICT replacements and revenue costs. The reserve will be topped up by £1m between 2019/20 and 2022/23 but is currently projected to go negative at the end of 2021/22.   | 360                         | 41                                       | 73                                       | 50                                       | -130                                     | -284                                     |
| <b>Insurance Reserve</b>                      | This reserve will be used to cover self insurance against claims and to provide finance for security improvements as and when they arise.  | 289                         | 289                                      | 289                                      | 289                                      | 289                                      | 289                                      |
| <b>Investment Volatility Reserve</b>          | Set up to capture a portion of the gain on corporate equity funds to be used to smooth possible future fluctuations  | 100                         | 100                                      | 100                                      | 100                                      | 100                                      | 100                                      |
| <b>Leisure Options Reserve</b>                | Allocations from this reserve include cover for delayed contractor concession payments, compensation payments, project management salary costs and management fee payments. The reserve will also cover the £200k initial costs of proceeding to RIBA Stage 3 on phase 2 of the project which will reduce the balance on this reserve to £91k at the end of 2018/19.   | 1,490                       | 91                                       | 91                                       | 91                                       | 91                                       | 91                                       |

**GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES**

**APPENDIX 5b**

| Reserve   | Use of Reserve 2018/19 to 2022/23  | Balance<br>1/4/2018<br>£000 | Estimated<br>Balance<br>1/4/2019<br>£000 | Estimated<br>Balance<br>1/4/2020<br>£000 | Estimated<br>Balance<br>1/4/2021<br>£000 | Estimated<br>Balance<br>1/4/2022<br>£000 | Estimated<br>Balance<br>1/4/2023<br>£000 |
|---|--|-----------------------------|--|--|--|--|--|
| <b>Local Plan Delivery Reserve</b>              | The reserve is funding planning application fees (£50k) in respect of Gallows Hill and Europa Way, £29k for Kenilworth School valuations and £54k for Kenilworth Development Brief. In addition it is funding £66k of the Tachbrook Country Park capital budget. As a result this reserve will be exhausted at the end of 18/19. | 149                         | 0  | 0  | 0  | 0  | 0  |
| <b>Other Commuted Sums Reserve</b>              | Contributions of between £27k and £60k approx. will be made to the General Fund each year to fund maintenance of adopted land. In addition, the reserve will fund part of the cost of the Green Spaces Team Leader.  | 485                         | 424                                      | 395                                      | 367                                      | 339                                      | 313                                      |
| <b>Planning Appeal Reserve</b>                  | This is funding consultancy for Local Plan, HS2, Kenilworth development brief and site development officer salary etc. costs. Taking commitments not yet in the budgets into account, the reserve balance at 31/3/2023 is expected to be £312k.  | 409                         | 443                                      | 390                                      | 358                                      | 358                                      | 358                                      |
| <b>Planning Investment Reserve</b>              | This reserve will receive income amounting to £1.4m from 2018/19 to 2022/23 from the uplift in planning fees. Various posts e.g. temporary Senior EHO, Development Monitoring Officer, CIL Officer etc. are being funded from this reserve.  | 40                          | 170                                      | 274                                      | 443                                      | 613                                      | 784                                      |
| <b>Public Amenity Reserve</b>                   | This reserve will provide the finance for the play equipment capital programme and will be extinguished by the end of 19/20.   | 344                         | 27                                       | 0  | 0  | 0  | 0  |
| <b>Public Open Spaces Planning Gain Reserve</b> | Reserve receives S106 Planning Development contributions for one -off improvement of Public Open Spaces and is contributing £370k towards capital play area improvements after which it will be exhausted.   | 739                         | 370                                      | 0  | 0  | 0  | 0  |
| <b>Rent Bond Scheme Reserve</b>                 | There is a recommendation within the budget report to close this reserve at the end of 2018/19 and transfer the balance of £22k to the Homelessness Reserve as there is an element of duplication between the two reserves.  | 22                          | 0  | 0  | 0  | 0  | 0  |
| <b>Right to Bid Reserve</b>                     | As no expenditure has ever been financed from this reserve, there is a recommendation within the budget report to close this reserve at the end of 2018/19 and transfer the balance of £20k to the Community Projects Reserve. Any future expenditure which may occur can be met from the Contingency budget.                    | 20                          | 0  | 0  | 0  | 0  | 0  |
| <b>Right to Challenge Reserve</b>               | As no expenditure has ever been financed from this reserve, there is a recommendation within the budget report to close this reserve at the end of 2018/19 and transfer the balance of £26k to the Community Projects Reserve. Any future expenditure which may occur can be met from the Contingency budget.                    | 26                          | 0  | 0  | 0  | 0  | 0  |
| <b>Riverside House Maintenance Reserve</b>      | Reserve used to fund new door security system in 2018/19.  | 30                          | 11                                       | 11                                       | 11                                       | 11                                       | 11                                       |

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

| Reserve                                | Use of Reserve 2018/19 to 2022/23  | Balance<br>1/4/2018<br>£000 | Estimated<br>Balance<br>1/4/2019<br>£000 | Estimated<br>Balance<br>1/4/2020<br>£000 | Estimated<br>Balance<br>1/4/2021<br>£000 | Estimated<br>Balance<br>1/4/2022<br>£000 | Estimated<br>Balance<br>1/4/2023<br>£000 |
|--|--|-----------------------------|--|--|--|--|--|
| <b>Services Transformation Reserve</b> | Current approvals from this reserve include the New offices project, Priority Families, Temporary Car Parks Projects Manager and various other temporary posts, 2018 Womens and Mens Cycle Tours, Transforming Our Workplace etc. In addition, the reserve is funding £308k capital expenditure in 2018/19. The reserve will receive a top up of £500k from the 2019/20 New Homes Bonus. | 1,054                       | 246                                      | 565                                      | 511                                      | 459                                      | 446                                      |
| <b>Tourism Reserve</b>                 | Reserve established to help fund tourism initiatives within the District e.g. Warwick Town Council grant re Ambassador scheme.   | 29                          | 27                                       | 27                                       | 27                                       | 27                                       | 27                                       |
| <b>GENERAL FUND TOTAL</b>              |  | <b>14,361</b>               | <b>14,736</b>                            | <b>14,470</b>                            | <b>13,986</b>                            | <b>13,202</b>                            | <b>12,711</b>                            |

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

| Reserve                                   | Use of Reserve 2018/19 to 2022/23   | Balance<br>1/4/2018<br>£000 | Estimated<br>Balance<br>1/4/2019<br>£000 | Estimated<br>Balance<br>1/4/2020<br>£000 | Estimated<br>Balance<br>1/4/2021<br>£000 | Estimated<br>Balance<br>1/4/2022<br>£000 | Estimated<br>Balance<br>1/4/2023<br>£000 |
|---|---|-----------------------------|--|--|--|--|--|
| <b><u>BALANCES</u></b>                    |   |                             |  |  |  |  |  |
| <b>General Fund</b>                       | A core balance of around £1.5m will be maintained as a contingency reserve.   | 2,724                       | 1,698                                    | 1,495                                    | 1,495                                    | 1,495                                    | 1,495                                    |
| <b>HOUSING REVENUE ACCOUNT</b>            |   |                             |  |  |  |  |  |
| <b>Housing Capital Investment Reserve</b> | Under self financing, this reserve provides the finance for investment in new housing stock   | 29,091                      | 31,332                                   | 23,557                                   | 27,174                                   | 30,790                                   | 34,406                                   |
| <b>Housing Early Retirements Reserve</b>  | Contributions of £20k in each year will be made. The reserve is funding £25k redundancy and early retirement costs in respect of the Asset Management Team design in 18/19. | 27                          | 21                                       | 41                                       | 61                                       | 81                                       | 101                                      |
| <b>Housing Revenue Account</b>            | To provide a contingency reserve to protect the Housing Revenue Account against adverse in year revenue or capital cash flows arising from unexpected major repairs etc.    | 1,425                       | 1,425                                    | 1,425                                    | 1,425                                    | 1,425                                    | 1,425                                    |
| <b>Major Repairs Reserve</b>              | Under Self Financing this reserve provides the major element of funding for capital maintenance works to the Council's housing stock.                                       | 9,242                       | 7,764                                    | 7,223                                    | 9,365                                    | 11,504                                   | 13,641                                   |
| <b>HOUSING REVENUE ACCOUNT TOTAL</b>      |   | <b>39,785</b>               | <b>40,542</b>                            | <b>32,246</b>                            | <b>38,025</b>                            | <b>43,800</b>                            | <b>49,573</b>                            |

|   | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|   | £'000's | £'000's | £'000's | £'000's | £'000's | £'000's | £'000's | £'000's | £'000's | £'000's |
| <b>Microsoft Licences</b>                 |         |         |         |         |         |         |         |         |         |         |
| Microsoft Desktop Licences                | 81.3    | 95.5    | 95.5    | 95.5    | 112.2   | 112.2   | 112.2   | 131.9   | 131.9   | 131.9   |
| Microsoft Server Licences                 | 27.4    | 28.7    | 31.9    | 31.9    | 33.5    | 33.5    | 33.5    | 35.1    | 35.1    | 35.1    |
| <b>DataCentre</b>                         |         |         |         |         |         |         |         |         |         |         |
| ESX Servers (x 5)                         |         |         |         |         | 60      |         |         |         |         |         |
| C Class (inc SAN Switch, Ethernet Switch) |         |         | 30      |         |         |         |         | 33      |         |         |
| Fibre Switches (HP 24 Port)               |         |         | 15      |         |         |         |         | 17.5    |         |         |
| Storage Area Network (SAN)                |         |         | 125     |         |         |         |         | 130     |         |         |
| Backup Solution                           |         |         |         |         | 80      |         |         |         |         |         |
| UPS                                       |         | 12      |         |         |         |         | 13.5    |         |         |         |
| Physical Server Replacement               | 15      |         | 25      |         | 20      | 15      |         | 25      |         | 20      |
| Infrastructure (General)                  | 30      | 13.5    | 13.5    | 13.5    | 14.5    | 14.5    | 14.5    | 15      | 15      | 15      |
| <b>Network</b>                            |         |         |         |         |         |         |         |         |         |         |
| Network Devices LAN (Core)                |         |         |         | 150     |         |         |         |         | 150     |         |
| Network Devices WAN (Remote Sites)        |         |         |         | 35      |         |         |         |         | 35      |         |
| CyberSecurity (Firewalls, IPS/IDS)        |         |         |         | 35      |         |         |         |         | 35      |         |
| Network General                           | 25      | 13.5    | 13.5    | 13.5    | 14.5    | 14.5    | 14.5    | 15      | 15      | 15      |
| <b>Telephony</b>                          |         |         |         |         |         |         |         |         |         |         |
| VoIP Telephony                            |         | 75      |         |         |         |         | 80      |         |         |         |
| Contact Centre                            |         | 8       |         |         |         |         | 8       |         |         |         |
| <b>Desktop</b>                            |         |         |         |         |         |         |         |         |         |         |
| Desktop Infrastructure                    | 45      | 27      | 30      | 30      | 48      | 30      | 30      | 33      | 52      | 33      |
| View Servers (x 5)                        |         |         | 50      |         |         |         |         | 50      |         |         |
| Totals                                    | 223.7   | 273.2   | 429.4   | 404.4   | 382.7   | 219.7   | 306.2   | 485.5   | 469     | 250     |

**Equipment Renewal Schedule February 2019, by Year**

Appendix 7a

| <b><u>Portfolio</u></b>                       | <b><u>2016/17</u></b> | <b><u>2017/18</u></b> | <b><u>2018/19</u></b> | <b><u>2019/20</u></b> | <b><u>2020/21</u></b> | <b><u>2022/23</u></b> | <b><u>2023/24</u></b> | <b><u>2024/25</u></b> | <b><u>2025/26</u></b> | <b><u>2026/27</u></b> | <b><u>2028/29</u></b> | <b><u>Grand Total</u></b> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|---------------------------|
| Chief Exec - Media Team                       |                       |                       |                       |                       |                       | 205                   |                       |                       |                       |                       |                       | 205                       |
| Culture                                       |                       |                       | 571                   | 65                    | 95                    | 110                   |                       |                       |                       |                       |                       | 841                       |
| Health and Community Protection - Environment | 16                    |                       | 20                    |                       |                       | 10                    | 6                     |                       | 10                    | 5                     |                       | 67                        |
| Strategic Leadership - CST                    |                       |                       | 5                     |                       |                       |                       |                       |                       |                       |                       | 5                     | 10                        |
| Strategic Leadership - Member Services        |                       |                       | 24                    | 11                    |                       |                       |                       | 40                    |                       |                       |                       | 75                        |
| Strategic Leadership - Property Services      |                       | 7                     | 7                     |                       |                       |                       |                       |                       |                       |                       |                       | 14                        |
| <b>Grand Total</b>                            | <b>16</b>             | <b>7</b>              | <b>627</b>            | <b>76</b>             | <b>95</b>             | <b>325</b>            | <b>6</b>              | <b>40</b>             | <b>10</b>             | <b>5</b>              | <b>5</b>              | <b>1,212</b>              |

**Equipment Renewal Schedule February 2019, by Year****Appendix 7b**

| <b>Year and Description</b>   | <b>£'000s</b>                       |
|---|-------------------------------------|
| <b>2016/17</b>  | <b>16</b>                           |
| 1 Monitor Labs Nox Monitor - Mn9841 With Floppy Drive                         | 8 ) previous years not drawn down y |
| 1 Monitor Labs Nox Monitor - Mn9841A  | 8 )                                 |
| <b>2017/18</b>  | <b>7</b>                            |
| Cad System  | 7 previous years not drawn down y   |
| <b>2018/19</b>  | <b>627</b>                          |
| B&K 2250 sound Level Meter/ Matron & calibrator( yellow)                      | 10                                  |
| 3 Scanners for Individual electoral registration forms and postal vote applic | 24                                  |
| Cad System  | 7                                   |
| Fujitsu fi-5750C scanner  | 5                                   |
| Noise Equipment 2250 (Green) SLM  | 10                                  |
| R.P.R. Ag&M - Local History Gallery Refurbishment (WDC assumed external       | 100                                 |
| Replacement Carpet - St Nicholas Park LC All Weather Pitch                    | 350                                 |
| Town Hall chairs  | 40                                  |
| Victoria Park Tennis Courts resurfacing                                       | 75                                  |
| Hammer Cage Netting Edmondscote Track   | 6                                   |
| <b>2019/20</b>  | <b>76</b>                           |
| 250 ballot boxes  | 11                                  |
| Refurbishments of Abbey Fields Tennis Courts                                  | 65                                  |
| <b>2020/21</b>  | <b>95</b>                           |
| Beachamp Gardens Tennis Courts  | 55                                  |
| digital projector   | 40                                  |
| <b>2022/23</b>  | <b>325</b>                          |
| B&K 2250 sound Level Meter/ Matron & calibrator( red)                         | 10                                  |
| Replacement sound desk and lighting - Spa Centre                              | 110                                 |
| MFDs (Multi Functional Devices), plus Colour Copier                           | 205                                 |
| <b>2023/24</b>  | <b>6</b>                            |
| 1 Monitor Labs 03 Monitor - MI9812  | 6                                   |
| <b>2024/25</b>  | <b>40</b>                           |
| 150 packflat polling screens  | 40                                  |
| <b>2025/26</b>  | <b>10</b>                           |
| B&K 2250 sound Level Meter/ Matron & calibrator( blue)                        | 10                                  |
| <b>2026/27</b>  | <b>5</b>                            |
| Portable Weather Station  | 5                                   |
| <b>2028/29</b>  | <b>5</b>                            |
| Fujitsu fi-5750C scanner  | 5                                   |
| <b>Grand Total</b>  | <b>1,212</b>                        |

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**CAPITAL VARIATIONS****Appendix 8**

|  | 2018/19<br>£'000's | 2019/20<br>£'000's | 2020/21<br>£'000's | 2021/22<br>£'000's | 2022/23<br>£'000's | TOTAL<br>£'000's |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| <b>ORIGINAL BUDGETS PER 2018/19 BUDGET BOOK:</b> |                    |                    |                    |                    |                    |                  |
| <b>Original General Fund Capital Budgets</b>     | 4,655.8            | 441.0              | 379.0              | 482.0              | <b>Not</b>         | <b>5,957.8</b>   |
| <b>Original Housing Investment Programme</b>     | 6,707.1            | 5,462.6            | 5,465.4            | 5,468.2            | <b>Published</b>   | <b>23,103.3</b>  |
| <b>TOTAL</b>                                     | <b>11,362.9</b>    | <b>5,903.6</b>     | <b>5,844.4</b>     | <b>5,950.2</b>     |                    | <b>29,061.1</b>  |

|  |                |              |              |              |                          |                |
|--|----------------|--------------|--------------|--------------|--------------------------|----------------|
| <b>ORIGINAL GENERAL FUND CAPITAL BUDGETS<br/>PER 2018/19 BUDGET BOOK</b>   | <b>4,655.8</b> | <b>441.0</b> | <b>379.0</b> | <b>482.0</b> | <b>Not<br/>Published</b> | <b>5,957.8</b> |
| Items slipped from 2017/18 and added to 2018/19<br>Budgets (see Final Accounts Report 2017/18 for detail<br>on individual schemes - Approved by Executive<br><b>25/07/18</b> ) | 7,004.2        | N/A          | N/A          | N/A          | N/A                      | <b>7,004.2</b> |
| Items brought forward from 2018/19 to 2017/18 (see<br>Final Accounts Report 2017/18 for detail on individual<br>schemes- Approved by Executive <b>25/07/18</b> )               |                | N/A          | N/A          | N/A          | N/A                      |                |
| <b>TOTAL adjustments arising from Final Accounts<br/>Report:</b>   | <b>7,004.2</b> | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>               | <b>7,004.2</b> |

**INCREASES TO SCHEMES:**

|                                   |              |              |  |             |              |                |
|-----------------------------------|--------------|--------------|--|-------------|--------------|----------------|
| Recycling & Refuse Containers     | 37.5         |              |  |             |              | <b>37.5</b>    |
| Desktop Infrastructure            |              |              |  | 50.0        | 30.0         | <b>80.0</b>    |
| Infrastructure Replacement        | 17.1         |              |  |             |              | <b>17.1</b>    |
| Infrastructure General            |              | 16.5         |  |             | 13.5         | <b>30.0</b>    |
| Network                           | 3.2          | 11.5         |  |             | 233.5        | <b>248.2</b>   |
| Rural & Urban Initiatives         | 50.0         |              |  |             |              | <b>50.0</b>    |
| Play Area Improvement Programme   |              | 470.0        |  |             |              | <b>470.0</b>   |
| Leamington Parking Displacement   | 100.0        | 50.0         |  |             |              | <b>150.0</b>   |
| <b>TOTAL Increase to Schemes:</b> | <b>207.8</b> | <b>548.0</b> |  | <b>50.0</b> | <b>277.0</b> | <b>1,082.8</b> |

**NEW APPROVALS:**

|  |                |                |             |             |              |                 |
|--|----------------|----------------|-------------|-------------|--------------|-----------------|
| Car Park Pay & Display Machines  | 325.0          |                |             |             |              | <b>325.0</b>    |
| Rural & Urban Initiatives  |                |                |             |             | 150.0        | <b>150.0</b>    |
| Recycling & Refuse Containers  |                |                |             |             | 80.0         | <b>80.0</b>     |
| Leisure Centre Refurb Phase 2- Kenilworth                              | 200.0          | 550.0          |             |             |              | <b>750.0</b>    |
| Whitnash Community Hub   | 115.5          | 500.0          |             |             |              | <b>615.5</b>    |
| Czech Memorial Restoration Project                                     | 25.0           |                |             |             |              | <b>25.0</b>     |
| Warwick Town Wall  |                | 100.0          |             |             |              | <b>100.0</b>    |
| 2nd warwick Sea Scouts' Headquarters                                   |                | 150.0          |             |             |              | <b>150.0</b>    |
| Norton Lindsey New Village Hall  | 85.0           | 190.0          |             |             |              | <b>275.0</b>    |
| Kenilworth Wardens Relocation  | 400.0          |                |             |             |              | <b>400.0</b>    |
| Ryl Pump Rooms Public Toilets Upgrade--May 18                          | 150.0          |                |             |             |              | <b>150.0</b>    |
| Ryl Pump Rooms Public Toilets Upgrade- Oct 18 Exec.                    | 70.0           |                |             |             |              | <b>70.0</b>     |
| Community Stadium Project  |                | 44.8           | 44.8        | 44.8        | 44.8         | <b>179.2</b>    |
| Europa Way Spine Road Loan   | 4,442.0        |                |             |             |              | <b>4,442.0</b>  |
| Kenilworth School Relocation to South Crest Farm                       | 100.0          |                |             |             |              | <b>100.0</b>    |
| Kenilworth School Loan   | 1,000.0        |                |             |             |              | <b>1,000.0</b>  |
| CCTV replacement system  |                | 1,000.0        |             |             |              | <b>1,000.0</b>  |
| St Mary's Lands Masterplan Cycleway                                    | 200.0          | 135.0          |             |             |              | <b>335.0</b>    |
| St Mary's Lands Masterplan MUGA @ RCW                                  | 70.0           |                |             |             |              | <b>70.0</b>     |
| St Mary's Lands Masterplan Corps Of Drums                              | 25.0           |                |             |             |              | <b>25.0</b>     |
| St Mary's Lands Masterplan Extension to Bread &<br>Meat Close Car Park | 40.0           | 50.0           |             |             |              | <b>90.0</b>     |
| St Mary's Lands Masterplan Main Entrance<br>Improvements               | 50.0           |                |             |             |              | <b>50.0</b>     |
| St Mary's Lands Masterplan Reservoir Enhancement                       |                |                | 5.0         |             |              | <b>5.0</b>      |
| St Mary's Lands Masterplan Jubilee Wood<br>Improvements                |                |                | 5.0         |             |              | <b>5.0</b>      |
| St Mary's Lands Masterplan Improve Drainage to<br>Playing Fields       |                |                | 15.0        |             |              | <b>15.0</b>     |
| St Mary's Lands Masterplan Maintenance &<br>Management Plan            | 10.0           | 30.0           |             |             |              | <b>40.0</b>     |
| <b>TOTAL New Approvals:</b>  | <b>7,307.5</b> | <b>2,749.8</b> | <b>69.8</b> | <b>44.8</b> | <b>274.8</b> | <b>10,446.7</b> |

**CAPITAL VARIATIONS**

**Appendix 8**

|  | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | TOTAL   |
|--|---------|---------|---------|---------|---------|---------|
|  | £'000's | £'000's | £'000's | £'000's | £'000's | £'000's |
|  |         |         |         |         |         |         |

**CAPITAL VARIATIONS****Appendix 8**

|  | 2018/19<br>£'000's | 2019/20<br>£'000's | 2020/21<br>£'000's | 2021/22<br>£'000's | 2022/23<br>£'000's | TOTAL<br>£'000's |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| <b>TOTAL General Fund New/Increases to Capital Approvals during 2018/19:</b> | <b>7,515.3</b>     | <b>3,297.8</b>     | <b>69.8</b>        | <b>94.8</b>        | <b>551.8</b>       | <b>11,529.5</b>  |

**SLIPPAGE/BUDGET B/FWD** - Changes to start dates or delays on projects mean that it is proposed to slip resources into future years/bring forward from future years - identified as part of budget review

|   |               |              |          |          |          |          |
|---|---------------|--------------|----------|----------|----------|----------|
| Desktop Infrastructure  | 6.0           | -6.0         |          |          |          | -        |
| Infrastructure Replacement  | 40.0          | -40.0        |          |          |          |          |
| Transforming Our Workplace  | -20.0         | 20.0         |          |          |          |          |
| St John's Flood Alleviation   | -100.0        | 100.0        |          |          |          | -        |
| Leamington Parking Displacement                                       | -130.0        | 130.0        |          |          |          | -        |
| St Mary's Lands Masterplan Cycleway                                   | -150.0        | 150.0        |          |          |          |          |
| St Mary's Lands Masterplan Extension to Bread & Meat Close Car Park   | -40.0         | 40.0         |          |          |          |          |
| St Mary's Lands Masterplan Main Entrance Improvements                 | -50.0         | 50.0         |          |          |          |          |
| Castle Farm Sports Pitch Drainage                                     | -73.0         | 73.0         |          |          |          | -        |
| <b>TOTAL General Fund Capital Slippage identified during 2018/19:</b> | <b>-517.0</b> | <b>517.0</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |

**SCHEMES DELETED / REDUCED / SAVINGS:**

|   |               |              |  |  |          |               |
|---|---------------|--------------|--|--|----------|---------------|
| Infrastructure General                            | -12.5         |              |  |  |          | <b>-12.5</b>  |
| Desktop Infrastructure                            |               | -22.0        |  |  |          | <b>-22.0</b>  |
| St. Peter's Multi-Storey Car Park Structural Work | -120.0        |              |  |  |          | <b>-120.0</b> |
| Broadband UK                                      | -7.5          |              |  |  |          | <b>-7.5</b>   |
| PA System In Council Chamber--now revenue         | -45.0         |              |  |  |          | <b>-45.0</b>  |
| Play Area Improvement Schemes                     | -12.2         | -34.0        |  |  |          | <b>-46.2</b>  |
| Recycling & Refuse Containers                     | -14.5         |              |  |  |          | <b>-14.5</b>  |
| <b>TOTAL General Fund Reductions / Savings:</b>   | <b>-211.7</b> | <b>-56.0</b> |  |  | <b>-</b> | <b>-267.7</b> |

|   |                 |                |              |              |              |                 |
|---|-----------------|----------------|--------------|--------------|--------------|-----------------|
| <b>PROPOSED GENERAL FUND CAPITAL PROGRAMME FOR 2019/20 BUDGET BOOK:</b> | <b>18,446.6</b> | <b>4,199.8</b> | <b>448.8</b> | <b>576.8</b> | <b>551.8</b> | <b>24,223.8</b> |
|---|-----------------|----------------|--------------|--------------|--------------|-----------------|

**CAPITAL VARIATIONS****Appendix 8**

|  | 2018/19<br>£'000's | 2019/20<br>£'000's | 2020/21<br>£'000's | 2021/22<br>£'000's | 2022/23<br>£'000's       | TOTAL<br>£'000's |
|--|--------------------|--------------------|--------------------|--------------------|--------------------------|------------------|
| <b>Original Housing Investment Programme (HIP)<br/>Budgets Per 2018/19 Budget Book</b> | <b>6,707.1</b>     | <b>5,462.6</b>     | <b>5,465.4</b>     | <b>5,468.2</b>     | <b>Not<br/>Published</b> | <b>23,103.3</b>  |

**Items slipped from 2017/18 and added to  
2018/19 Budgets**(Final Accounts Report 2017/18 for detail on  
individual schemes - Approved by Executive**Total HIP Slippage Final Accounts 2018/19****New Schemes:****HRA Improvement/Renewal Works:****Improvement / Renewal Works:**

|  |                |                |             |             |                |                |
|--|----------------|----------------|-------------|-------------|----------------|----------------|
| Aids & Adaptations                                 |                |                |             |             | 647.1          | <b>647.1</b>   |
| Roof Coverings                                     | 484.9          | 969.9          |             |             | 147.7          | <b>1,602.5</b> |
| Defective Flooring                                 | 2.7            | 2.7            | 2.7         | 2.7         | 59.3           | <b>70.1</b>    |
| Door Entry/Security/Safety Systems                 | 8.6            | 8.6            | 8.6         | 8.6         | 150.0          | <b>184.4</b>   |
| Window/Door Replacement                            | 157.0          | 314.0          |             |             | 373.4          | <b>844.4</b>   |
| Kitchen Fittings / Sanitaryware Replacement        | 207.4          | 414.9          |             |             | 808.1          | <b>1,430.4</b> |
| Electrical Fitments / Rewiring                     |                |                |             |             | 612.4          | <b>612.4</b>   |
| Central Heating Replacement                        |                |                |             |             | 1,239.8        | <b>1,239.8</b> |
| Water Services                                     |                |                |             |             | 9.1            | <b>9.1</b>     |
| Structural Improvements                            |                |                |             |             | 19.7           | <b>19.7</b>    |
| Improved Ventilation                               |                |                |             |             | 4.7            | <b>4.7</b>     |
| Thermal Improvement Works                          | 188.5          | 377.1          |             |             | 141.3          | <b>706.9</b>   |
| Major Garage Works                                 |                |                |             |             | 24.6           | <b>24.6</b>    |
| Environmental Works                                |                |                |             |             | 75.0           | <b>75.0</b>    |
| Environmental Works: Tenant Participation Projects |                |                |             |             | 37.7           | <b>37.7</b>    |
| Fire safety in high-rise properties                | 1,340.0        | 610.0          |             |             |                | <b>1,950.0</b> |
| Capital Salaries                                   |                |                |             |             | 289.0          | <b>289.0</b>   |
| <b>Total HIP New Schemes 2018/19</b>               | <b>2,389.1</b> | <b>2,697.2</b> | <b>11.3</b> | <b>11.3</b> | <b>4,638.9</b> | <b>9,747.8</b> |

**Increases To Schemes:****Construction / Acquisition of Housing:**

|                                    |                |                 |  |  |  |                 |
|------------------------------------|----------------|-----------------|--|--|--|-----------------|
| Repurchase of Ex-Council Housing   | 170.1          |                 |  |  |  | <b>170.1</b>    |
| Beauchamp House / Coton End        | 1,350.0        |                 |  |  |  | <b>1,350.0</b>  |
| Cloister Way House Purchases       | 825.3          |                 |  |  |  | <b>825.3</b>    |
| Purchase of property               |                | 3,840.0         |  |  |  | <b>3,840.0</b>  |
| Purchase of Land                   |                | 11,000.0        |  |  |  | <b>11,000.0</b> |
| <b>Total HIP Increases 2018/19</b> | <b>2,345.4</b> | <b>14,840.0</b> |  |  |  | <b>17,185.4</b> |

**SCHEMES DELETED / REDUCED / SAVINGS:**

|  |               |               |               |               |  |                 |
|--|---------------|---------------|---------------|---------------|--|-----------------|
| Energy Efficiency Grants                 | -5.0          | -5.0          | -5.0          | -5.0          |  | <b>-20.0</b>    |
| Discretionary Grants                     | -50.0         | -50.0         | -50.0         | -50.0         |  | <b>-200.0</b>   |
| Discretionary Loans                      | -5.7          | -5.7          | -5.7          | -5.7          |  | <b>-22.8</b>    |
| Care & Repair                            | -10.0         | -10.0         | -10.0         | -10.0         |  | <b>-40.0</b>    |
| Mandatory Disabled Facilities Grants     | -750.2        | -750.2        | -750.2        | -750.2        |  | <b>-3,000.8</b> |
| Discretionary Disabled facilities Loans  | -11.4         | -11.4         | -11.4         | -11.4         |  | <b>-45.6</b>    |
| Discretionary Disabled facilities Grants | -11.2         | -11.2         | -11.2         | -11.2         |  | <b>-44.8</b>    |
| <b>Total HIP Decreases 2018/19</b>       | <b>-843.5</b> | <b>-843.5</b> | <b>-843.5</b> | <b>-843.5</b> |  | <b>-3,374.0</b> |

|  |                 |                 |                |                |                |                 |
|--|-----------------|-----------------|----------------|----------------|----------------|-----------------|
| <b>Proposed Housing Investment Programme<br/>Budgets For 2019/20 Budget Book</b> | <b>10,598.1</b> | <b>22,156.3</b> | <b>4,633.2</b> | <b>4,636.0</b> | <b>4,638.9</b> | <b>46,662.5</b> |
|--|-----------------|-----------------|----------------|----------------|----------------|-----------------|

|   | Latest<br>Budget<br>2018/19 | Proposed<br>Expend.<br>2019/20 | Proposed<br>Expend.<br>2020/21 | Proposed<br>Expend.<br>2021/22 | Proposed<br>Expend.<br>2022/23 | TOTAL<br>2018/19 to<br>2022/23 |
|---|-----------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|   | £'000's                     | £'000's                        | £'000's                        | £'000's                        | £'000's                        | £'000's                        |
| <b>CAPITAL PROGRAMME SUMMARY</b>                                    |                             |                                |                                |                                |                                |                                |
| Strategic Leadership & CWLEP  | 414.8                       | 129.0                          | 149.0                          | 302.0                          | 277.0                          | 1,271.8                        |
| Health & Community Protection                                       | 647.4                       | 600.0                          |                                |                                |                                | 1,247.4                        |
| Culture Portfolio   | 3,250.1                     | 623.0                          |                                |                                |                                | 3,873.1                        |
| Finance Portfolio   | 200.0                       | 150.0                          | 150.0                          | 150.0                          | 150.0                          | 800.0                          |
| Neighbourhood Portfolio   | 2,972.0                     | 758.0                          | 80.0                           | 80.0                           | 80.0                           | 3,970.0                        |
| Development Portfolio   | 10,962.3                    | 1,939.8                        | 69.8                           | 44.8                           | 44.8                           | 13,061.5                       |
| <b>TOTAL GENERAL FUND CAPITAL PROGRAMME</b>                         | <b>18,446.6</b>             | <b>4,199.8</b>                 | <b>448.8</b>                   | <b>576.8</b>                   | <b>551.8</b>                   | <b>24,223.8</b>                |
| <b>STRATEGIC LEADERSHIP &amp; CWLEP</b>                             |                             |                                |                                |                                |                                |                                |
| Desktop Infrastructure  | 33.2                        | 39.0                           | 27.0                           | 80.0                           | 30.0                           | 209.2                          |
| Infrastructure Replacement  | 57.1                        |                                |                                |                                |                                | 57.1                           |
| Infrastructure General  | 12.5                        | 30.0                           | 13.5                           | 13.5                           | 13.5                           | 83.0                           |
| Backup Solution   | 80.0                        |                                |                                |                                |                                | 80.0                           |
| Voice of IP telephone system  |                             |                                | 75.0                           |                                |                                | 75.0                           |
| Storage Area Network (SAN)  |                             |                                |                                | 170.0                          |                                | 170.0                          |
| Network Devices LAN & WAN   | 15.7                        | 25.0                           | 13.5                           | 13.5                           | 233.5                          | 301.2                          |
| Contact Centre  |                             |                                | 8.0                            |                                |                                | 8.0                            |
| Physical Server Replacement   | 20.0                        | 15.0                           |                                | 25.0                           |                                | 60.0                           |
| UPS   |                             |                                | 12.0                           |                                |                                | 12.0                           |
| Public Services Network Changes                                     | 3.0                         |                                |                                |                                |                                | 3.0                            |
| Broadband UK  | 142.3                       |                                |                                |                                |                                | 142.3                          |
| Transforming Our Workplace  | 51.0                        | 20.0                           |                                |                                |                                | 71.0                           |
|   | <b>414.8</b>                | <b>129.0</b>                   | <b>149.0</b>                   | <b>302.0</b>                   | <b>277.0</b>                   | <b>1,271.8</b>                 |
| <b>HEALTH &amp; COMMUNITY PROTECTION</b>                            |                             |                                |                                |                                |                                |                                |
| St John's Flood Alleviation   |                             | 100.0                          |                                |                                |                                | 100.0                          |
| Whitnash Community Hub  | 647.4                       | 500.0                          |                                |                                |                                | 1,147.4                        |
| <b>TOTAL HEALTH &amp; COMMUNITY PROTECTION PORTFOLIO</b>            | <b>647.4</b>                | <b>600.0</b>                   |                                |                                |                                | <b>1,247.4</b>                 |
| <b>CULTURE PORTFOLIO</b>  |                             |                                |                                |                                |                                |                                |
| Castle Farm Sports Pitch Drainage                                   |                             | 73.0                           |                                |                                |                                | 73.0                           |
| Leisure Refurbishments  | 2,741.1                     |                                |                                |                                |                                | 2,741.1                        |
| Leisure Centre Benches, Cycle Racks etc.                            | 14.0                        |                                |                                |                                |                                | 14.0                           |
| Leisure Centre Refurb Phase 2 Kenilworth                            | 200.0                       | 550.0                          |                                |                                |                                | 750.0                          |
| RSC Sound System  | 75.0                        |                                |                                |                                |                                | 75.0                           |
| Royal Pump Rooms Public Toilet Upgrade                              | 220.0                       |                                |                                |                                |                                | 220.0                          |
| <b>TOTAL CULTURE PORTFOLIO</b>                                      | <b>3,250.1</b>              | <b>623.0</b>                   |                                |                                |                                | <b>3,873.1</b>                 |
| <b>FINANCE PORTFOLIO</b>  |                             |                                |                                |                                |                                |                                |
| Rural & Urban Initiatives   | 200.0                       | 150.0                          | 150.0                          | 150.0                          | 150.0                          | 800.0                          |
| <b>TOTAL FINANCE PORTFOLIO</b>                                      | <b>200.0</b>                | <b>150.0</b>                   | <b>150.0</b>                   | <b>150.0</b>                   | <b>150.0</b>                   | <b>800.0</b>                   |
| <b>NEIGHBOURHOOD PORTFOLIO</b>                                      |                             |                                |                                |                                |                                |                                |
| Leamington Parking Displacement                                     | 644.0                       | 180.0                          |                                |                                |                                | 824.0                          |
| Car Park Pay & Display Machines                                     | 325.0                       |                                |                                |                                |                                | 325.0                          |
| Recycling & Refuse Containers                                       | 103.0                       | 80.0                           | 80.0                           | 80.0                           | 80.0                           | 423.0                          |
| Play Area Improvement Programme                                     | 568.6                       | 498.0                          |                                |                                |                                | 1,066.6                        |
| Pump Rooms Gardens Restoration                                      | 1,206.4                     |                                |                                |                                |                                | 1,206.4                        |
| Tach Brook Country Park   | 100.0                       |                                |                                |                                |                                | 100.0                          |
| Czech Memorial Restoration Project                                  | 25.0                        |                                |                                |                                |                                | 25.0                           |
| <b>TOTAL NEIGHBOURHOOD PORTFOLIO</b>                                | <b>2,972.0</b>              | <b>758.0</b>                   | <b>80.0</b>                    | <b>80.0</b>                    | <b>80.0</b>                    | <b>3,970.0</b>                 |
| <b>DEVELOPMENT PORTFOLIO</b>  |                             |                                |                                |                                |                                |                                |
| Warwick Town Wall   |                             | 100.0                          |                                |                                |                                | 100.0                          |
| 2nd Warwick Sea Scouts' Headquarters                                | 49.8                        | 150.0                          |                                |                                |                                | 199.8                          |
| Norton Lindsey Community Hub  | 38.5                        |                                |                                |                                |                                | 38.5                           |
| Norton Lindsey New Village Hall                                     | 85.0                        | 190.0                          |                                |                                |                                | 275.0                          |
| Newbold Comyn Arms loan   | 350.0                       |                                |                                |                                |                                | 350.0                          |
| Playbox Theatre loan  | 100.0                       |                                |                                |                                |                                | 100.0                          |
| Stoneleigh Arms Public House Acquisition                            | 710.0                       |                                |                                |                                |                                | 710.0                          |
| Kenilworth Wardens Relocation                                       | 400.0                       |                                |                                |                                |                                | 400.0                          |
| Europa Way Purchase   | 3,532.0                     | 44.8                           | 44.8                           | 44.8                           | 44.8                           | 3,711.2                        |
| Europa Way Spine Road Loan  | 4,442.0                     |                                |                                |                                |                                | 4,442.0                        |
| Kenilworth School Relocation to South Crest Farm--Grant             | 100.0                       |                                |                                |                                |                                | 100.0                          |
| Kenilworth School Loan  | 1,000.0                     |                                |                                |                                |                                | 1,000.0                        |
| CCTV Replacement System   |                             | 1,000.0                        |                                |                                |                                | 1,000.0                        |
| St Mary's Lands Masterplan Cycleway                                 | 50.0                        | 285.0                          |                                |                                |                                | 335.0                          |
| St Mary's Lands Masterplan MUGA @ RCW                               | 70.0                        |                                |                                |                                |                                | 70.0                           |
| St Mary's Lands Masterplan Corps Of Drums Loan                      | 25.0                        |                                |                                |                                |                                | 25.0                           |
| St Mary's Lands Masterplan Extension To Bread & Meat Close Car Park |                             | 90.0                           |                                |                                |                                | 90.0                           |
| St Mary's Lands Masterplan Main Entrance Improvements               |                             | 50.0                           |                                |                                |                                | 50.0                           |
| St Mary's Lands Masterplan Reservoir Enhancement                    |                             |                                | 5.0                            |                                |                                | 5.0                            |
| St Mary's Lands Masterplan Jubilee Wood Improvements                |                             |                                | 5.0                            |                                |                                | 5.0                            |
| St Mary's Lands Masterplan Improve Drainage to Playing Fields       |                             |                                | 15.0                           |                                |                                | 15.0                           |
| St Mary's Lands Masterplan Maintenance & Management Plan            | 10.0                        | 30.0                           |                                |                                |                                | 40.0                           |
| <b>TOTAL DEVELOPMENT PORTFOLIO</b>                                  | <b>10,962.3</b>             | <b>1,939.8</b>                 | <b>69.8</b>                    | <b>44.8</b>                    | <b>44.8</b>                    | <b>13,061.5</b>                |

**Housing Investment Programme (HIP) 2018/19 to 2022/23**

|   | <b>Proposed<br/>Expend.<br/>2018/19<br/>£'000's</b> | <b>Proposed<br/>Expend.<br/>2019/20<br/>£'000's</b> | <b>Proposed<br/>Expend.<br/>2020/21<br/>£'000's</b> | <b>Proposed<br/>Expend.<br/>2021/22<br/>£'000's</b> | <b>Proposed<br/>Expend.<br/>2022/23<br/>£'000's</b> |
|---|---|---|---|---|---|
| <b>Housing Revenue Account (HRA) Related HIP Expenditure:</b> |   |   |   |   |   |
| Construction / Acquisition of Housing                         | 2,345.4   | 14,840.0  |   |   |   |
| Improvement / Renewal Works                                   | 8,252.7   | 7,316.3   | 4,633.2   | 4,636.0   | 4,638.9   |
| <b>Total Housing Revenue Account Related HIP</b>              | <b>10,598.1</b>                                     | <b>22,156.3</b>                                     | <b>4,633.2</b>                                      | <b>4,636.0</b>                                      | <b>4,638.9</b>                                      |

**Housing General Fund Related HIP Expenditure:**

Improvement Schemes (Private Sector Housing)

**Total Housing General Fund Related HIP**

|   |                 |                 |                |                |                |
|---|-----------------|-----------------|----------------|----------------|----------------|
| <b>Total Housing Investment Programme (HIP)</b> | <b>10,598.1</b> | <b>22,156.3</b> | <b>4,633.2</b> | <b>4,636.0</b> | <b>4,638.9</b> |
|---|-----------------|-----------------|----------------|----------------|----------------|

**Housing Revenue Account Related HIP Expenditure:****Construction / Acquisition of Housing:**

|  |                |                 |  |  |  |
|--|----------------|-----------------|--|--|--|
| Repurchase of Ex-Council Housing                   | 170.1          |                 |  |  |  |
| Beauchamp House / Coton End                        | 1,350.0        |                 |  |  |  |
| Cloister Way House Purchases                       | 825.3          |                 |  |  |  |
| Purchase of property                               |                | 3,840.0         |  |  |  |
| Purchase of Land                                   |                | 11,000.0        |  |  |  |
| <b>Total Construction / Acquisition of Housing</b> | <b>2,345.4</b> | <b>14,840.0</b> |  |  |  |

**Improvement / Renewal Works:**

|  |                 |                 |                |                |                |
|--|-----------------|-----------------|----------------|----------------|----------------|
| Aids & Adaptations                                 | 647.1           | 647.1           | 647.1          | 647.1          | 647.1          |
| Roof Coverings                                     | 632.6           | 1,117.6         | 147.7          | 147.7          | 147.7          |
| Defective Flooring                                 | 59.3            | 59.3            | 59.3           | 59.3           | 59.3           |
| Door Entry/Security/Safety Systems                 | 150.0           | 150.0           | 150.0          | 150.0          | 150.0          |
| Window/Door Replacement                            | 530.4           | 687.4           | 373.4          | 373.4          | 373.4          |
| Kitchen Fittings / Sanitaryware Replacement        | 1,015.5         | 1,223.0         | 808.1          | 808.1          | 808.1          |
| Electrical Fitments / Rewiring                     | 612.4           | 612.4           | 612.4          | 612.4          | 612.4          |
| Central Heating Replacement                        | 1,239.8         | 1,239.8         | 1,239.8        | 1,239.8        | 1,239.8        |
| Water Services                                     | 9.1             | 9.1             | 9.1            | 9.1            | 9.1            |
| Structural Improvements                            | 19.7            | 19.7            | 19.7           | 19.7           | 19.7           |
| Improved Ventilation                               | 4.7             | 4.7             | 4.7            | 4.7            | 4.7            |
| Thermal Improvement Works                          | 329.8           | 518.4           | 141.3          | 141.3          | 141.3          |
| Major Garage Works                                 | 24.6            | 24.6            | 24.6           | 24.6           | 24.6           |
| Environmental Works                                | 75.0            | 75.0            | 75.0           | 75.0           | 75.0           |
| Environmental Works: Tenant Participation Projects | 37.7            | 37.7            | 37.7           | 37.7           | 37.7           |
| HRA DA Extensions                                  |                 |                 |                |                |                |
| Fire safety in high-rise properties                | 2,590.0         | 610.0           |                |                |                |
| Capital Salaries for Improvement / Renewal Works   | 275.0           | 280.5           | 283.3          | 286.1          | 289.0          |
| <b>Total Improvement / Renewal Works</b>           | <b>8,252.7</b>  | <b>7,316.3</b>  | <b>4,633.2</b> | <b>4,636.0</b> | <b>4,638.9</b> |
| <b>Total Housing Revenue Account Related HIP</b>   | <b>10,598.1</b> | <b>22,156.3</b> | <b>4,633.2</b> | <b>4,636.0</b> | <b>4,638.9</b> |

# Appendix 9 Part 3

## General Fund Capital Programme Financing 2018/19 to 2022/23.

| <b><u>Method</u></b>                      | <b><u>2018/19</u></b><br><b><u>£'000's</u></b> | <b><u>2019/20</u></b><br><b><u>£'000's</u></b> | <b><u>2020/21</u></b><br><b><u>£'000's</u></b> | <b><u>2021/22</u></b><br><b><u>£'000's</u></b> | <b><u>2022/23</u></b><br><b><u>£'000's</u></b> | <b><u>TOTAL</u></b><br><b><u>£'000's</u></b> |
|---|--|--|--|--|--|--|
| External Borrowing                        |  |  |  |  |  |  |
| Internal Borrowing                        | 11,646.1                                       | 44.8   | 44.8   | 44.8   | 44.8   | 11,825.3                                     |
| Capital Receipts                          | 1,202.4  |  |  |  |  | 1,202.4                                      |
| External Contributions                    | 1,299.0  | 2,206.0  | 25.0   |  |  | 3,530.0                                      |
| Revenue Contributions to Capital Outlay   | 85.0   | 80.0   | 80.0   | 80.0   | 80.0   | 405.0  |
| Service Transformation Reserve            | 308.2  | 20.0   |  |  |  | 328.2  |
| Equipment Renewal Reserve                 | 73.0   |  |  |  |  | 73.0   |
| Public Amenity Reserve                    | 317.7  | 26.6   |  |  |  | 344.3  |
| Planning Public Open Space Reserve        | 368.6  | 370.4  |  |  |  | 739.0  |
| Local Plan Delivery Reserve               | 66.0   |  |  |  |  | 66.0   |
| Leisure Options Reserve                   | 200.0  |  |  |  |  | 200.0  |
| Community Projects Reserve                | 1,278.6  | 840.0  |  |  |  | 2,118.6                                      |
| Car Parks R & M Reserve                   | 425.0  | 50.0   |  |  |  | 475.0  |
| Corporate Assets Reserve                  | 220.0  |  |  |  |  | 220.0  |
| Parking Displacement Reserve              | 544.0  | 130.0  |  |  |  | 674.0  |
| ICT Replacement Reserve                   | 218.5  | 109.0  | 149.0  | 302.0  | 277.0  | 1,055.5                                      |
| Capital Investment Reserve                | 194.5  | 323.0  | 150.0  | 150.0  | 150.0  | 967.5  |
| <b>Total General Fund Capital Funding</b> | <b>18,446.6</b>                                | <b>4,199.8</b>                                 | <b>448.8</b>                                   | <b>576.8</b>                                   | <b>551.8</b>                                   | <b>24,223.8</b>                              |

## Housing Investment Programme (HIP) Financing 2018/19 to 2022/23

|  | Proposed<br>Expend.<br>2018/19<br>£'000's | Proposed<br>Expend.<br>2019/20<br>£'000's | Proposed<br>Expend.<br>2020/21<br>£'000's | Proposed<br>Expend.<br>2021/22<br>£'000's | Proposed<br>Expend.<br>2022/23<br>£'000's | Total<br>£'000's |
|--|---|---|---|---|---|------------------|
| <b>Housing Revenue Account (HRA) Related HIP:</b>    |   |   |   |   |   |                  |
| Capital Receipts: One for One replacement            | 703.6                                     | 3,449.1                                   |   |   |   | 4,152.7          |
| Major Repairs Reserve                                | 8,130.6                                   | 7,194.0                                   | 4,510.7                                   | 4,513.2                                   | 4,515.9                                   | 28,864.4         |
| Capital Grant  |   |   |   |   |   |                  |
| HRA Capital Investment Reserve                       | 1,641.8                                   | 11,390.9                                  |   |   |   | 13,032.7         |
| Housing Revenue Account (RCCO)                       | 122.1                                     | 122.3                                     | 122.5                                     | 122.8                                     | 123.0                                     | 612.7            |
| <b>Housing Revenue Account Related HIP Financing</b> | <b>10,598.1</b>                           | <b>22,156.3</b>                           | <b>4,633.2</b>                            | <b>4,636.0</b>                            | <b>4,638.9</b>                            | <b>46,662.5</b>  |

### Overall Housing Investment Programme (HIP) Financing:

|   |                 |                 |                |                |                |                 |
|---|-----------------|-----------------|----------------|----------------|----------------|-----------------|
| Capital Receipts                                    |                 |                 |                |                |                |                 |
| Capital Receipts: One for One replacement           | 703.6           | 3,449.1         |                |                |                | 4,152.7         |
| Major Repairs Reserve                               | 8,130.6         | 7,194.0         | 4,510.7        | 4,513.2        | 4,515.9        | 28,864.4        |
| Capital Grant                                       |                 |                 |                |                |                |                 |
| HRA Capital Investment Reserve                      | 1,641.8         | 11,390.9        |                |                |                | 13,032.7        |
| Housing Revenue Account (RCCO)                      | 122.1           | 122.3           | 122.5          | 122.8          | 123.0          | 612.7           |
| <b>Total Housing Investment Programme Financing</b> | <b>10,598.1</b> | <b>22,156.3</b> | <b>4,633.2</b> | <b>4,636.0</b> | <b>4,638.9</b> | <b>46,662.5</b> |

| Estimated Housing Investment Programme Resources at:- | 31/3/2018<br>£'000's | 31/3/2019<br>£'000's | 31/3/2020<br>£'000's | 31/3/2021<br>£'000's | 31/3/2022<br>£'000's | 31/3/2023<br>£'000's |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Any Purpose Capital Receipts                          | 6,799.0              | 5,996.9              | 6,394.4              | 6,791.9              | 7,189.4              | 7,586.9              |
| Capital Receipts: One for One replacement             | 1,352.7              | 2,049.1              | 0.0                  | 1,400.0              | 2,800.0              | 4,200.0              |
| HRA Capital Investment Reserve                        | 29,091.2             | 31,331.6             | 23,557.1             | 27,173.5             | 30,789.9             | 34,406.3             |
| Major Repairs Reserve                                 | 9,242.4              | 7,764.3              | 7,222.8              | 9,364.6              | 11,503.9             | 13,640.5             |
| S 106   | 1,110.8              | 1,110.8              | 1,110.8              | 1,110.8              | 1,110.8              | 1,110.8              |
| Decent Homes Grant                                    | 361.6                | 361.6                | 361.6                | 361.6                | 361.6                | 361.6                |
| <b>Total</b>  | <b>47,957.7</b>      | <b>48,614.3</b>      | <b>38,646.7</b>      | <b>46,202.4</b>      | <b>53,755.6</b>      | <b>61,306.1</b>      |



## Capital Programme 2018/19 to 2022/23

|   | Proposed<br>Expend.<br>2018/19<br>£'000's | Proposed<br>Expend.<br>2019/20<br>£'000's | Proposed<br>Expend.<br>2020/21<br>£'000's | Proposed<br>Expend.<br>2021/22<br>£'000's | Proposed<br>Expend.<br>2022/23<br>£'000's | TOTAL<br>2018/19 to<br>2022/23<br>£'000's |
|---|---|---|---|---|---|---|
| <b>Capital Summary</b>                  |   |   |   |   |   |   |
| Strategic Leadership & CWLEP Portfolio  | 414.8                                     | 129.0                                     | 149.0                                     | 302.0                                     | 277.0                                     | 1,271.8                                   |
| Health & Community Protection Portfolio | 647.4                                     | 600.0                                     |   |   |   | 1,247.4                                   |
| Culture Portfolio                       | 3,250.1                                   | 623.0                                     |   |   |   | 3,873.1                                   |
| Finance Portfolio                       | 200.0                                     | 150.0                                     | 150.0                                     | 150.0                                     | 150.0                                     | 800.0                                     |
| Neighbourhood Portfolio                 | 2,972.0                                   | 758.0                                     | 80.0                                      | 80.0                                      | 80.0                                      | 3,970.0                                   |
| Development Portfolio                   | 10,962.3                                  | 1,939.8                                   | 69.8                                      | 44.8                                      | 44.8                                      | 13,061.5                                  |
| <b>Total Capital Programme</b>          | <b>18,446.6</b>                           | <b>4,199.8</b>                            | <b>448.8</b>                              | <b>576.8</b>                              | <b>551.8</b>                              | <b>24,223.8</b>                           |

## Capital Resources Brought Forward

|                                |         |         |         |         |         |  |
|--------------------------------|---------|---------|---------|---------|---------|--|
| Usable Capital receipts        | 417.0   |         |         |         |         |  |
| External Contributions Account | 54.0    | 54.0    | 54.0    | 54.0    | 54.0    |  |
| Energy Management Reserve      | 112.0   |         |         |         |         |  |
| Capital Investment Reserve     | 1,249.3 | 1,311.8 | 1,134.8 | 1,130.8 | 1,130.8 |  |
| Public Amenity Reserve         | 344.3   | 26.6    |         |         |         |  |
| Equipment Renewal Reserve      | 728.2   | 617.9   | 680.6   | 745.3   | 810.0   |  |
| ICT Replacement Reserve        | 360.2   | 40.5    | 72.8    | 49.6    | -129.8  |  |
|                                | 3,265.0 | 2,050.8 | 1,942.2 | 1,979.7 | 1,865.0 |  |
|                                |         | 2,050.8 | 1,942.2 | 1,979.7 | 1,865.0 |  |

## Additions in Year to Resources

|   |          |         |       |       |       |          |
|---|----------|---------|-------|-------|-------|----------|
| Borrowing/Leasing                         | 11,646.2 | 44.8    | 44.8  | 44.8  | 44.8  | 11,825.4 |
| Capital Receipts                          | 785.5    |         |       |       |       | 785.5    |
| External Contributions                    | 1,299.0  | 2,206.0 | 25.0  |       |       | 3,530.0  |
| Revenue Contributions to Capital Outlay   | 85.0     | 80.0    | 80.0  | 80.0  | 80.0  | 405.0    |
| Capital Investment Reserve - Net increase | 257.1    | 146.0   | 146.0 | 150.0 | 150.0 | 849.1    |
| Other Reserves used for Capital Financing | 3,159.6  | 1,614.4 | 190.5 | 187.3 | 201.4 | 5,353.2  |

|   |                 |                |              |              |              |                 |
|---|-----------------|----------------|--------------|--------------|--------------|-----------------|
| <b>Total Additions to Capital Resources in Year</b> | <b>17,232.4</b> | <b>4,091.2</b> | <b>486.3</b> | <b>462.1</b> | <b>476.2</b> | <b>22,748.2</b> |
|---|-----------------|----------------|--------------|--------------|--------------|-----------------|

|  |                 |                |                |                |                |                 |
|--|-----------------|----------------|----------------|----------------|----------------|-----------------|
| <b>Total Available Capital Resources</b> | <b>20,497.4</b> | <b>6,142.0</b> | <b>2,428.5</b> | <b>2,441.8</b> | <b>2,341.2</b> | <b>22,748.2</b> |
|--|-----------------|----------------|----------------|----------------|----------------|-----------------|

|  |                 |                |              |              |              |                 |
|--|-----------------|----------------|--------------|--------------|--------------|-----------------|
| <b>Less Capital Programme Expenditure as above</b> | <b>18,446.6</b> | <b>4,199.8</b> | <b>448.8</b> | <b>576.8</b> | <b>551.8</b> | <b>24,223.8</b> |
|--|-----------------|----------------|--------------|--------------|--------------|-----------------|

|  |                |                |                |                |                |                 |
|--|----------------|----------------|----------------|----------------|----------------|-----------------|
| <b>Capital Resources Carried Forward</b> | <b>2,050.8</b> | <b>1,942.2</b> | <b>1,979.7</b> | <b>1,865.0</b> | <b>1,789.4</b> | <b>-1,475.6</b> |
|--|----------------|----------------|----------------|----------------|----------------|-----------------|

Nb It should be noted that the Equipment Reserve balance does not include potential funding of identified calls upon the reserve but which have yet to be approved. After these are taken into account there is a negative balance at the end of 2022/23 of circa £234k

|  |                |
|--|----------------|
| Capital Investment Reserve               | 1,130.8        |
| Capital Receipts                         |                |
| Energy Management Reserve                |                |
| Equipment Renewal Reserve                | 888.8          |
| Public Amenity Reserve                   |                |
| External Contributions                   | 54.0           |
| ICT Replacement Reserve                  | -284.2         |
| <b>Balance Carried Forward 2022/2023</b> | <b>1,789.4</b> |

**Warwick District Council Financial Strategy 2019/20-2023/24**

**1 INTRODUCTION**

“Money” is one of 3 keys strands of the Council’s Fit for the Future Programme. The others are People and Services. This document supports the delivery of the Council’s services and the projects within the Programme, as well as supporting all Council Strategies to deliver its aims and objectives.

It considers the major funding issues facing the Council in the Medium Term (the next 5 years). Extending the Strategy beyond this period would rely on broad estimates and many uncertainties. It would not be prudent to base the Strategy on a shorter period as risks and significant issues arising in the medium term could occur before the Council has developed the means of managing these. Forecast future levels of Funding are projected alongside other known constraints and opportunities.

The Council has a Code of Financial Practice and Code of Procurement Practice which underpin the Strategy.

Monthly Budget Review Reports are considered by the Senior Management Team, with Members of the Executive being updated on a quarterly basis. Alongside this, regular updated 5 year Financial Projections are included. Full Council receive the latest 5 Year Forecast alongside this Strategy within the Budget and Council Tax Reports presented in February of each year.

**2. BACKGROUND**

2.1 The Economic Background, as provided by Treasury Advisors, Link Asset Services – their Report is reproduced as Annex 1.

2.2 Recent years have seen many changes to the nature of Funding Local Authorities receive from Central Government. The new Business Rate Retention Scheme was introduced from 1<sup>st</sup> April 2013. Whilst setting the NNDR Baseline, Government then allowed Council to retain a share of any growth above this Baseline. There is a safety net whereby the Authority would receive a top up payment should actual Business Rates collected fall more than 7.5% below their Baseline.

Alongside this, the proportion of Business Rates to Revenue Support Grant has increased since this scheme was introduced. The 4 year settlement announced in December 2015 and January 2016 show that by 2019/20 Revenue Support Grant will be zero, having reduced significantly over the 3 year period. The Council’s other main income source is its local Council Tax payers.

- 2.3 In December 2017, the government announced the intention to increase the level of business rates retained by local government from the current 50% to the equivalent of 75% from April 2020. During 2019/20 selected authorities will pilot this scheme. This Council will closely monitor further developments as the scheme evolves. The proposals surrounding the 75% Business Rate Retention show that Revenue Support Grant will cease.
- 2.4 The Financial Strategy and projections have been updated in line with the 2019/20 Government Settlement Figures announced in December/January 2018/2019. The Council's Financial Strategy is based upon the absence of Revenue Support Grant announced by the Government and its own Business Rates forecasts using the NNDR1 and NNDR3 returns and local intelligence, including support from "Analyse Local", independent Business Rates Consultants.
- 2.5 As referred to above, from 2013/14, the District Council retains 20% of any growth in business rates above the pre-determined Baseline. The Council's Baseline for 2019/20 is £3.392m. This is the amount the Council retains. If the actual amount collected varies to the Baseline, the Council will retain more or less income, working out at the Council retaining 20% of any increased revenues. Conversely, if there is any reduction in the new business rate receipts, the Council will bear 20% of this cost. There is a Safety Net whereby the Council will not be able to receive less than £3.137 million, this being within 7.5% of the Baseline retained income figure. However, this Authority has entered into Pooling arrangements. This means the Safety Net payment would be paid to the Pool rather than the actual authority falling into the Safety Net.

The Baseline has been inflated annually since the scheme commenced in 2013 until 2020, when there is due to be a "reset" of the system. The proposed changes to the Business Rate Scheme are discussed in more detail in Section 3.5 of the Budget Report.

The Council entered into a "pooling" arrangement with the other Warwickshire councils. Under this arrangement the amounts due to be paid to Central Government under the Levy should greatly reduce, meaning more income will be retained locally. Whilst there are risks attached to pooling, especially if income should substantially decline, however, based on the latest projections, the Council should benefit from remaining in the pool in 2019/20.

- 2.6 The Council also receives Government Support by way of New Homes Bonus (NHB) for 2019/20 this is £3.359 million. A proportion of this is allocated to the Waterloo Housing Association as part of the WC Housing Joint Venture. Initially, NHB was funded on a 6 year rolling time limited basis. After consultation the Government phased a reduction for this from 6 (2016/17) to 4 years from 2018/19. It is paid on a rolling basis. To date the Council has not had to use it to support recurring expenditure on core service provision.

This prudence has proved wise so far, whilst allowing the Council to support new schemes and replenish its Reserves.

- 2.7 In total, the District had a 2018/19 Council Tax at Band D of £1,758.04. However, the District element (including parish precepts) is only £190.38. An increase to this Council's share of £5.00 is proposed for 2019/20. The District element is just outside the lowest quarter nationally, with the District and Parish charge being well within the lowest national Quartile. The District and Parish charge remain the lowest of the 5 Warwickshire Authorities.
- 2.8 In March 2012 the Housing Revenue Account (HRA) borrowed £136.2m to make a one off 'buy out' payment when the Housing Subsidy system was replaced by 'Self Financing'. This debt is serviced from HRA rental income, in place of the payments previously made to the National Housing Rent Pool under the Housing Subsidy system. A 50 year Business Plan is maintained to demonstrate the viability of the HRA and the capacity to invest in the service and provide new homes.
- 2.9 A 'Prudential Framework' for borrowing was introduced from 2004/05. Local authorities no longer have to obtain Government approval before borrowing. Control is by prudential limits based on the authority's revenue resources. The Council can borrow if it can afford the revenue consequences.
- 2.10 The Council reviews its budgets on a monthly basis, amending these as changes are identified, rather than reporting upon variations and updating its current year's budgets once at part of the following year's budget setting process. The process will be constantly reviewed to identify further efficiencies so that data can be produced in the most timely and accurate manner.
- 2.11 2017/18 saw the first time that the Council failed to publish its Statement of Accounts within statutory deadline. The processes were thoroughly reviewed and scrutinised with an Action plan drawn up and being closely monitored to ensure that no deadline is missed again.

### **3. CORPORATE STRATEGY AND FIT FOR THE FUTURE PROGRAMME**

- 3.1 The Council's Organisational Purpose being:

**"Warwick District: a great place to live, work and visit".**

- 3.2 During 2010, the Council adopted its Fit For the Future programme as its Corporate Strategy to provide an organisation framework to progress these objectives. As well as focusing on delivering quality services that its customers' need, the programme and subsequent updates have set challenging savings targets to be delivered. Achieving these will assist the Council in delivering its services in the future in light of uncertainty

surrounding the economic climate, and future reductions in Central Government Support.

This programme needs to stay up to date and relevant in providing the strategic framework for the Council to meet the challenges it faces. Projects within the programme will be adjusted to reflect opportunities and challenges arising from Government initiatives and legislation as well as the Council's own Local Priorities.

These include-

The impact of Brexit on the economy and changes in legislation as Britain leaves the European Union is still uncertain.

In his Autumn Statement 2018, the Chancellor announced that the National Living Wage rise from £7.83 to £7.70 in April 2019.

- 3.3 As well as these initiatives, other major issues that will affect the Council's finances over this period are:
- (i) Monitoring the medium term financial forecast will identify this Council's progress in meeting its various savings initiatives and the profile of the savings still to be identified.
  - (ii) The impact of pressures to improve environmental sustainability. Alongside this, CO<sup>2</sup> emissions need to be reduced to meet the climate change agenda.
  - (iii) Energy costs which are extremely volatile.
  - (iv) Major developments that may occur, such as, Kenilworth School Relocation, Europa Way and other potential strategic opportunities.
  - (vi) Major investment in multi storey car parks that will require structural renewal.
  - (vii) The Council completed condition surveys on its Corporate Assets. The Council continues to strive to ensure its Corporate Asset properties are maintained at a reasonable standard. So far it has been able to resource these costs. Funding for the full liabilities for the next five years of the plan has yet to be found.
  - (viii) The potential to work with partners and realising savings by pooling resources.
  - (ix) Capital receipts have reduced considerably and any for the future are extremely uncertain.
  - (x) The volatility of many of the Council's income budgets.
  - (xi) The rate of economic recovery and investment interest returns.
  - (xii) Trees throughout the district need replacing for which funding will need to be sought.
  - (xiii) Ongoing reviews on how the Council manages and delivers its services.
  - (xiv) Development of the Fit for the Future Programme and the Council's ability to adapt to change.
  - (xv) Efficient procurement to deliver quality services at minimum cost.

- (xvi) Superannuation Fund and pensions changes further to the changes to the Local Government Pension Scheme introduced in April 2014. The pensions fund, in common with most others, continues to carry a projected deficit, although plans are in place to seek to ensure the fund is in surplus.
  - (xvii) In June 2016, the country voted to leave the European Union. The initial impact saw a reduction in interest rates and a drop in the pound against other currencies. As the final date for withdrawal moves closer it is still uncertain as to whether the UK will leave the EU with a satisfactory arrangement or not especially following the rejection by Parliament of the Prime Ministers deal. This situation will need to be kept under review and the impact on the Council's finances assessed. The Council will amend its medium term financial forecasts as necessary to reflect any impact and related issues e.g. changes in legislation such as VAT.
  - (xviii) Renewal of the Council's major contracts in 2021/22.
- 3.4 The Council will plan replacements and renewals of equipment (including ICT Resources), and repair and maintenance in a careful manner concentrating on the sustainability of services as a first priority. In addition the Council needs to continually review its reserves in the light of a very ambitious programme of change, and constant uncertain external pressures on the planning regime.
- 3.5 The Council continues to promote agile working and the electronic storage of records. These link to the asset management plan strategy of reducing office space needs.
- 3.6 During 2017/18, the major refurbishment of 2 of the Council's Leisure Centres, Newbold Comyn and St Nicholas Park Leisure Centres was completed. The Council now moves to Phase 2 of its plan to develop all of its Leisure Centres and redevelop the 2 Kenilworth ones, consulting with Stakeholders prior to undertaking the development. Following the consultation, the Council has selected suitable options for each leisure centre and is progressing to RIBA stage 3 on each. From June 2017, the Council outsourced the management of its Leisure Centres. A private contractor will be able to operate in a more cost efficient way, benefitting from Mandatory Rate Relief and achieving economies of scale from operating many Leisure Centres across the country. From 2019, this Council will receive an annual concession from the Operator. There is potential to receive more income from a "Profit Share" arrangement. In the interests of prudence, none of this 'profit share' has been factored into the Financial Forecasts.
- 3.7 Several Major Projects are currently being worked on, with further reports due to members.
- Demolition of the old Covent Garden Car Park to enable the development of the new Multi Storey Car Park, housing and Council

HQ, enhancing the parking offering to residents and visitors and delivering savings on the current HQ running costs.

- Working with partners to develop the land at Europa Way and deliver housing and a new stadium.
- Preparation for the Commonwealth Games Bowls in 2022 at Victoria Park which offers a significant opportunity to promote the Town and its attractions and support the local economy.
- Delivery of the St Marys Lands Masterplan to enhance and promote the landscape character creating a natural open green space and promote St. Mary's Lands as a visitor destination supporting the many organisations within it.
- Phase 2 of the Leisure Centres refurbishment project

#### **4. FINANCIAL PRINCIPLES**

4.1 The following are the principles (for both the General Fund and the Housing Revenue Account) that underpin the Financial Strategy:

- (i) Savings and developments will be based upon corporate priorities as set out in the Council's Fit for the Future programme.
- (ii) In order to achieve further savings the Council continues to explore all avenues including
  - Shared services and joint working
  - Outsourcing where other providers can deliver a minimum of the same standard of service more efficiently
  - Efficient Procurement
  - Benchmarking costs and income and understanding differences
  - Increasing fees and paying customers where there is spare capacity and looking for opportunities to maximize income
  - Accessing grants to assist with corporate priorities
  - Controlling costs
  - Workforce planning
  - More efficient and greater use of technology
- (iii) The Council has ambitions to effectively manage its resources. In setting both its Council Tax and Housing Rents, the Council takes account of its budget requirement, the support it receives from Central Government, inflation and the affordability of its local tax and rent payers.
- (iv) The Council's base policy for Council house rent increases is currently to follow Central Government guidance. Any diversion from this policy will be requested in the annual Rent Setting report to Council, and reflected in the HRA Business Plan.

- (v) Whilst the Council will aim for Fees and Charges to be increased so that income is at least maintained in real terms, it will be mindful of the reality of the current economic conditions and its competitors. The Council is committed to making good use of the ability to raise funds through charges and put them to good use for the community.
- (vi) The Council still needs to develop its ability to benchmark all services across the Council.
- (vii) This Council takes a positive approach to partnership working, realising the following benefits: -
  - a) Levering in additional external funding.
  - b) Ensuring improved use of sites, whether or not in the ownership of the Council.
  - c) Ensuring the future sustainability of projects.
  - d) Sharing/Reducing costs
  - e) Strengthening the resilience of the service
  - f) Enhancing quality of services
- (viii) The Financial Strategy takes account of all revenue effects of the capital programme to ensure that the decisions taken are sustainable into the future.
- (ix) The Council will hold reserves for specific purposes, as to be agreed by Executive.
- (x) The Capital Investment Reserve shall be maintained with a minimum uncommitted balance of £1m and a General Fund Balance of £1.5m.
- (xi) Any unplanned windfalls of income, whether service specific or more general, will be reported to the Executive who will prioritise how such income is used as part of setting future balanced budgets and meeting the Council's priorities.

## **5. PROCESS & MONITORING**

### ***Preparing budgets***

- 5.1 The budget setting process is consistent with the service area planning process and the Fit for the Future Programme with recent years focusing on reductions in budgets and efficiencies.
- 5.2 When the Capital Programme is approved by Council the capital schemes will still be subject to individual approval on the basis of an evaluation and Business Case in accordance with the Council's Capital Strategy.



### ***Monitoring and managing budgets***

- 5.4 Under the monthly "Budget Review" Process, Budgets are amended as soon as changes are identified. The Financial Code of Practice is regularly updated to incorporate any changes in practice. The Financial Code of Practice was reviewed and updated in 2015 to reflect changes in this process and procurement practices.
- 5.5 Accountants work with Service Areas to identify budget variances and changes; these are reported to the Senior Management Team on a monthly basis. Regular reports are submitted for consideration by the Executive and Scrutiny Committees. The Council continues to review and refine its current processes, putting tighter controls in place to improve the quality and accuracy of the review process.

### ***Consultation***

- 5.6 The Council has a track record of consulting both partner organisations and the public this is an important contribution to assist identifying options and in learning lessons.
- 5.7 There is extensive consultation with partners on Fit For the Future, and the Sustainable Community Strategy.
- 5.8 The Council takes a strategic 5 year approach to determine how budgets are set and service prioritised.
- 5.9 The Council has a record of consulting where appropriate on the development of individual schemes.

## **6 ASSUMPTIONS**

- 6.1 The following assumptions will be used in bringing forward proposals on the budget
  - (i) Forecasts for Business Rates income are based upon the Council's local forecasts and out-turns. The Council uses a company called Analyse Local to forecast its provision for appeals.
  - (ii) Interest projections will continue to be based on the rates projected by Link Asset Services Treasury Solutions, the treasury management advisers.
  - (iii) It is assumed general inflation will increase by 2% per annum. Where the Council is contractually bound to increase costs and the Business Rates multiplier are increased by the relevant percentages.

## **7. HOUSING REVENUE ACCOUNT (HRA)**

- 7.1 Housing Self Financing was implemented on 1<sup>st</sup> April 2012. A 50 year HRA Business Plan has been developed to ensure sufficient funds will be available to service the £136.2m debt taken out with the PWLB in order to 'buy' the Council out of the existing Housing Subsidy system, provide the necessary funding to maintain the stock and enable the building of new homes over the life of the Business Plan.
- 7.2 There is a requirement to follow Central Government National Housing Rent Policy when determining rents on HRA dwellings. With effect from April 2016, the rent charged by local authorities has had to be reduced by 1% per year for 4 years. When a new tenancy begins the Council can re-let at Target Social Rent, in time bringing all social housing rents in line with 2002 Convergence policy. From April 2020 social rents policy will change, allowing the rent charged to be increased by CPI + 1% each year. The council does have discretion over the setting of garage rents, Warwick Response charges and rents for HRA owned shops and commercial properties.

## **8. REVENUE FORECASTS**

- 8.1 Revenue forecasts will be drawn up in line with this strategy, and the strategy itself will be reviewed every year when the budget is set. The current forecasts are set out in the February 2019 Budget Report, which reported savings required as follows in order to keep future Council Tax increases to £5.00 (before the use of any one-off reserves or balances).

|   | <b>2020/21</b><br><b>£'000</b> | <b>2021/22</b><br><b>£'000</b> | <b>2022/23</b><br><b>£'000</b> | <b>2023/24</b><br><b>£'000</b> |
|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Deficit-Savings<br>Required(+)/Surplus(-) future<br>years | 330                            | 1,025                          | 456                            | 574                            |
| Change on previous year                                   | 330                            | 695                            | -569                           | 118                            |

These are indicative based on current assumptions, and assumes that savings are achieved and maintained.

- 8.1 The forecasts are reviewed throughout the year, with the Executive being informed of the latest projections as part of the Budget Process.

## **9. ASSET RESOURCE BACKGROUND**

- 9.1 Set out below is a summary of the Council's assets and its existing plans to use its resources to invest for the future.

- 9.2 The Council's assets as shown in the balance sheet as at 31<sup>st</sup> March 2018 are summarised below: -

|  | <b>No</b>    | <b>Value<br/>£'000</b> |
|--|--------------|------------------------|
| <b>Operational Assets</b>                |              |                        |
| <b>HRA</b>                               |              |                        |
| Operational Land and Buildings           | 7,542        | 377,564                |
| Surplus Assets/Work in Progress          | -            | 0                      |
| Vehicles, Plant, Furniture and Equipment | -            | 501                    |
| <b>General Fund</b>                      |              |                        |
| Operational Land and Buildings           | 119          | 71,905                 |
| Surplus Assets/Work In Progress          | 3            | 2,627                  |
| Vehicles, Plant, Furniture and Equipment |              | 1,819                  |
| Community Assets                         | -            | 6,647                  |
| Infrastructure                           | -            | 2,030                  |
| Heritage Assets                          | -            | 8,270                  |
|  |              |                        |
| <b>Total</b>                             | <b>7,664</b> | <b>471,363</b>         |
| <b>Investment Properties</b>             | <b>88</b>    | <b>11,000</b>          |

- 9.3 A summary of the proposed capital programme for the period to March 2023 is given below. This programme gives an indication of the level of the Council's available capital resources that are to be devoted to capital expenditure during this period.

|                                | <b>Latest<br/>Budget<br/>2018/19<br/>£'000's</b> | <b>Proposed<br/>Expend.<br/>2019/20<br/>£'000's</b> | <b>Proposed<br/>Expend.<br/>2020/21<br/>£'000's</b> | <b>Proposed<br/>Expend.<br/>2021/22<br/>£'000's</b> | <b>Proposed<br/>Expend.<br/>2022/23<br/>£'000's</b> | <b>TOTAL<br/>2018/19<br/>to<br/>2022/23<br/>£'000's</b> |
|--------------------------------|--|---|---|---|---|---|
| Strategic Leadership & CWLEP   | 414.8  | 129.0   | 149.0   | 302.0   | 277.0   | 1,271.8   |
| Health & Community Protection  | 647.4  | 600.0   | 0.0   | 0.0   | 0.0   | 1,247.4   |
| Culture Portfolio              | 3,250.1  | 623.0   | 0.0   | 0.0   | 0.0   | 3,873.1   |
| Finance Portfolio              | 200.0  | 150.0   | 150.0   | 150.0   | 150.0   | 800.0   |
| Neighbourhood Portfolio        | 2,972.0  | 758.0   | 80.0  | 80.0  | 80.0  | 3,970.0   |
| Development Portfolio          | 10,962.3   | 1,939.8   | 69.8  | 44.8  | 44.8  | 13,061.5  |
| Housing Investment             | 10,598.1   | 22,156.3  | 4,633.2   | 4,636.0   | 4,638.9   | 46,662.5  |
| <b>Total Capital Programme</b> | <b>29,044.7</b>                                  | <b>26,356.1</b>                                     | <b>5,082.0</b>                                      | <b>5,212.8</b>                                      | <b>5,190.7</b>                                      | <b>70,886.3</b>   |

## 10. CAPITAL PRIORITIES

10.1 The main focus of the programme is:

- Realising local aspirations as expressed within the Corporate Strategy (which incorporates the Community Plan and the Council's Resource Strategies) and it's Fit for the Future Programme;
- Maintaining, and where possible enhancing, the condition of the Council's existing assets so as to reduce future maintenance liabilities and to encourage their effective use. Where appropriate this will include working in partnership with others such as the Friends of the Pump Room Gardens, Jockey Club and Golf Centre on St Marys Lands. Supporting capital schemes that provide revenue savings to the Council, in particular supporting investment in Information and Communication Technology so as to modernise activities and release resources for other purposes.

- Achieving regeneration and economic vitality in main population centres.

10.2 Key particular projects that link to the corporate strategy are: -

- Enabling developments across the district that improve the environment such as Europa Way, and the improvement of Leamington Old Town.
- To continue to maintain the Government's "decent homes" standard.
- To increase the number of affordable houses in the district.
- Relocation of the Council's main office to a more efficient and cost effective building
- Enhanced Leisure Facilities

## **11. FINANCING THE CAPITAL STRATEGY**

11.1 The Capital Strategy needs to have regard to the financial resources available to fund it. The main sources of funding are detailed below: -

- Capital Receipts – primarily resulting from the sale of the Council's assets as other receipts have fallen in recent years. This income is lumpy and limited, although there are still schemes being considered that could realise further capital receipts.
- The Council is required to sell homes to eligible tenants at a significant discount under the right-to buy (RTB). A proportion of such receipts are taken by the Treasury; with the balance retained by the Council, some having to be to provide for new dwellings and the remainder the Council having flexibility over its use.
- Capital Contributions – including contributions from developers (often under Section 106 Planning Agreements and now from the Community Infrastructure Levy as well) and grants towards specific schemes.
- Use of Council's own resources – either by revenue contributions to capital, or use of earmarked reserves.
- Borrowing – the Council has freedom to borrow under the Prudential System provided it can demonstrate that it has the resource to service the debt.

- Leasing – the Council now requires that, where appropriate, an options appraisal is undertaken in order to identify the most efficient source of financing capital purchases. In certain cases this may take the form of either a lease.

## **12. REVIEW**

- 12.1 This strategy will be subject to annual review to ensure that changes are included and that development issues have been implemented. It has been reviewed in the light of the Fit for the Future programme.

## **13. RISKS**

- 13.1 Previous years have demonstrated that the Council needs to consider the risk in setting and managing its budgets.
- 13.2 The key risks that could arise and ways in which they should be managed are set out in the main February Budget report and associated appendix.
- 13.3 The Council maintains a Significant Business Risk Register which is reviewed bi-annually by the Executive and quarterly by the Senior Management Team. Each Service Area has its own Service Risk Register. These are presented for the consideration of the Finance and Audit Scrutiny Committee on a quarterly rotating basis.
- 13.4 All major projects the Council undertakes have their own separate Risk Register.
- 13.5 There is a separate section on Risk in all Committee Reports to Members.

### **Link Asset Services Economic Background**

**GLOBAL OUTLOOK.** World growth has been doing reasonably well, aided by strong growth in the US. However, US growth is likely to fall back in 2019 and, together with weakening economic activity in China and the eurozone, overall world growth is likely to weaken.

**Inflation** has been weak during 2018 but, at long last, unemployment falling to remarkably low levels in the US and UK has led to an acceleration of wage inflation. The US Fed has therefore increased rates nine times and the Bank of England twice. However, the ECB is unlikely to start raising rates until late in 2019 at the earliest.

#### **KEY RISKS - central bank monetary policy measures**

Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks' monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as quantitative easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

**The key issue now** is that period of stimulating economic recovery and warding off the threat of deflation, is coming towards its close. A new period is well advanced in the US, and started more recently in the UK, of reversing those measures i.e. by raising central rates and, (for the US), reducing central banks' holdings of government and other debt. These measures are now required in order to stop the trend of a reduction in spare capacity in the economy and of unemployment falling to such low levels, that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this also encouraged investors into a search for yield and into investing in riskier assets such as equities. Consequently, prices in both bond and equity markets rose to historically high valuation levels simultaneously. This meant that both asset categories were exposed to the risk of a sharp downward correction and we did, indeed, see a sharp fall in equity values in the last quarter of 2018. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery, by taking too rapid and too strong action, or, conversely, let inflation run away by taking action that was too slow and/or too weak. **The potential for central banks to get this timing and strength of action wrong are now key risks.** At the time of writing, (early January 2019), financial markets

are very concerned that the Fed is being too aggressive with its policy for raising interest rates and is likely to cause a recession in the US economy.

The world economy also needs to adjust to a sharp change in **liquidity creation** over the last five years where the US has moved from boosting liquidity by QE purchases, to reducing its holdings of debt (currently about \$50bn per month). In addition, the European Central Bank ended its QE purchases in December 2018.

**UK.** The flow of positive economic statistics since the end of the first quarter of 2018 has shown that pessimism was overdone about the poor growth in quarter 1 when adverse weather caused a temporary downward blip. Quarter 1 at 0.1% growth in GDP was followed by a return to 0.4% in quarter 2 and by a strong performance in quarter 3 of +0.6%. However, growth in quarter 4 is expected to weaken significantly.

At their November quarterly Inflation Report meeting, the MPC repeated their well-worn phrase that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary or contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years' time, but declined to give a medium term forecast. However, with so much uncertainty around Brexit, they warned that the next move could be up or down, even if there was a disorderly Brexit. While it would be expected that Bank Rate could be cut if there was a significant fall in GDP growth as a result of a disorderly Brexit, so as to provide a stimulus to growth, they warned they could also raise Bank Rate in the same scenario if there was a boost to inflation from a devaluation of sterling, increases in import prices and more expensive goods produced in the UK replacing cheaper goods previously imported, and so on. In addition, the Chancellor could potentially provide fiscal stimulus to support economic growth, though at the cost of increasing the budget deficit above currently projected levels.

It is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. Getting parliamentary approval for a Brexit agreement on both sides of the Channel will take well into spring 2019. However, in view of the hawkish stance of the MPC at their November meeting, the next increase in Bank Rate is now forecast to be in May 2019, (on the assumption that a Brexit deal is agreed by both the UK and the EU). The following increases are then forecast to be in February and November 2020 before ending up at 2.0% in February 2022.

**Inflation.** The Consumer Price Index (CPI) measure of inflation has been falling from a peak of 3.1% in November 2017 to 2.1% in December 2018. In the November Bank of England quarterly Inflation Report, inflation was forecast to still be marginally above its 2% inflation target two years ahead, (at about 2.1%), given a scenario of minimal increases in Bank Rate.

As for the **labour market** figures in October, unemployment at 4.1% was marginally above a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high, together with



negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 3.3%, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates less CPI inflation), earnings are currently growing by about 1.2%, the highest level since 2009. This increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC was right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy.

In the **political arena**, the Brexit deal put forward by the Conservative minority government was defeated on 15 January. It is unclear at the time of writing, how this situation will move forward. However, our central position is that Prime Minister May's government will endure, despite various setbacks, along the route to reaching an orderly Brexit though the risks are increasing that it may not be possible to get full agreement by the UK and EU before 29 March 2019, in which case this withdrawal date is likely to be pushed back to a new date. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary and fiscal policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

**USA.** President Trump's massive easing of fiscal policy is fuelling a (temporary) boost in consumption which has generated an upturn in the rate of strong growth which rose from 2.2% (annualised rate) in quarter 1 to 4.2% in quarter 2 and 3.5%, (3.0% y/y), in quarter 3, but also an upturn in inflationary pressures. The strong growth in employment numbers and the reduction in the unemployment rate to 3.9%, near to a recent 49 year low, has fed through to an upturn in wage inflation which hit 3.2% in November. However, CPI inflation overall fell to 2.2% in November and looks to be on a falling trend to drop below the Fed's target of 2% during 2019. The Fed has continued on its series of increases in interest rates with another 0.25% increase in December to between 2.25% and 2.50%, this being the fifth increase in 2018 and the ninth in this cycle. However, they did also reduce their forecast for further increases from three to two. This latest increase compounded investor fears that the Fed is over doing the speed and level of increases in rates and that it is going to cause a US recession as a result. There is also much evidence in previous monetary policy cycles of the Fed's series of increases doing exactly that. Consequently, we have seen stock markets around the world falling under the weight of fears around the Fed's actions, the trade war between the US and China and an expectation that world growth will slow.

The tariff war between the US and China has been generating a lot of heat during 2018, but it is not expected that the current level of actual action would have much in the way of a significant effect on US or world growth. However, there is a risk of escalation if an agreement is not reached soon between the US and China.

**Eurozone.** Growth was 0.4% in quarters 1 and 2 but fell back to 0.2% in quarter 3, though this was probably just a temporary dip. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of its manufacturing exports e.g. cars. For that reason, although growth is still expected to be in the region of nearly 2% for 2018, the horizon is less clear than it seemed just a short while ago. Having halved its quantitative easing purchases of debt in October 2018 to €15bn per month, the European Central Bank ended all further purchases in December 2018. The ECB is forecasting inflation to be a little below its 2% top limit through the next three years so it may find it difficult to warrant a start on raising rates by the end of 2019 if the growth rate of the EU economy is on a weakening trend.

**China.** Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress has been made in reducing the rate of credit creation, particularly from the shadow banking sector, which is feeding through into lower economic growth. There are concerns that official economic statistics are inflating the published rate of growth.

**Japan** - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. It is likely that loose monetary policy will endure for some years yet to try to stimulate growth and modest inflation.

**Emerging countries.** Argentina and Turkey are currently experiencing major headwinds and are facing challenges in external financing requirements well in excess of their reserves of foreign exchange. However, these countries are small in terms of the overall world economy, (around 1% each), so the fallout from the expected recessions in these countries will be minimal.

## **INTEREST RATE FORECASTS**

The interest rate forecasts provided by Link Asset Services in paragraph 3.2 are **predicated on an assumption of an agreement being reached on Brexit between the UK and the EU.** On this basis, while GDP growth is likely to be subdued in 2019 due to all the uncertainties around Brexit depressing consumer and business confidence, an agreement is likely to lead to a boost to the rate of growth in 2020 which could, in turn, increase inflationary pressures in the economy and so cause the Bank of England to resume a series of gentle increases in Bank Rate. Just how fast, and how far, those increases will occur and rise to, will be data dependent. The forecasts in this report assume a modest recovery in the rate and timing of stronger growth and in the corresponding response by the Bank in raising rates.

- In the event of an **orderly non-agreement exit**, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help

economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall.

- If there was a **disorderly Brexit**, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

However, there would appear to be a majority consensus in the Commons against any form of non-agreement exit so the chance of this occurring has now substantially diminished.

### **The balance of risks to the UK**

- The overall balance of risks to economic growth in the UK is probably neutral.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for ten years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore either over or under do increases in central interest rates.

### **Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:**

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- **Bank of England monetary policy** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **eurozone sovereign debt crisis**, possibly in **Italy**, due to its high level of government debt, low rate of economic growth and vulnerable banking system, and due to the election in March of a government which has made a lot of anti-austerity noise. The EU rejected the initial proposed Italian budget and demanded cuts in government spending which the Italian government initially refused. However, a fudge was subsequently agreed, but only by *delaying* the planned increases in expenditure to a later year. This can have therefore only been kicked down the road to a later time. The rating agencies have started on downgrading Italian debt to one notch above junk level. If Italian debt were to fall below investment grade, many investors would be unable to hold it. Unsurprisingly, investors are becoming increasingly concerned by the words and actions of the Italian government and consequently, Italian bond yields have risen – at a time when the

government faces having to refinance large amounts of debt maturing in 2019.

- Weak capitalisation of some **European banks**. Italian banks are particularly vulnerable; one factor is that they hold a high level of Italian government debt - debt which is falling in value. This is therefore undermining their capital ratios and raises the question of whether they will need to raise fresh capital to plug the gap.
- **German minority government**. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD is reviewing whether it can continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party's convention in December 2018, (a new party leader has now been elected). However, this makes little practical difference as she is still expected to aim to continue for now as the Chancellor. However, there are five more state elections coming up in 2019 and EU parliamentary elections in May/June; these could result in a further loss of electoral support for both the CDU and SPD which could also undermine her leadership.
- **Other minority eurozone governments**. Spain, Portugal, Ireland, the Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile. Sweden is also struggling to form a government due to the anti-immigration party holding the balance of power, and which no other party is willing to form a coalition with. The Belgian coalition collapsed in December 2018 but a minority caretaker government has been appointed until the May EU wide general elections.
- **Austria, the Czech Republic and Hungary** now form a strongly anti-immigration bloc within the EU while **Italy**, in 2018, also elected a strongly anti-immigration government. Elections to the EU parliament are due in May/June 2019.
- Further increases in interest rates in the US could spark a **sudden flight of investment funds** from more risky assets e.g. shares, into bonds yielding a much improved yield. Throughout the last quarter of 2018, we saw sharp falls in equity markets interspersed with occasional partial rallies. Emerging countries which have borrowed heavily in dollar denominated debt, could be particularly exposed to this risk of an investor flight to safe havens e.g. UK gilts.
- There are concerns around the level of **US corporate debt** which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is now rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will

increase their cost of financing and further negatively impact profits and cash flow.

- **Geopolitical risks**, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

#### **Upside risks to current forecasts for UK gilt yields and PWLB rates**

- **Brexit** – if both sides were to agree by 29 March a compromise that quickly removed all threats of economic and political disruption and so led to an early boost to UK economic growth.
- **The Fed causing a sudden shock in financial markets** through misjudging the pace and strength of increases in its Fed Funds Rate and in the pace and strength of reversal of QE, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- **UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

# **WARWICK DISTRICT COUNCIL**

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## **Capital Strategy 2019/20 to 2023/24**

**February 2019**

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### 1 Introduction

- 1.1 A new Council was elected in May 2015 and agreed new strategies and priorities, which guides the use all resources, including capital, to secure the achievement of its aims and objectives. An organisational structure is in place to link strategy with service and project delivery. A performance management system is in place that links Fit for the Future (the Council's Corporate Strategy), to the resource strategies and all in turn influence the Service Area Plans, Team Operational Plans and individual performance statements.
- 1.2 May 2019 will see the election of a new Council. As a consequence of that, this Strategy, along with all others will need to be reviewed to ensure that it meets the corporate priorities and is achievable with estimated resources.
- 1.3 As part of its wider Treasury Management objectives, the Council is required to have regard to the CIPFA<sup>1</sup> 'Prudential Code for Capital Finance in Local Authorities' (the Prudential Code). The 2018 revision to the Prudential Code introduced a requirement for local authorities to produce a Capital Strategy, as part of best practice in financial planning.
- 1.4 This is Warwick District Council's first version of such a strategy and sets out the baseline practices. It will be updated as and when new priorities, schemes or methods of financing are adopted, and in line with the Asset Management Strategy and will form an integral part the Council's strategic planning.
- 1.5 This Strategy sets out the resource background, the new policy context, the lessons that have been learned from previous years, and areas for improvement. It also sets out how the Strategy will be assessed and reviewed in the future so that improvement can be continuous. Importantly, it shows how the Capital Strategy will help deliver the Council's aims and the process that will be used to make sure that this is the case.
- 1.6 The Strategy sets the framework for all aspects of the Council's capital and investment expenditure.
- 1.7 The Capital Strategy needs to be seen in the context of very considerable change and where it is part of the essential infrastructure of excellent public service delivery.
- 1.8 It is intended to give a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services, along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 1.9 This Strategy includes sufficient detail to allow all members of the Council to understand how stewardship, value for money, prudence, sustainability and affordability will be secured, and to meet legislative requirements on reporting.
- 1.10 Capital expenditure is defined as the acquisition, creation or enhancement of an asset. These assets can be tangible such as buildings or vehicles, as well as intangible assets such as software or licenses.

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<sup>1</sup> Chartered Institute of Public Finance & Accountancy



### 2 Resource Background

- 2.1 Set out below is a summary of the Council's assets and its existing plans to use its resources to invest for the future.
- 2.2 The Council's assets as shown in the balance sheet as at 31<sup>st</sup> March 2018 are summarised below:-

|  | No.   | Value<br>£m         |
|--|-------|---------------------|
| <b>Operational Assets</b>                |       |                     |
| <b>HRA</b>                               |       |                     |
| Property & other assets                  | 7,542 | 378.0               |
| <b>General Fund</b>                      |       |                     |
| Land and buildings                       | 119   | 71.9                |
| Community assets                         |       | 6.6                 |
| Vehicles, plant, furniture and equipment |       | 1.9                 |
| Infrastructure                           |       | 2.0                 |
|  |       | <u>82.4</u>         |
| <b>Non-Operational Assets</b>            |       | 10.9                |
| <b>Investment Properties</b>             |       | <u>11.0</u>         |
| <b>Total</b>                             | 7,661 | <b><u>482.3</u></b> |

(note: Non-Operational Assets include Heritage Assets)

## Capital Strategy 2019/20 to 2023/24

- 2.3 A summary of the capital programme proposed to be agreed by the Council in February 2019 for the period 2019/20 to 2022/23 is given below. This programme gives an indication of the level of the Council's resources that are to be devoted to capital expenditure.

| Capital Programme 2018/19 to 2022/23 |               |               |              |              |              |
|--------------------------------------|---------------|---------------|--------------|--------------|--------------|
|                                      | 2018/19       | 2019/20       | 2020/21      | 2021/22      | 2022/23      |
|                                      | £m            | £m            | £m           | £m           | £m           |
| <b>General Fund:</b>                 |               |               |              |              |              |
| Strategic Leadership & CWLEP         | 0.415         | 0.129         | 0.149        | 0.302        | 0.277        |
| Health & Community Protection        | 0.647         | 0.600         | -            | -            | -            |
| Culture Portfolio                    | 3.250         | 0.623         | -            | -            | -            |
| Finance Portfolio                    | 0.200         | 0.150         | 0.150        | 0.150        | 0.150        |
| Neighbourhood Portfolio              | 2.972         | 0.758         | 0.080        | 0.080        | 0.080        |
| Development Portfolio                | 10.962        | 1.940         | 0.070        | 0.045        | 0.045        |
| Total General Fund Capital Programme | 18.447        | 4.200         | 0.449        | 0.577        | 0.552        |
| <b>Housing Investment Programme</b>  | 10.598        | 22.156        | 4.633        | 4.636        | 4.639        |
| <b>Total Capital Programme</b>       | <b>29.045</b> | <b>26.356</b> | <b>5.082</b> | <b>5.213</b> | <b>5.191</b> |

| Capital Funding 2018/19 to 2022/23           |               |               |              |              |              |
|--|---------------|---------------|--------------|--------------|--------------|
|  | 2018/19       | 2019/20       | 2020/21      | 2021/22      | 2022/23      |
|  | £m            | £m            | £m           | £m           | £m           |
| <b>General Fund:</b>                         |               |               |              |              |              |
| External Borrowing                           | -             | -             | -            | -            | -            |
| Internal Borrowing                           | 11.646        | 0.045         | 0.045        | 0.045        | 0.045        |
| Capital Receipts                             | 1.202         | -             | -            | -            | -            |
| External Contributions                       | 1.299         | 2.206         | 0.025        | -            | -            |
| Revenue Contributions to Capital Outlay      | 0.085         | 0.080         | 0.080        | 0.080        | 0.080        |
| Specified Reserves                           | 4.214         | 1.869         | 0.299        | 0.452        | 0.427        |
| Total General Fund Programme Financing       | 18.447        | 4.200         | 0.449        | 0.577        | 0.552        |
| <b>Housing Investment Programme:</b>         |               |               |              |              |              |
| Capital Receipts                             | -             | -             | -            | -            | -            |
| Capital Receipts: One for One replacement    | 0.704         | 3.449         | -            | -            | -            |
| Major Repairs Reserve                        | 8.131         | 7.194         | 4.511        | 4.513        | 4.516        |
| Capital Grant                                | -             | -             | -            | -            | -            |
| HRA Capital Investment Reserve               | 1.642         | 11.391        | -            | -            | -            |
| Housing Revenue Account (RCCO)               | 0.122         | 0.122         | 0.123        | 0.123        | 0.123        |
| Total Housing Investment Programme Financing | 10.598        | 22.156        | 4.633        | 4.636        | 4.639        |
| <b>Total Capital Programme Financing</b>     | <b>29.045</b> | <b>26.356</b> | <b>5.082</b> | <b>5.213</b> | <b>5.191</b> |
| <b>Estimated Resources C/F:</b>              |               |               |              |              |              |
| General Fund                                 | 2.051         | 1.942         | 1.980        | 1.865        | 1.789        |
| HIPS   | 48.614        | 38.647        | 46.202       | 53.756       | 61.306       |
| Total  | 50.665        | 40.589        | 48.182       | 55.621       | 63.095       |

No prudential borrowing has been included to finance the capital programme in future years. Any prudential borrowing will be approved by Council annually before the start of each financial year, as part of the Treasury Management Strategy.

- 2.4 Capital and revenue are both key elements of successful financial planning and are intrinsically linked. The impact of capital expenditure on the Council's revenue budgets is a key part of the Medium Term Financial Strategy planning process.
- 2.5 The table below highlights some of the key impacts of capital expenditure on revenue budgets.

| Revenue Savings                 | Revenue Costs  |
|---------------------------------|--|
| Direct income from assets       | Running costs of new assets  |
| Reduced maintenance costs       | Minimum Revenue Provision (loan principal)                                       |
| Reduced premise operating costs | Interest costs from borrowing / lost investment interest from internal borrowing |
| Reduced staff costs             | Revenue funding of capital programme   |

## 3 Policy Background and Performance Management

3.1 The District Council has agreed a corporate policy framework that links:

- i) the Corporate Strategy – Fit For the Future,
- ii) the Council's Resource Strategies,
- iii) Service Area Plans, and
- iv) Individual Performance Statements and Appraisals

### 3.2 Fit For the Future and Corporate Objectives

3.2.1 The Council's priorities are detailed in the Fit For the Future strategy. The Council's vision is confirmed as **"To make Warwick District, a great place to live, work and visit"**. To achieve the vision we will be customer focussed, a good employer, a community leader, provide high quality services and working in partnership where this adds value.

3.2.2 Fit for the Future is Warwick District Council's Corporate Strategy and links together our aims and objectives, projects and service area plans. These are linked in three separate strands, as summarised as follows:

- a) Service – Delivering customer focused services by: using customer measures, helping to build trust, continuously improving, understanding our customers, and using systems thinking.
- b) People – Valuing our staff, empowering our staff, supporting our staff through change, ensuring our communication is clear and regular.
- c) Money – Managing the resources appropriately to balance our budget, ensuring our assets work for us, ensuring our town centres are vibrant and create solutions to increase our revenue to manage our services openly and effectively and efficiently

### 3.3 Links to Other Strategies and Plans

3.3.1 Within the overall strategy, there is a clear hierarchy. The Service Planning process sits at the centre and is advised by Fit For the Future, the Resource Strategies and other Strategies, Policies and Plans. This is a two way process as the information flows in both directions. The important link is from the Service Plans to individual staff targets in the appraisal process – so linking strategy with individual staff's performance.

3.3.2 The Council's Asset Management Plan (AMP) is currently being developed and is due to be completed in the Summer of 2019. The AMP will need to have regard to this Capital Strategy, and in due course this Strategy may need to be updated to reflect any issues arising from the AMP. The Council will use active asset management to consider both existing assets and the future asset base. The capital programme will be used to bridge the gap to ensure that the Council has appropriate assets in the long term.

### 3.4 The Council's Service Area Planning Process

- 3.4.1 This is a key process to ensure that the Council works towards the corporate priorities and objectives. The Heads of Service agree service plan proposals that include development bids for the services. Capital schemes are an important element of development. The Service Plans objectives have been put into place by a whole raft of service strategies and policies which have been developed over the years.
- 3.4.2 The Council's Corporate Management Team ensure that all projects for the capital programme meet the Fit For the Future objectives in order to be considered for the service plans.
- 3.4.3 Service Area Plans specify the need for all units to undertake consultation of its customers, benchmarking of its services and to comply with a number of corporate issues e.g. equality of access, sustainability, employment policies etc. These requirements are then to be translated to individual staff's objectives and targets within the appraisal system.

## 4 Priorities

- 4.1 The Council has two key areas for capital expenditure - Housing and Other Services (blocks defined by Central Government).
- 4.2 With respect to all capital expenditure, the following overriding priorities have been determined as:
- Realising local aspirations as expressed within the Fit For the Future Strategy;
  - Maintaining, and where possible enhancing, the condition of the Council's existing assets so as to reduce future maintenance liabilities and to encourage their effective use. Where appropriate this will include working in partnership with others.
  - Supporting capital schemes that provide revenue savings to the Council, in particular supporting investment in Information and Communication Technology so as to modernise activities and release resources for other purposes.
  - Achieving regeneration and economic vitality in main population centres.

However, alongside these priorities for capital, all capital projects need to contribute towards the Council delivering its priorities as set out in Fit For the Future.

- 4.3 Key particular projects that link to Fit For the Future are: -
- Enabling developments across the district that improve the environment such as Europa Way, and the improvement of Leamington Old Town.
  - To continue to maintain the Government's "decent homes" standard.
  - To increase the number of affordable houses in the District.
  - Relocation of the Council's main office to a more efficient and cost effective building
  - Enhanced Leisure Facilities
  - Maintaining and enhancing the Council's off street parking facilities.
- 4.4 The Council does need to invest in its assets so as to enable it to maintain and enhance its service provision to residents and customers. The increasing population within the District, on

the back of the Local Plan, is creating further service demands. The Council's recent and on-going investment in its leisure centres is as a consequence of these requirements.

- 4.5 Ideas for new capital schemes come from a wide variety of sources including individual Members, Council Committees, officers or external stakeholders.
- 4.6 The Council actively encourages developments that will help the local economy. Partners have been procured for the development of the Creative Quarter in Leamington's old town with consultation on the Master Plan currently underway.
- 4.7 The Council protects the condition of its existing assets by carrying out a four yearly building conditions survey and providing a significant budget for repair and maintenance, which then reflects the priorities highlighted in the survey. Recent stock condition surveys have shown there is some backlog in terms of repairing and maintaining some of the Council's municipal assets.
- 4.8 The Council may consider investing in projects that are not directly in support of service provision. These may be for commercial activities so as to generate a financial return to the Council, or to promote activities in line with the Council's overall objectives. In all cases the basis for these will need to be clearly identified, having regard to the relevant legislation and the Treasury Management requirements.

### **5 Evaluation and Monitoring of Schemes**

- 5.1 Effective evaluation and monitoring of capital schemes is an essential element of good governance, as projects are often significant in terms of financial resources, organisational capacity, impact on service provision and the Council's reputation.
- 5.2 The Corporate Management Team (CMT) comprises the Chief Executive and two Deputy Chief Executives that take a corporate view to the development of the Council's services. They ensure that a cross-cutting approach is taken to the consideration of all issues including the capital programme. All development issues are discussed between the Service Area Head and a member of CMT as part of the Council's Service Planning process, previously explained. Only schemes that deliver priorities as established by the Council's Fit For the Future Strategy and Government guidance proceed to the next stage.
- 5.3 New capital projects are developed as part of the Council's Service Area Planning Process. Projects needs to be assessed against how they deliver the Council's corporate objectives, whether there are alternative methods of achieving the aims, the resources available and the cost to the Council. For larger schemes, a full Project Initiation Document should be prepared based on Prince2 methodology.
- 5.4 Business cases for all schemes require the following financial issues to be considered, in addition to the service implications:-
  - Revenue implications, including running costs, income, savings and costs of capital finance (debt charges).
  - Sources of capital funding
  - Profile of costs and sources of funding, including projects being delivered over multiple years
  - Risks attached to the project and finances
- 5.5 All project proposals are considered by portfolio holders before they are presented to the Executive to consider against Council priorities and the resources available before being formally agreed by the Council.
- 5.6 Project opportunities do arise outside of the annual service planning process. These may be specific service related or significant corporate projects, for example, the Europa Way project. Such projects may only be possible in a specific time frame. Sometimes there may be time

## Capital Strategy 2019/20 to 2023/24

limited funding available to support such projects. In all cases the projects will be properly evaluated against the Council's priorities and resources (including finance and capacity) by CMT before such consideration by portfolio holders and Executive.

- 5.7 Aside from individual business cases for projects, consideration will be given to the overall proposed Capital Programme and whether it can be supported with regard to:-
- The overall funding available
  - The capacity of the organisation to progress all the projects
  - The risk appetite and risk capacity to undertake all the projects, and mitigations in place to reduce the risks.
- 5.8 Capital projects will be monitored and evaluated, both during and after their completion, to ensure their efficient progress and that any lessons learned are applied to other Council schemes.
- 5.9 As part of the Council's regular budget monitoring, monthly expenditure reports are produced by Finance for budget officers responsible for individual capital projects, with variances considered by the Senior Management Team. Quarterly monitoring reports are submitted for consideration by the Executive and Scrutiny Committees.
- 5.10 The Code of Financial Practice requires that "Along with progress being monitored as part of monitoring and review of budgets and final accounts, projects should be subject to an appropriate post implementation review to confirm whether the project objectives have been met".

## 6 Financing the Capital Strategy

- 6.1 The Capital Strategy needs to have regard to the financial resources available to fund it. Some funding sources are ring fenced and can only be used for Housing Revenue Account (HRA) capital expenditure, or a particular capital scheme. No capital scheme will be put forward without funding having been identified to complete the project.
- 6.2 The main sources of funding are detailed below: -
- **Capital Receipts** – primarily resulting from the sale of the Council's assets as other receipts have fallen in recent years. This income is "lumpy" and limited, although there are still schemes being considered that could realise further capital receipts.
  - The Council is required to sell homes to eligible tenants at a significant discount under the right-to buy (RTB). The proportion of such receipts are taken by the Treasury; with the balance retained by the Council, some having to be provided for new dwellings and the remainder the Council having flexibility over its use.
  - **Capital Contributions** – including contributions from developers (often under Section 106 Planning Agreements and now from the Community Infrastructure Levy as well) and grants towards specific schemes.
  - **Use of Council's own resources** – either by revenue contributions to capital, or use of earmarked reserves.
  - **Prudential Borrowing** – the Council has freedom to borrow under the Prudential Code, provided that it can demonstrate<sup>2</sup> that it has the resource to service the debt. Where appropriate, internal balances<sup>2</sup> will be utilised ahead of external borrowing in order to optimise borrowing costs, especially when internal balances are invested at rates lower

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<sup>2</sup> Internal borrowing refers to the use of internal cash balances to finance capital expenditure in place of borrowing money from external sources

## Capital Strategy 2019/20 to 2023/24

than the cost of external borrowing. The normal sources of borrowing are from the money market or the Public Works Loan Board (PWLb), the latter offering preferential rates of interest to local authorities.

- The Council is required to ensure that all borrowing is both prudent and affordable. All schemes funded by prudential borrowing are approved by full Council. As part of the annual Treasury Management Strategy full Council approves a limit for affordable borrowing; capital schemes will be evaluated with reference to that limit.
- Borrowing will normally be used as the last possible source of funding.
- Any borrowing incurred to support the provision of new build housing within the HRA must be demonstrated to be affordable over a period of 30 years.
- **Leasing** – the Council requires that, where appropriate, an options appraisal is undertaken in order to identify the most efficient source of financing capital purchases. In certain cases this may take the form of either a finance or operating lease.
- **External funding** – there are a number of sources where monies from a third party are available:
  - **Capital grant from Government or Government agency** – these may be either ring fenced or non-ring fenced. Disabled Facilities Grants (DFGs) and Heritage Lottery Fund (HLF) are examples of a ring fenced grants. Use of the New Homes Bonus (NHB) is an example of a non-ring fenced grant.
  - **Community Investment Levy** – Money received from developers under the Community Infrastructure Levy (CIL) will be allocated under the CIL arrangements in accordance with the Council's capital scheme priorities
  - **Section 106 Agreements** – Developer consents may attract Section 106 funding on a particular asset or site, as an alternative to a Community Infrastructure Levy
  - **Capital contributions from partner organisations** – schemes may be part or fully funded from contributions from partner organisations. The Council will look to use external funding wherever possible towards meeting the funding requirement of its capital programme.

6.3 The funding available to finance the capital programme will be monitored and reported to Members as part of the annual Budget report each February. Also, any specific project proposal will need to state the sources of the funding, and the level of funding available.

## 7 Revenue Consequences of Capital Investment

7.1 The Council's Financial Strategy, which is closely linked to this strategy, outlines a projection of the Council's revenue resources for the same period - i.e. to 2024. The Financial Strategy takes account of all revenue effects of the capital programme to ensure that the decisions taken are sustainable into the future.

7.2 The Prudential Code requires the Council to set prudential limits for servicing debt. The use of prudential borrowing is supported by the Council to finance appropriate capital projects, provided that the Medium Term Financial Strategy (MTFS) can accommodate the borrowing costs, with this cost duly prioritised over other use of revenue funding. A level of prudential borrowing has been included within the financing of the General Fund Capital Programme, to replace schemes currently funded by internal borrowing, with the associated cost of servicing that debt having been allowed for within the revenue projections.

## 8 Risks

8.1 Under the Prudential Code the "chief finance officer should report explicitly on the affordability and risk associated with the capital strategy and where appropriate have access to specialised advice to enable them to reach their conclusions". The statement below is the Warwick District Council Chief Finance Officer's response.



- 8.2 Affordability and risk are key considerations within this Capital Strategy. The key principles articulated within this Strategy include that it must support the financial viability of the Council, and that payback should be a key consideration of the Strategy. The capital investment will be required to provide an overall positive return to the General Fund, as well as generating a number of key services enhancements. The risk section is articulated below and importantly, business cases for new schemes are required to ensure that risks are adequately covered; one of the most significant risks being capacity to deliver the individual projects contained within the strategy and adequately identifying resources required at the commencement of projects. The HRA capital programme is a key element of the 50 year Housing Revenue Account (HRA) Business Plan, which is refreshed annually; individual schemes are assessed for affordability within the overall context of this plan.
- 8.3 All projects need to have a strong governance framework to support them and ensure their subsequent delivery.
- 8.4 The Council also utilises our treasury management advisors, Link Treasury Services, to consider the implications of the Prudential Code and the impact on the Treasury Management Strategy.
- 8.5 **Legal and Procurement Implications**  
Individual projects proposed to be included within the Capital programme will be carefully considered in relation to legal and procurement issues and separate approvals sought as appropriate.
- 8.6 **Workforce Implications**  
Project resources for individual projects are identified as part of the business case. This will need to consider how projects will be supported, both by the sponsoring service and other services needed to support the project. Where necessary, further external support may need to be allowed for within the project business case.
- 8.7 **Environmental Considerations**  
Environmental considerations will be part of the business case supporting specific capital projects where relevant. Many of the schemes have environmental benefits included within them.
- 8.8 **Equality Impact Assessment**  
Equality Impact assessments will be considered as part of the business case for specific capital projects.
- 8.9 **Risk Management**  
In setting out this Strategy, and when considering the Capital Programme and the projects within it, all risks should be managed in line with the Council's Risk Management Framework. This will include individual projects having their own specific Risk Register to be managed as part of the overall project.
- 9 Assessment and Review**
- 9.1 This strategy will be subject to annual review to ensure that changes are included and that development issues have been implemented.



## 10 Treasury Management

- 10.1 Treasury management refers to the processes of managing and reporting on the Council's performance in matters of investment and borrowing.
- 10.2 The Council's policy on Treasury Management has numerous links to the Capital Strategy. It is not intended that this Strategy replace the reporting requirements of the Treasury Management Strategy and includes a summary of the major points of that strategy and associated governance processes.
- 10.3 Key Treasury decisions are the responsibility of full Council and are contained within the Treasury Management Strategy.
- 10.4 These include
- Approved limits on borrowing
  - Limits for investment types and counterparty limits
  - Planned capital expenditure
  - Estimates for the future Capital Financing Requirement
  - Policy on the Minimum Revenue Provision
- 10.5 Detailed discussion on these matters is delegated to the Finance and Audit Scrutiny Committee who then make recommendations on to full Council.
- 10.6 The key impact of a capital programme using borrowing is the creation of a "Capital Financing Requirement" (CFR). The CFR represents the need to borrow external funds as a result of expenditure funded through borrowing or other forms of credit such as finance leases. Having a CFR creates the need for a Minimum Revenue Provision (MRP), a sum to be put to one side each year from the General Fund for repayment of debt.
- 10.7 The Council's MRP policy is to make provision for the repayment of debt equally over the life of the asset to which the borrowing relates.
- 10.8 The projections of General Fund MRP are shown in the table below:

|                    | 2018/19       | 2019/20       | 2020/21       | 2021/22       | 2022/23       |
|--------------------|---------------|---------------|---------------|---------------|---------------|
|                    | £'000         | £'000         | £'000         | £'000         | £'000         |
| Opening CFR        | 9,128         | 20,715        | 20,406        | 18,665        | 17,725        |
| Borrowing *        | 11,693        | -32           | -1,456        | -653          | -4,397        |
| Budgeted MRP       | -106          | -277          | -285          | -287          | -282          |
| <b>Closing CFR</b> | <b>20,715</b> | <b>20,406</b> | <b>18,665</b> | <b>17,725</b> | <b>13,046</b> |

\* The borrowing figure from 2019/20 onwards is negative due to external contributions and capital receipts being used to pay down the CFR.

- 10.9 The Treasury Management Strategy to be considered by Council in February 2019 sets out the following limits for external borrowing:

|                       | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
|-----------------------|---------|---------|---------|---------|---------|
|                       | £m      | £m      | £m      | £m      | £m      |
| Authorised Debt Limit | 169     | 199     | 209     | 208     | 208     |

**Prudential Indicators****1. Introduction**

- 1.1 The Prudential Capital Finance system came into effect on 1st April 2004.
- 1.2 The Prudential Capital Finance system replaced the previous system of approval allocations from central government and allows authorities to borrow as much as they can prudently afford to pay back from their revenue resources. CIPFA developed the Prudential Code for Capital Finance in Local Authorities (Prudential Code) to provide a mechanism to enable councils to ensure, that in line with the new freedom given, their capital investment plans are affordable, prudent and sustainable.
- 1.3 It is the Council's responsibility to set its prudential indicators having had regard to its own individual set of circumstances. The Council will then be able to demonstrate that its capital investment proposals are affordable, prudent and sustainable.
- 1.4 The Prudential Indicators are divided into groups covering Affordability, Prudence, Capital Expenditure, External Debt and Treasury Management. This appendix explains what the Prudential Indicators are as well as revising them for 2018/19 where appropriate and setting them for future years.

**2.0 Affordability - Ratio of financing costs to net revenue stream**

- 2.1 This ratio sets an upper limit on the proportion of the Council's net revenue streams both for GF and HRA which goes to service debt.
- 2.2 The table below shows the ratios proposed for the General Fund, Housing Revenue Account and Overall as required by the Prudential Code.

| <b>Year</b>     | <b>General Fund</b> | <b>Housing Revenue Account</b> | <b>Overall</b>   |
|-----------------|---------------------|--------------------------------|------------------|
| 2018/19 Revised | -2.00% to 3.00%     | 38.00% to 43.00%               | 20.00% to 25.00% |
| 2019/20         | -2.00% to 3.00%     | 38.00% to 43.00%               | 23.00% to 28.00% |
| 2020/21         | -2.00% to 3.00%     | 37.00% to 42.00%               | 24.00% to 29.00% |
| 2021/22         | -3.00% to 2.00%     | 36.00% to 41.00%               | 21.00% to 26.00% |

- 2.3 It is felt best to have a ratio which is a range rather than a precise figure as at this point in time it is difficult to predict what long term interest rates will be in the future and even a small variation in the interest rate at which borrowing is incurred could cause a ratio based on a precise percentage to be breached but with little effect on the Authority's finances.

- 2.4 The significant size of the HRA ratio is due to the impact of taking on the HRA self financing debt and reflects the need to provide for repayment of the debt throughout the life of the Business Plan. This debt repayment provision was not required under the previous subsidy system but is fully covered within the Business Plan as the Council will retain all its rent income in order to provide for debt servicing costs.
- 2.5 There will be a need to monitor these ratios during the year and, if necessary, to take remedial action to avoid them being breached. It is recommended that the trigger point be set at the lowest point of each range. This will give sufficient time to remedy the situation.

### **3.0 Prudence - Gross Debt and the Capital Financing Requirement**

- 3.1 This indicator requires that gross debt, except in the short term, is to be kept below the CFR for the same period. It is estimated that gross external debt will be lower than the capital financing requirement in future years.

### **4.0 Capital Expenditure - Estimates of Capital Expenditure for at least 3 years**

- 4.1 The Council is required to publish its estimated capital expenditure for both the general fund and housing revenue account for the next year and two years following. By modelling various capital programmes, this indicator provides the data for the ratio of financing costs to net revenue stream indicator.
- 4.2 The table below shows the Councils estimated capital expenditure on the General Fund and Housing Revenue Account for the next four years:

| <b>Capital expenditure</b> | <b>2019/20</b> | <b>2020/21</b> | <b>2021/22</b> | <b>2022/23</b> |
|----------------------------|----------------|----------------|----------------|----------------|
|                            | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    | <b>£000</b>    |
| General Fund               | 4,200.0        | 448.9          | 576.8          | 551.8          |
| Housing Revenue Account    | 22,156.3       | 4,633.1        | 4,636          | 4,638.9        |
| Total                      | 26,356.3       | 5,082.0        | 5,212.8        | 5,190.7        |

### **5.0 Capital Expenditure - Estimates of Capital Financing Requirement**

- 5.1 This is a key measure in that it measures the underlying need for an authority to borrow for capital purposes. Either external or internal borrowing (where an authority utilises cash backing its reserves and balances rather than externally borrowing) creates a cost to the Council in terms of having to pay interest on and provide for repayment of external loans or lost investment interest. The Capital Financing Requirement provides the starting point for calculating this cost and the results feed into the ratio of financing costs to net revenue stream indicator.
- 5.2 The estimated Capital Financing Requirements (CFR) at the end of 2018/19 and each of the next three years are as follows and are based on the Council's capital programme and also include both the HRA Self

Financing debt settlement and the effects of the debt repayment strategy contained within the HRA Self Financing Business Plan. The GF CFR also includes the impact of the internal borrowing incurred to date as well as the internal and external borrowing factored into the current 5 year General Fund Capital Programme.

| <b>Year</b>     | <b>General Fund</b> | <b>HRA</b>  | <b>Total</b> |
|-----------------|---------------------|-------------|--------------|
|                 | <b>£000</b>         | <b>£000</b> | <b>£000</b>  |
| 2018/19 Revised | 20,715              | 135,787     | 156,502      |
| 2019/20         | 20,406              | 135,787     | 156,193      |
| 2020/21         | 18,665              | 135,787     | 154,452      |
| 2021/22         | 17,725              | 135,787     | 153,512      |

5.3 With regard to the HRA the Capital Financing Requirement reflects the HRA Self Financing debt settlement of £136.157m. The CFR is slightly below the borrowing figure due to the £0.370m negative capital financing requirement at the commencement of 2011/12.

5.4 Because of variations in the capital programmes there will be a need to monitor this indicator in year to ensure that the in year limit is not breached by slippage from the previous year or expenditure brought forward from the following year. This is unlikely but will be kept under review by Finance.

## **6.0 External Debt - Authorised Limit**

6.1 The Council is required to set for the forthcoming year and the following two financial years an Authorised Limit for its total external debt, gross of investments, separately identifying borrowing from other long term liabilities. The Authorised Limit equates to the maximum external debt at any one time which the Council is allowed to have outstanding.

6.2 The recommended Authorised Limit is as shown in the table below:


| <b>Authorised Limit</b>       | <b>2018/19 Latest</b> | <b>2019/20 Estimate</b> | <b>2020/21 Estimate</b> | <b>2021/22 Estimate</b> |
|-------------------------------|-----------------------|-------------------------|-------------------------|-------------------------|
|                               | <b>£000</b>           | <b>£000</b>             | <b>£000</b>             | <b>£000</b>             |
| Debt including HRA Settlement | 166,853               | 196,853                 | 206,853                 | 205,853                 |
| Other Long Term Liabilities   | 2,079                 | 2,063                   | 2,047                   | 2,030                   |
| <b>Total</b>                  | <b>168,932</b>        | <b>198,916</b>          | <b>208,900</b>          | <b>207,883</b>          |

6.3 The limits above take into account the HRA Self Financing debt settlement and Leisure Centre Refurbishment borrowing. They also include an allowance for any potential prudential borrowing on future capital projects both GF and HRA.

## **7.0 External Debt - Operational Boundary**

- 7.1 The Council is also required to set an operational boundary for external debt. Again this is for three years and gross of investments. The Operational Boundary which is less than the Authorised Limit is effectively the day to day working limit for cash flow purposes. This indicator is sensitive to additional borrowing and to debt restructuring so will need to be set at an appropriate level at the outset of each financial year to cater for any forecast activity in these areas during the coming year. Occasional breach of the Operational Boundary is not seen as a cause for concern (so long as the Authorised Limit is not breached) but a sustained breach could mean that there are problems with the Councils cash flow therefore there will be a need to monitor this indicator during the year and, if necessary, to take remedial action.
- 7.2 The recommended Operational Boundaries are as shown in the table below:

| <b>Operational Boundary</b>   | <b>2018/19<br/>Latest</b> | <b>2019/20<br/>Estimate</b> | <b>2020/21<br/>Estimate</b> | <b>2021/22<br/>Estimate</b> |
|-------------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|
|                               | <b>£000</b>               | <b>£000</b>                 | <b>£000</b>                 | <b>£000</b>                 |
| Debt including HRA Settlement | 148,879                   | 148,879                     | 148,879                     | 148,879                     |
| Other Long Term Liabilities   | 1,079                     | 1,063                       | 1,047                       | 1,030                       |
| <b>Total</b>                  | <b>149,958</b>            | <b>149,942</b>              | <b>149,926</b>              | <b>149,909</b>              |

|   |   |  |
|---|---|--|
|  <b>Executive &amp; Council, 6 February 2019</b>   |   | <b>Agenda Item No.</b><br><br><b>5</b> |
| <b>Title</b>  | Housing Revenue Account (HRA) Budget 2019/20 and Housing Rents  |  |
| For further information about this report please contact  | Lisa Barker<br>Tel: 01926 456403<br><a href="mailto:Lisa.barker@warwickdc.gov.uk">Lisa.barker@warwickdc.gov.uk</a><br><br>Andrew Rollins<br>Tel: 01926 456803<br><a href="mailto:Andrew.rollins@warwickdc.gov.uk">Andrew.rollins@warwickdc.gov.uk</a> |  |
| <b>Wards of the District directly affected</b>  | All   |  |
| <b>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?</b> | No  |  |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   | Executive 9 <sup>th</sup> January 2019 Item 4:<br>Housing Revenue Account base budgets 2019/20<br>Executive 7 February 2018:<br>Housing Revenue Account (HRA) Budget 2018/19 and Housing Rents  |  |
| <b>Background Papers</b>  | As above  |  |

|  |               |
|--|---------------|
| <b>Contrary to the policy framework:</b>                                   | No            |
| <b>Contrary to the budgetary framework:</b>                                | No            |
| <b>Key Decision?</b>   | Yes           |
| <b>Included within the Forward Plan? (If yes include reference number)</b> | Yes (Ref 971) |
| <b>Equality Impact Assessment Undertaken</b>                               | No            |

| Officer/Councillor Approval                                       |          |   |
|---|----------|---|
| Officer Approval  | Date     | Name  |
| Chief Executive/Deputy Chief Executive                            |          | Bill Hunt   |
| Heads of Service  | 15.01.19 | Lisa Barker (Head of Housing) & Mike Snow (Finance) |
| CMT   |          |   |
| Section 151 Officer   |          | Mike Snow   |
| Monitoring Officer  |          | Andrew Jones  |
| Finance   |          | Andrew Rollins                                      |
| Portfolio Holder  |          | Councillor Phillips                                 |
| Consultation & Community Engagement                               |          |   |
|   |          |   |
| Final Decision?   |          | Yes   |
| Suggested next steps (if not final decision please set out below) |          |   |

## **1. Summary**

- 1.1 This report presents to Members the latest Housing Revenue Account (HRA) budgets in respect of 2018/19 and 2019/20.
- 1.2 The information contained within this report makes the recommendations to Council in respect of setting next year's budgets, the proposed changes to council tenant housing rents, garage rents and other charges for 2019/20.

## **2. Recommendations**

The Executive is asked to recommend to Council:

- 2.1 That rents for all tenanted dwellings (excluding shared ownership) be reduced by 1% for 2018/19.
- 2.2 That HRA dwelling rents for all new tenancies created in 2019/20 are set at Target Social (Formula) Rent, or at Warwick Affordable rent for Sayer Court properties.
- 2.3 That members note that shared ownership rents are increased by RPI plus 0.5% in line with the lease agreement
- 2.4 That garage rents for 2019/20 are increased by £4 per month.
- 2.5 That a budget of £100k is set aside to support the delivery of improvements to the HRA garage sites and to environmental improvements at the high rise schemes.
- 2.6 That the latest 2018/19 and 2019/20 Housing Revenue Account (HRA) budgets are agreed (Appendix 3).

## **3. Reasons for the Recommendations**

### **3.1 National Housing Rent Policy – 2019/20 Annual decrease**

- 3.1.1 In July 2015 the Government announced that with effect from April 2016, the rents charged for existing tenants by local authority housing landlords should be reduced by 1% per year, for four years. 2019/20 will be the final year of this reduction.
- 3.1.2 The 1% rent reduction per annum also applies to supported housing, with 2019/20 being the final year of this reduction.
- 3.1.3 Specialised supporting housing will remain exempt from this policy for mutual / co-operatives, alms houses and Community Land Trusts and refuges. However, this Council does not currently have any housing which would meet these criteria.
- 3.1.4 From April 2020, a new policy will come into effect, with Councils allowed to increase rents by CPI (at September) + 1% per annum.

- 3.1.5 For new tenancies, landlords are permitted to set the base rent as the Target Social Rent (also known as Formula Rent). In our case this represents a small increase over the social rent charged for tenanted properties and is projected to increase rental income by around £6000 in 2019/20. These tenancies will then be subject to agreed rental policy to comply with the Welfare Reform and Work Bill 2016.
- 3.1.6 The only exception would be in respect of properties at Sayer Court, Leamington, where the Council has previously approved that tenancies within the new development will be let at Warwick Affordable Rent Levels. Whilst the 1% rent decrease will apply to existing tenants for the coming year, new tenancies established during 2019/20 would be charged at the full Warwick Affordable Rent Value.
- 3.1.7 Details of all current rents and those proposed as a result of these recommendations are set out in Appendix 1. A comparison of the Council's social rents with affordable and market rents is set out in Appendix 2.
- 3.1.8 The recommendations ensure that the Council is operating in compliance with national policy and guidance on the setting of rents for General Needs and Supported Housing properties.

### **3.2 Shared Ownership**

- 3.2.1 During 2015, the council took ownership of 15 shared ownership dwellings at Great Field Drive in Southwest Warwick.
- 3.2.2 Shared owners are required to pay rent on the proportion of their home which they do not own.
- 3.2.3 The shared ownership properties' rent increases are not governed by national Policy.
- 3.2.4 The Council adopted the Homes and Communities Agency (HCA) template lease agreement which includes a schedule on rent review. Schedule 4 of the lease agreement determines that the rent will be increased by RPI + 0.5% from April 2019.

### **3.3 Garage Rents**

- 3.3.1 Garage rent increases are not governed by national guidance. Any increase that reflects costs of the service, demand, market conditions and the potential for income generation can be considered. The HRA Business Plan base assumption is that garage rents will increase in line with inflation. However, the Council does not have in place a formal policy for the setting of rents for garages.
- 3.3.2 There are waiting lists for a number of garage sites, whilst other sites have far lower demand; where appropriate these sites are being considered for future redevelopment as part of the overall garage strategy for the future.
- 3.3.3 Two different rent charges apply to garages depending upon whether the renter is an existing WDC tenant or not. There are also parking spaces and cycle sheds which are charged for.



- 3.3.4 Market Research shows that in the private sector, garages are being marketed in the district for on average £80 per month (valuations last reviewed January 2016). The average monthly rent for a Council garage is currently £33.50.
- 3.3.5 Consideration has been made of the level of increase that could be applied to the garages. Unlike housing rents, there is no requirement to reduce garage rents and therefore the proposal is to increase rents to include inflation and a modest rent rise. Last year, members approved a £4 rise in garage rents and it is proposed to adopt the same approach this year with an increase of £4 per month being recommended across all chargeable areas.
- 3.3.6 The location of many of our garage sites and quality of the land, landscape and garage condition constrain the levels of rent that can reasonably be achieved. It is considered that many sites require investment to improve their condition, provide greater community benefits, extend the life or accommodate the development of additional affordable housing. The Housing Service has started a review of garage sites to determine their optimum potential as an asset of the HRA. Most sites will simply require some form of fairly modest improvement such as to roofs or to the hardstanding. Others may require more significant work or may benefit from a more strategic redesign and realignment with contemporary expectations. In addition, the garages and external areas at key high rise sites such as at the Crest are in need of some redesign and modernisation. The proposal is to undertake a detailed redesign of the external environments at the high rise blocks and to detail the requirements for improving sites as they are discounted for their potential for new development. The recommendation of a budget of up to £100k will enable this work to be taken forward.
- 3.3.7 Any additional income generated for the service will help to alleviate the loss of rental income from dwellings and ensure the continuous viability of the Housing Revenue Account Business Plan.
- 3.3.8 Should members approve the recommendation, projected income for 2019/20 will increase by a net £84,000 compared to 2018/19.
- 3.3.9 Alongside the rent increase, a review of garage voids has indicated that on average 15% of the total garage stock is void throughout the year, worth £125,000 in potential income. The proposed work to review each site has the potential to reduce the level of voids and possibly to attract additional income.
- 3.3.10 For tenants, most garage rents will increase by 92p per week (£4 per month), from £7.99 to £8.91. Non-tenants also pay VAT on the charge, so it will increase by £1.10 per week, from £9.59 to £10.69.

#### **3.4 Housing Revenue Account (HRA) budgets**

- 3.4.1 The Council is required to set a budget for the HRA each year, approving the level of rents and other charges that are levied. The Executive makes recommendations to Council that take into account the base budgets for the HRA and current Government guidance on national rent policy.
- 3.4.2 The dwelling rents have been adjusted to take account of the loss of rent resulting from actual and anticipated changes in property numbers for 2018/19

and 2019/20. This includes additional rental income from the 5 new build properties at Cloister Way which are due to be purchased and subsequently let to tenants, and changes based on the number of Right-To-Buy sales in 2018/19, and those forecast for 2019/20.

- 3.4.3 Shared ownership property rents will increase by RPI + 0.5% in accordance with the terms of the lease. As at November 2018, RPI was 3.2%, therefore the income budget has been increased by £2,700.
- 3.4.4 The garages rental income budget has been increased by £33,100 to take into account the £4 per month increase in charges for 2019/20 and current level of voids.
- 3.4.5 Full details of the Budget will be included within the Budget Book which will be available to members ahead of Budget / Rents Setting by Council (a summary is provided in appendix 3).
- 3.4.6 The Housing Investment Programme is presented as part of the separate February 2019 report 'General Fund 2019/20 Budget and Council Tax' (Ref 969).
- 3.4.7 The recommendations will enable the proposed latest Housing Investment Programme to be carried out and contribute available resources to the HRA Capital Investment Reserve for future development whilst maintaining a minimum working balance on the HRA of at least £1.5m in line with Council policy.

#### **4. Policy Framework**

- 4.1 The Housing Revenue Account (HRA) budget is a financial expression of the Council's housing policies, having regard to the available resources and rent setting consequences. This report is in accordance with the Council's Financial Strategy.

#### **4.2 Fit for the Future**

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.

| <b>FFF Strands</b>                                   |   |  |
|--|---|--|
| <b>People</b>  | <b>Services</b>                                   | <b>Money</b>   |
| <b>External</b>                                      |   |  |
| <b>Health, Homes, Communities</b>                    | <b>Green, Clean, Safe</b>                         | <b>Infrastructure, Enterprise, Employment</b>          |
| <u>Intended outcomes:</u><br>Improved health for all | <u>Intended outcomes:</u><br>Area has well looked | <u>Intended outcomes:</u><br>Dynamic and diverse local |

|  |   |  |
|--|---|--|
| Housing needs for all met<br>Impressive cultural and sports activities.<br>Cohesive and active communities   | after public spaces. All communities have access to decent open space. Improved air quality. Low levels of crime and ASB                            | economy. Increased employment and income levels. Vibrant town centres. Improved performance / productivity of local economy.   |
| <b>Impacts of Proposal</b>   |   |  |
| Ensure housing standards and services are suitable for tenants, leaseholders and shared owners, meeting their needs and contributing to their health and well-being.   | Ensure HRA budgets are sufficient to maintain HRA owned open spaces and the neighbourhoods around Council owned homes.                              | Ensure rents are set in accordance with national policy at lower than market rents rates to enable the cost of living for tenants to be reduced, allowing more money to be spent in the wider economy. |
| <b>Internal</b>  |   |  |
| <b>Effective Staff</b>   | <b>Maintain or Improve Services</b>   | <b>Firm Financial Footing over the Longer Term</b>   |
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools. All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours. | <u>Intended outcomes:</u><br>Focusing on our customers' needs<br>Continuously improve our processes.<br>Increase the digital provision of services. | <u>Intended outcomes:</u><br>Better return/use of our assets. Full Cost accounting<br>Continued cost management. Maximise income earning opportunities. Seek best value for money.                     |
| <b>Impacts of Proposal</b>   |   |  |
| The HRA budgets provide the necessary resources to achieve these outcomes  | Enable tenants' needs to be met, and support improvement of services relating to Council Housing Stock.   | Rent charges proposed ensure that debt can be serviced alongside the strategy outlined in the HRA Business Plan.   |

A key element of Fit for the Future is ensuring that the Council achieves the required savings to enable it to set a balanced budget whilst maintaining service provision. The HRA is subject to the same regime to ensure efficiency within the service.

#### 4.3 **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies. Improving housing standards in residents' homes directly and positively contributes to the Housing and Health-and-Wellbeing desired outcomes. It also contributes to the Housing and Homelessness Strategy objective of improving the management and maintenance of existing housing.

#### 4.4 **Changes to Existing Policies**

The budgets proposed are in accordance with existing policies. The report does not propose any changes to the policies regarding rent setting.

## **4.5 Rents Policy**

- 4.5.1 This report recommends following the latest Central Government rent guidance. This is also the rent policy assumed in the current HRA Business Plan.
- 4.5.2 As agreed in June 2014, void homes are re-let at Target Social Rent, in line with the latest Central Government rent guidance.

## **5. Budgetary Framework**

- 5.1 The HRA is a key component of the Council's budget framework and the budgets proposed are in accordance with the long term HRA Business Plan.
- 5.2 The 1% rent decrease for tenanted properties is budgeted for within the latest HRA Business Plan approved in March 2017.
- 5.3 The recommended budgets maintain the minimum working balance on the HRA expected under current Council policy, increasing by inflation each year.
- 5.4 The HRA Business Plan will continue to be reviewed throughout 2019/20 to take account of any subsequent changes to national policy or adjustments needed to reflect changes to existing spending priorities.

## **6. Risks**

- 6.1 The risks, and appropriate control mechanisms, for the 2019/20 HRA Budget and the rent increase process are considered below.
- 6.2 When setting the HRA budget for 2019/20, a sensitivity analysis of assumptions relating to these risks and their potential impact on the budget is as follows:-
  - 0.5% change in void housing rent loss = £128,000 increase or decrease to rental income.
  - Currently only the element of anticipated capital receipts from Right to Buy (RTB) sales specifically reserved for provision of affordable housing has been included for HRA use in future years. It is assumed that the remainder of receipts, known as RTB Any Purpose receipts, will continue to be used to fund other capital projects. Each sale currently generates an average 'usable capital receipt' for the Council of around £82,900 (of which £32,300 is RTB Any Purpose, and £46,600 RTB 1-4-1 receipts). This is calculated after a share is paid to the Treasury under capital receipt 'pooling' regulations, and transaction costs are deducted.
  - On average the loss of rental income due to RTB sales is £4,700 per property for a full year; so in the year of sale the initial losses will be approximately half of this, £2,350, for each home sold, assuming RTB sales are spread fairly evenly throughout the year.
  - In some circumstances, ex-RTB properties must be offered to the Council in advance of the property being advertised on the market. A modest number of properties are repurchased each year, mitigating the rental loss. Furthermore, the Council has agreed proposals to build new council housing replacing those sold through the RTB.

- An issue has been identified whereby every 6-7 years 53 Mondays fall in a financial year, with the next occurrence being 2019-20. This presents an issue as 53 rent debits are raised, rather than the usual 52, which causes issues with tenants in receipt of Universal Credit, which cannot account for a 53 week year. We have calculated that this could have an impact on up to 780 claimants, with a maximum loss of £70,200 income to the HRA. The LGA are continuing to make representations to both DWP and MHCLG in regards to a long-term solution to this issue. It is expected that we will be able to provide an update on the issue for the Q1 Budget review report.

6.3 Were any, or all, of these possibilities to arise the impact could be accommodated within the proposed HRA budget for 2019/20 and HRA Business Plan.

6.4 The Housing Revenue Account faces a number of financial pressures arising from changes to national policy and legislation:

- § The continuation of the 1% reduction in income will see HRA rental income reduce from £25.8m in 2015-2016 when the policy was implemented to circa £24.8m after 4 years. It was confirmed in October 2017 that from April 2020 HRA rental income will be able to be increased by CPI + 1% each year.
- § The introduction of Universal Credit, which began its roll out in October 2018, may lead to additional challenges in recovering rent as residents adjust to the new systems. The HRA bad debt provision in the latest base budgets has been set to take consideration of this change.

6.5 Officers will closely monitor the changes discussed in paragraph 6.4 above. As and when more details become available, Budgets and the Business Plan will be updated to reflect this, with Members being notified accordingly.

## **7 Alternative Options**

### **7.1 Garage Rents**

7.1.1 The Council has discretion over the setting of Garage rents.

7.1.2 Each 1% change in garage rents results in an increase or decrease of potential income of around £6,900 per year.

7.1.3 It would be possible to set Garage rents higher than those proposed to maximise income; however significantly higher rents may make Garages harder to let and so reduce income. Similarly, rents could also be reduced but this would reduce income to the HRA Budget when it is needed.

### **7.2 Dwellings**

7.2.1 The Council does have the discretion to decrease rents for existing tenants by more than the 1% prescribed. However, this would reduce the level of income for the HRA, which in turn could impact upon the viability of future projects.

- 7.2.2 The council does not have the discretion to change the rent schedule for existing shared ownership dwellings, which is determined by the existing terms of the lease.

## **8 Background**

- 8.1 The Executive received a report on HRA budget setting at its meeting in January 2019, detailing Government and Council Policy that has driven the budget process.

- 8.2 However, rents for 2019/20 need to be considered and agreed before the final budgets can be set. The background to each of these items is summarised below.

- 8.3 These rents, along with any other changes that have arisen since the previous report, impact on the setting of the final HRA budget.

### **8.4 Housing Rents and Government Policy**

- 8.4.1 In July 2015 the Government announced that with effect from April 2016, the rent charged by local authorities should be reduced by 1% per year for four years. The Government does however expect void properties to be re-let at Target Social Rent so in time bringing all social housing rents into line with the original aims of the 2002 convergence policy.

- 8.4.2 A summary of average target rents compared to the 2019/20 rents for current tenants recommended in this report is included in Appendix 1.

- 8.4.3 A comparison with market rents currently charged for properties with 1 to 4 bedrooms in the WDC area has been included in Appendix 2. For example, the current average weekly market rent for a 3 bedroom home in the area is £259, whilst the proposed average 2019/20 rent for current WDC tenants living in a 3 bedroom home is £96.06. Proposed 2019/20 rents are on average 58% less than current market rents. This means that the Council's housing service reduces the cost of living for tenants, allowing more money to be spent in the wider economy and reducing the social security costs of helping lower income tenants afford their rent.

### **8.5 Housing Revenue Account (HRA)**

- 8.5.1 Councils with housing stock are required to maintain a separate 'ring-fenced' Housing Revenue Account (HRA) for all expenditure and income related to council housing. By law councils cannot approve a budget that would lead to a deficit HRA balance.

- 8.5.2 2018/19 and 2019/20 budgets were last considered and approved in the January 2019 report 'Housing Revenue Account (HRA) base budgets 2019/20', which detailed the latest 2018/19 revised budget and base 2019/20 budget, identifying variances from the initial 2018/19 budget.

- 8.5.3 A summary of the latest 2018/19 and 2019/20 budgets can be found in Appendix 3.

- 8.5.4 The Capital works in the Housing Investment Programme (HIP) are presented as part of the separate February 2019 report 'General Fund 2019/20 Budgets and Council Tax' (Ref 969). This will include £3.2m for fire safety improvements in high-rise buildings, works agreed by members in July 2017, to be funded from unallocated Major Repairs Reserve balances.
- 8.5.5 Capital and revenue improvements are being carried out alongside the approved fire safety works, some of which have been brought forward in the HIP to minimise tenant disruption. Some of these works are likely to incur costs and loss of rental income due to tenants being required to decant on a temporary basis. Once these costs are known an update will be provided.
- 8.5.6 The agreement of heating lighting and water charges was delegated to the Head of Housing and Head of Finance in consultation with the relevant portfolio holders in the Executive report 'Heating, Lighting and Water Charges 2018/19 – Council Tenants' on 7<sup>th</sup> February 2018. A policy of full cost recovery is adopted.

## Average Weekly Rents - Formula, Current and Proposed Social Rents

| Number of Bedrooms | Current Number of WDC Homes (Target Formula Applicable) | 2018/19                           |                       | 2019/20                           |                                | 2019/20 Average Difference between 'Target' (Formula) Rent (F) and Proposed Rent (A) |        | 2019/20 Proposed Average Decrease in Weekly Rent |       |
|--------------------|---|-----------------------------------|-----------------------|-----------------------------------|--------------------------------|--|--------|--|-------|
|                    |   | F Average 'Target' (Formula) Rent | A Average Weekly Rent | F Average 'Target' (Formula) Rent | A Proposed Average Weekly Rent |  |        |  |       |
| Studio             | 59  | £65.19                            | £61.84                | £64.53                            | £61.22                         | £3.32  | 5.42%  | -£0.62   | -1.0% |
| 1                  | 1,456   | £83.18                            | £77.94                | £82.35                            | £77.16                         | £5.18  | 6.72%  | -£0.78   | -1.0% |
| 2                  | 1,912   | £91.27                            | £85.72                | £90.35                            | £84.86                         | £5.50  | 6.41%  | -£0.86   | -1.0% |
| 3                  | 1,883   | £104.53                           | £97.03                | £103.48                           | £96.06                         | £7.42  | 7.65%  | -£0.97   | -1.0% |
| 4                  | 57  | £116.73                           | £105.85               | £115.56                           | £104.79                        | £10.77   | 10.18% | -£1.06   | -1.0% |
| 5                  | 4   | £162.38                           | £119.46               | £160.76                           | £118.27                        | £42.49   | 35.57% | -£1.19   | -1.0% |
| Average            | 5,371   | £93.90                            | £88.08                | £92.96                            | £87.20                         | £5.76  | 6.61%  | -£0.88   | -1.0% |

## Warwick Affordable Rent (Sayer Court)

| Number of Bedrooms | Type      | No of Properties | 2018/19 Rent Per Week      |                     |                            |  |   | 2019/20 Rent Per Week      |                     |                           |  |   |
|--------------------|-----------|------------------|----------------------------|---------------------|----------------------------|--|---|----------------------------|---------------------|---------------------------|--|---|
|                    |           |                  | Average Target Social Rent | Average Market Rent | Average Affordable Rent*** | Average Warwick Affordable Rent (existing tenancies) | Average Warwick Affordable Rent (new tenancies from 1/4/18) | Average Target Social Rent | Average Market Rent | Average Affordable Rent** | Average Warwick Affordable Rent (existing tenancies) | Average Warwick Affordable Rent (new tenancies from 1/4/19) |
| 1                  | Apartment | 33               | £89.09                     | £150.00             | £120.00                    | £103.35  | £104.55   | £88.20                     | £159.00             | £127.20                   | £102.32  | £107.70   |
| 2                  | Apartment | 43               | £99.93                     | £192.27             | £153.82                    | £125.34  | £126.87   | £98.93                     | £201.00             | £160.80                   | £124.09  | £129.86   |
| 2                  | Bungalow  | 3                | £104.74                    | £214.84             | £171.87                    | £136.60  | £138.31   | £103.70                    | £201.00             | £160.80                   | £135.23  | £132.25   |
| 3                  | Bungalow  | 2                | £128.36                    | £245.00             | £196.00                    | £160.23  | £162.18   | £127.08                    | £259.00             | £207.20                   | £158.63  | £167.14   |
|                    |           | 81               |                            |                     |                            |  |   |                            |                     |                           |  |   |

- \* The average market rent is based on independent valuations prepared upon completion of Sayer Court by a RICS registered valuer (July 2016). Should a property become vacant and subsequently re-let, a revaluation of the property will be carried out in accordance to the same Regulatory standards.
- \*\* The average market rent is based on median weekly rents data from Hometrack. Should a property become vacant and subsequently re-let, a revaluation of the property will be carried out by a RICS registered valuer.
- \*\*\* Affordable rent is calculated at 80% of the market rent



## Appendix 2

### Comparison to Local Market Rents

| Number of Bedrooms | 2018/19 WDC Current Average Weekly Rent | 2019/20 WDC Proposed Average Weekly Rent | Current Local Average Weekly Market Rent * | Difference between Proposed WDC Rent and Market Rent | Proposed 2019/20 WDC Rent as a % of Market Rent | 2018/19 WDC Current Average Formula (Target) Rent | 2019/20 WDC Proposed Average Formula (Target) Rent | Difference 2019/20 WDC Formula Rent to Market Rent | 2019/20 WDC Formula Rent as a % of Market Rent | Affordable Rents at 80% of Market Rent | LHA Local Housing Allowance Limit ** (Dec 2018) |
|--------------------|---|--|--|--|---|---|--|--|--|--|---|
| <b>1 Bedroom</b>   | £77.94                                  | <b>£77.16</b>                            | 156.00                                     | 78.84  | 49%   | £83.18  | <b>£82.35</b>                                      | 73.65  | 53%  | <b>£124.80</b>                         | £122.66   |
| <b>2 Bedroom</b>   | £85.72                                  | <b>£84.86</b>                            | 201.00                                     | 116.14   | 42%   | £91.27  | <b>£90.35</b>                                      | 110.65   | 45%  | <b>£160.80</b>                         | £154.87   |
| <b>3 Bedroom</b>   | £97.03                                  | <b>£96.06</b>                            | 259.00                                     | 162.94   | 37%   | £104.53   | <b>£103.48</b>                                     | 155.52   | 40%  | <b>£207.20</b>                         | £181.80   |
| <b>4 Bedroom</b>   | £105.85                                 | <b>£104.79</b>                           | 351.00                                     | 246.21   | 30%   | £116.73   | <b>£115.56</b>                                     | 235.44   | 33%  | <b>£280.80</b>                         | £246.50   |

\* Median local average private market rents (as at December 2018) from Hometrack

\*\* LHA (Local Housing Allowance) is the cap for housing benefit for those who rent privately, subject to other eligibility criteria.

Rates shown are for the Warwickshire South Broad Rental Market Area, December 2018.

LHA does not apply to council tenants; it is shown to illustrate the highest rents that can be supported by housing benefit in the private rented sector.

|  | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|--|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7000 HOUSING REVENUE AC</u></b>   |                        |                                    |                                  |                                    |
| <b>EXPENDITURE</b>                       |                        |                                    |                                  |                                    |
| Housing Repairs Supervision              | 926,740                | 860,600                            | 890,000                          | 890,000                            |
| HRA Repairs and Maintenance              | 4,681,480              | 5,017,500                          | 5,237,500                        | 5,162,500                          |
| Electricity                              | 238                    | 400                                | 400                              | 400                                |
| Gas                                      | -                      | -                                  | -                                | -                                  |
| Wood Fuel - Bio-Mass boiler              | -                      | -                                  | -                                | -                                  |
| Council Tax                              | 80,709                 | 137,100                            | 137,100                          | 137,100                            |
| Water Charges-Metered                    | 41,663                 | 32,600                             | 40,000                           | 40,000                             |
| <b>Premises</b>                          | <b>5,730,830</b>       | <b>6,048,200</b>                   | <b>6,305,000</b>                 | <b>6,230,000</b>                   |
| Debt Recovery Agency Costs               | -                      | 3,900                              | 3,900                            | 3,900                              |
| Contributions To Provisions              | 134,278                | 127,700                            | 72,900                           | 72,900                             |
| Bad Debts Provision                      | 203,557                | 380,200                            | 380,200                          | 380,200                            |
| <b>Supplies and Services</b>             | <b>337,835</b>         | <b>511,800</b>                     | <b>457,000</b>                   | <b>457,000</b>                     |
| Direct Court Fees                        | 6,244                  | -                                  | -                                | -                                  |
| Consultants Fees                         | 2,451                  | -                                  | -                                | -                                  |
| <b>Third Party Payments</b>              | <b>8,695</b>           | <b>-</b>                           | <b>-</b>                         | <b>-</b>                           |
| Supervision & Management - General       | 2,342,087              | 2,681,900                          | 2,979,300                        | 3,022,700                          |
| Supervision & Management - Special       | 2,203,997              | 2,186,700                          | 2,124,200                        | 2,215,400                          |
| <b>Support Services</b>                  | <b>4,546,084</b>       | <b>4,868,600</b>                   | <b>5,103,500</b>                 | <b>5,238,100</b>                   |
| Notional Interest                        | -                      | 152,400                            | 152,400                          | 152,400                            |
| Loss On Impairment/Revaluation Of Assets | (153,836)              | -                                  | -                                | -                                  |
| Depreciation on Council Dwellings        | 6,038,282              | 2,913,400                          | 6,100,000                        | 6,100,000                          |
| Depreciation on Other HRA Properties     | 446,922                | 541,800                            | 541,800                          | 541,800                            |
| Depreciation on Equipment                | 27,011                 | 10,700                             | 10,700                           | 10,700                             |
| <b>Capital Charges</b>                   | <b>6,358,379</b>       | <b>3,618,300</b>                   | <b>6,804,900</b>                 | <b>6,804,900</b>                   |
| <b>GROSS EXPENDITURE CARRIED FORWARD</b> | <b>16,981,823</b>      | <b>15,046,900</b>                  | <b>18,670,400</b>                | <b>18,730,000</b>                  |

|  | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|--|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7000 HOUSING REVENUE AC (Continued)</u></b> |                        |                                    |                                  |                                    |
| <b>GROSS EXPENDITURE BROUGHT FORWARD</b>           | <b>16,981,823</b>      | <b>15,046,900</b>                  | <b>18,670,400</b>                | <b>18,730,000</b>                  |
| <b>INCOME</b>                                      |                        |                                    |                                  |                                    |
| Other Income                                       | (5,702)                | -                                  | -                                | -                                  |
| Other Licences                                     | (920)                  | (4,100)                            | (4,100)                          | (4,100)                            |
| Heating Charges                                    | (149,431)              | (102,900)                          | (149,400)                        | (149,400)                          |
| Service Charges                                    | (197,419)              | (131,200)                          | (200,000)                        | (200,000)                          |
| Service Charges Supporting People                  | (113,242)              | (147,500)                          | (100,000)                        | (100,000)                          |
| Water Charges                                      | (33,235)               | (31,100)                           | (31,100)                         | (31,100)                           |
| Service Charges Leasehold                          | (800)                  | -                                  | -                                | -                                  |
| Rents-Housing                                      | (24,922,604)           | (24,535,600)                       | (24,535,600)                     | (24,290,200)                       |
| Rents-Shared Ownership                             | (68,309)               | (71,000)                           | (71,000)                         | (73,700)                           |
| Rent Sayer Court                                   | (500,754)              | (495,600)                          | (495,600)                        | (490,700)                          |
| Use and Occupation - Homeless                      | (8,877)                | -                                  | -                                | -                                  |
| Rents-Garages                                      | (577,171)              | (662,000)                          | (662,000)                        | (695,100)                          |
| Rents-Others                                       | (308,261)              | (320,000)                          | (320,000)                        | (320,000)                          |
| General Fund                                       | (37,900)               | (37,900)                           | (37,900)                         | (37,900)                           |
| <b>GROSS INCOME</b>                                | <b>(26,924,625)</b>    | <b>(26,538,900)</b>                | <b>(26,606,700)</b>              | <b>(26,392,200)</b>                |
| <b>NET INCOME FROM SERVICES</b>                    | <b>(9,942,802)</b>     | <b>(11,492,000)</b>                | <b>(7,936,300)</b>               | <b>(7,662,200)</b>                 |
| Interest-Balances                                  | (171,057)              | (213,300)                          | (213,300)                        | (213,300)                          |
| Capital Charges - Adj                              | -                      | (100,000)                          | (100,000)                        | (100,000)                          |
| Approp HRA Resource Equiv to Depn to MRR           | 6,574,271              | -                                  | -                                | -                                  |
| Depreciation Adj - Other HRA Property              | (62,056)               | -                                  | -                                | -                                  |
| <b>NET OPERATIONAL INCOME</b>                      | <b>(3,601,644)</b>     | <b>(11,805,300)</b>                | <b>(8,249,600)</b>               | <b>(7,975,500)</b>                 |
| <b><u>APPROPRIATIONS:</u></b>                      |                        |                                    |                                  |                                    |
| Reversal of Notional Interest                      | -                      | (152,400)                          | (152,400)                        | (152,400)                          |
| External Interest                                  | 4,713,339              | 4,765,600                          | 4,765,600                        | 4,765,600                          |
| Appropriation Re Depn + MRA                        | 62,056                 | 2,887,900                          | -                                | -                                  |
| Approp from CAA to Offset HRA Resources            | (6,574,271)            | -                                  | -                                | -                                  |
| Capital financing                                  | (516,528)              | -                                  | -                                | -                                  |
| Cap Fin-Rev Contr to Cap Outlay(GF+HIP)            | 89,703                 | 119,600                            | 119,600                          | 119,600                            |
| Cont from Reserves                                 | 30,700                 | 8,000                              | 8,000                            | 8,000                              |
| Contrib HRA Capital Invest Reserve (Dr)            | 5,642,434              | 4,569,400                          | 3,882,200                        | 3,616,400                          |
| recognised gains/losses -asset sales               | 3,635,370              | -                                  | -                                | -                                  |
| NCA impair/Revals losses charged to rev            | 153,836                | -                                  | -                                | -                                  |
| F Assets sales b/s val trf to I & E a/c            | 2,506,955              | -                                  | -                                | -                                  |
| sur/def on reval of assets held for sale           | 23,400                 | -                                  | -                                | -                                  |
| Capital financing                                  | 516,530                | -                                  | -                                | -                                  |
| Cont from Reserves                                 | (259,100)              | (100,000)                          | (100,000)                        | (100,000)                          |
| rec gains/losses - fa - reversal                   | (3,635,370)            | -                                  | -                                | -                                  |
| NCA impair/Revals losses charged to rev            | -                      | -                                  | -                                | -                                  |
| F Asset sales trf from I & E to CAA a/c            | (2,506,955)            | -                                  | -                                | -                                  |
| employee benefits accruals (cr)                    | (1,491)                | -                                  | -                                | -                                  |
| sur/def on reval of assets held for sale           | (23,400)               | -                                  | -                                | -                                  |
| Net IAS19 Charges for Retirement Benefits          | (709,889)              | (782,000)                          | (831,400)                        | (878,800)                          |
| Employers Contribs payable to Pension Fd           | 293,225                | 322,000                            | 368,600                          | 402,000                            |
| Pensions Interest+Rate of Return Assets            | 135,900                | 138,700                            | 160,900                          | 165,700                            |
| <b>TAKEN FROM / (TO) BALANCES</b>                  | <b>(25,200)</b>        | <b>(28,500)</b>                    | <b>(28,500)</b>                  | <b>(29,400)</b>                    |
| <b>Balance Brought Forward</b>                     | <b>(1,399,800)</b>     | <b>(1,425,000)</b>                 | <b>(1,425,000)</b>               | <b>(1,453,500)</b>                 |
| <b>BALANCE CARRIED FORWARD</b>                     | <b>(1,425,000)</b>     | <b>(1,453,500)</b>                 | <b>(1,453,500)</b>               | <b>(1,482,900)</b>                 |

**Variations:****Premises:**

|  |         |        |
|--|---------|--------|
| Housing Repairs Supervision                      | 29,400  | 29,400 |
| HRA Repairs and Maintenance                      |         |        |
| Housing Repairs - Major - see section below      | 220,500 | 45,500 |
| Housing Repairs - Responsive - see section below | (500)   | 99,500 |

**Supplies and Services**

|                            |          |          |
|----------------------------|----------|----------|
| Contribution to provisions | (54,800) | (54,800) |
|----------------------------|----------|----------|

**Supervision & Management:**

|   |          |         |
|---|----------|---------|
| Changes in Supervision & Management - General | 297,400  | 340,800 |
| Changes in Supervision & Management - Special | (62,500) | 28,700  |

**Income:**

|  |   |          |
|--|---|----------|
| Housing Rents - 1% rent reduction (pending rent setting report)              |   | 250,300  |
| Garage rents - 5% increase as per HRA Bus Plan (pending rent setting report) | - | (33,100) |

**Contributions to / (from) Reserves:**

|  |           |           |
|--|-----------|-----------|
| Changes in contribution to HRA Capital Investment Reserve due to all other changes | (687,200) | (953,000) |
|--|-----------|-----------|

**Pension Adjustments:**

|   |        |        |
|---|--------|--------|
| Increase in amounts charged to service accounts | 19,400 | 10,200 |
|---|--------|--------|

|  | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|--|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7010 HSG SUP+MAN GENERAL</u></b>      |                        |                                    |                                  |                                    |
| <b>DIRECT EXPENDITURE</b>                    |                        |                                    |                                  |                                    |
| Employees                                    | 6,919                  | 7,200                              | 7,200                            | 7,300                              |
| Premises                                     | 182,688                | 192,500                            | 190,900                          | 195,200                            |
| Supplies and Services                        | 101,058                | 107,700                            | 98,200                           | 101,900                            |
| Third Party Payments                         | 177,927                | 376,200                            | 411,200                          | 376,200                            |
| <b>TOTAL DIRECT EXPENDITURE</b>              | <b>468,592</b>         | <b>683,600</b>                     | <b>707,500</b>                   | <b>680,600</b>                     |
| <b>DIRECT INCOME</b>                         |                        |                                    |                                  |                                    |
| Other Income                                 | (73,746)               | (41,000)                           | (41,000)                         | (41,000)                           |
| Other Grants and Contributions               | -                      | (20,000)                           | (20,000)                         | (20,000)                           |
| Fees and Charges                             | (149,966)              | (130,800)                          | (130,800)                        | (130,800)                          |
| <b>TOTAL DIRECT INCOME</b>                   | <b>(223,712)</b>       | <b>(191,800)</b>                   | <b>(191,800)</b>                 | <b>(191,800)</b>                   |
| <b>NET DIRECT (INCOME) / EXPENDITURE</b>     | <b>244,880</b>         | <b>491,800</b>                     | <b>515,700</b>                   | <b>488,800</b>                     |
| Support Services                             | 3,023,983              | 3,050,700                          | 3,353,600                        | 3,423,900                          |
| Recharges                                    | (926,776)              | (860,600)                          | (890,000)                        | (890,000)                          |
| <b>NET (INCOME) / EXPENDITURE TO SUMMARY</b> | <b>2,342,087</b>       | <b>2,681,900</b>                   | <b>2,979,300</b>                 | <b>3,022,700</b>                   |

**Variations:**Third Party Payments

Consultants Fees for new housing development projects

35,000

-

Support Services:

Revised allocations

302,900

373,200

|  | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|--|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7200 HOUSING SERVICES</u></b>         |                        |                                    |                                  |                                    |
| <b>DIRECT EXPENDITURE</b>                    |                        |                                    |                                  |                                    |
| Employees                                    | 1,581,988              | 1,669,000                          | 1,733,500                        | 1,735,000                          |
| Transport                                    | 32,224                 | 18,300                             | 18,300                           | 18,300                             |
| Supplies and Services                        | 160,398                | 197,100                            | 224,300                          | 205,800                            |
| Third Party Payments                         | 66,463                 | 183,700                            | 162,100                          | 239,700                            |
| <b>TOTAL DIRECT EXPENDITURE</b>              | <b>1,841,073</b>       | <b>2,068,100</b>                   | <b>2,138,200</b>                 | <b>2,198,800</b>                   |
| <b>DIRECT INCOME</b>                         |                        |                                    |                                  |                                    |
| Other Income                                 | (45,594)               | (39,600)                           | (43,300)                         | (43,300)                           |
| Fees and Charges                             | (31,959)               | (47,000)                           | (31,100)                         | (47,000)                           |
| <b>TOTAL DIRECT INCOME</b>                   | <b>(77,553)</b>        | <b>(86,600)</b>                    | <b>(74,400)</b>                  | <b>(90,300)</b>                    |
| <b>NET DIRECT (INCOME) / EXPENDITURE</b>     | <b>1,763,520</b>       | <b>1,981,500</b>                   | <b>2,063,800</b>                 | <b>2,108,500</b>                   |
| Support Services                             | 611,598                | 568,800                            | 581,800                          | 578,000                            |
| Recharges                                    | (2,375,118)            | (2,550,300)                        | (2,645,600)                      | (2,686,500)                        |
| <b>NET (INCOME) / EXPENDITURE TO SUMMARY</b> | <b>-</b>               | <b>-</b>                           | <b>-</b>                         | <b>-</b>                           |

**Variations:**Employees:

|  |          |          |
|--|----------|----------|
| Interim Housing Needs Manager Post   | 27,300   | 57,100   |
| Tenancy management fixed term posts to support fire safety work delivery / inspections | 25,700   | 13,400   |
| Fixed term post to support introduction of Universal Credit                            | 20,500   | 11,000   |
| Asset Restructure  | 22,900   | (8,800)  |
| IAS19 charges  | (32,400) | (32,600) |

Supplies and Services:

|   |        |       |
|---|--------|-------|
| Priority Families Support Worker - Grant Funded | 17,500 | 8,700 |
|---|--------|-------|

Third Party Payments:

|   |          |         |
|---|----------|---------|
| Direct Court Fees   | (21,600) | (4,000) |
| LA Consultancy Services to support delivery of housing scheme | -        | 60,000  |

Fees and Charges

|                     |        |  |
|---------------------|--------|--|
| Court Cost Recovery | 15,900 |  |
|---------------------|--------|--|

Support Services:

|                     |        |       |
|---------------------|--------|-------|
| Revised allocations | 13,000 | 9,200 |
|---------------------|--------|-------|

Recharges:

|                                   |          |           |
|-----------------------------------|----------|-----------|
| Change in costs to be reallocated | (95,300) | (136,200) |
|-----------------------------------|----------|-----------|

|   | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|---|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7015 HSG SUP+MAN SPECIAL</u></b>   |                        |                                    |                                  |                                    |
| S7410 WARWICK RESPONSE                    | 428,759                | 720,500                            | 694,300                          | 711,800                            |
| S7430 VERY SHELTERED HOUSING              | (2,895)                | -                                  | 5,900                            | 64,700                             |
| S7440 HOUSING SUPPORT                     | 399,758                | 88,000                             | 78,000                           | 81,400                             |
| S7450 CENTRAL HEATING                     | 150,250                | 153,900                            | 165,600                          | 165,600                            |
| S7460 COMMUNITY CENTRES                   | 5,046                  | 9,900                              | 8,800                            | 8,800                              |
| S7620 HSG OPEN SPACES                     | 677,058                | 567,800                            | 554,400                          | 570,400                            |
| S7630 HSG COMMUNAL AREAS                  | 352,294                | 403,200                            | 354,200                          | 359,400                            |
| S7635 ESTATE SUPERVISORS                  | 193,727                | 194,100                            | 213,700                          | 204,000                            |
| 7928 REPM FIRE RISK ASSESSMENTS- COMMUNAL | -                      | 49,300                             | 49,300                           | 49,300                             |
| <b>NET EXPENDITURE TO HRA SUMMARY</b>     | <b>2,203,997</b>       | <b>2,186,700</b>                   | <b>2,124,200</b>                 | <b>2,215,400</b>                   |

**S7410 WARWICK RESPONSE****DIRECT EXPENDITURE**

|                       |         |         |         |         |
|-----------------------|---------|---------|---------|---------|
| Employees             | 640,047 | 696,700 | 717,400 | 737,800 |
| Premises              | 6,705   | 10,300  | 6,800   | 6,900   |
| Transport             | 19,019  | 5,900   | 5,900   | 5,900   |
| Supplies and Services | 128,723 | 230,600 | 230,600 | 230,600 |
| Third Party Payments  | -       | 300     | 300     | 300     |

**TOTAL DIRECT EXPENDITURE**

|                |                |                |                |
|----------------|----------------|----------------|----------------|
| <b>794,494</b> | <b>943,800</b> | <b>961,000</b> | <b>981,500</b> |
|----------------|----------------|----------------|----------------|

**DIRECT INCOME**

|                   |           |           |           |           |
|-------------------|-----------|-----------|-----------|-----------|
| Government Grants | (14,539)  | -         | -         | -         |
| Other Income      | (54,962)  | (50,200)  | (50,200)  | (50,200)  |
| Fees and Charges  | (407,634) | (433,900) | (383,900) | (383,900) |

**TOTAL DIRECT INCOME**

|                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|
| <b>(477,135)</b> | <b>(484,100)</b> | <b>(434,100)</b> | <b>(434,100)</b> |
|------------------|------------------|------------------|------------------|

**NET DIRECT (INCOME) / EXPENDITURE**

|                |                |                |                |
|----------------|----------------|----------------|----------------|
| <b>317,359</b> | <b>459,700</b> | <b>526,900</b> | <b>547,400</b> |
|----------------|----------------|----------------|----------------|

|                  |         |         |         |         |
|------------------|---------|---------|---------|---------|
| Support Services | 111,400 | 260,800 | 167,400 | 164,400 |
|------------------|---------|---------|---------|---------|

**NET EXPENDITURE TO SUP+MAN SPECIAL**

|                |                |                |                |
|----------------|----------------|----------------|----------------|
| <b>428,759</b> | <b>720,500</b> | <b>694,300</b> | <b>711,800</b> |
|----------------|----------------|----------------|----------------|

**Variations:****Employees:**

|  |   |   |
|--|---|---|
| Housing Related Support Staffing Revisions | - | - |
|--|---|---|

**Fees and charges**

|  |        |        |
|--|--------|--------|
| Reduction in Service charge and private income | 50,000 | 50,000 |
|--|--------|--------|

**Support Services:**

|                     |          |          |
|---------------------|----------|----------|
| Revised allocations | (93,400) | (96,400) |
|---------------------|----------|----------|

|  | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|--|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7430 VERY SHELTERED HOUSING</u></b> |                        |                                    |                                  |                                    |
| <b>DIRECT EXPENDITURE</b>                  |                        |                                    |                                  |                                    |
| Employees                                  | -                      | -                                  | 292,600                          | 531,000                            |
| Supplies and Services                      | 2,537                  | -                                  | -                                | -                                  |
| <b>TOTAL DIRECT EXPENDITURE</b>            | <b>2,537</b>           | <b>-</b>                           | <b>292,600</b>                   | <b>531,000</b>                     |
| <b>DIRECT INCOME</b>                       |                        |                                    |                                  |                                    |
| Government Grants                          | -                      | -                                  | (286,700)                        | (466,300)                          |
| Other Income                               | (5,432)                | -                                  | -                                | -                                  |
| <b>TOTAL DIRECT INCOME</b>                 | <b>(5,432)</b>         | <b>-</b>                           | <b>(286,700)</b>                 | <b>(466,300)</b>                   |
| <b>NET DIRECT (INCOME) / EXPENDITURE</b>   | <b>(2,895)</b>         | <b>-</b>                           | <b>5,900</b>                     | <b>64,700</b>                      |
| <b>NET EXPENDITURE TO SUP+MAN SPECIAL</b>  | <b>(2,895)</b>         | <b>-</b>                           | <b>5,900</b>                     | <b>64,700</b>                      |

**Variations:**Employees

|  |         |         |
|--|---------|---------|
| Hostel staffing funded through Rough Sleeping Initiative | 292,600 | 531,000 |
|--|---------|---------|

Government Grants

|                           |           |           |
|---------------------------|-----------|-----------|
| Rough Sleeping Initiative | (286,700) | (466,300) |
|---------------------------|-----------|-----------|



|   | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|---|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7440 HOUSING SUPPORT</u></b>       |                        |                                    |                                  |                                    |
| <b>DIRECT EXPENDITURE</b>                 |                        |                                    |                                  |                                    |
| Employees                                 | 251,359                | 63,600                             | 57,300                           | 60,500                             |
| Premises                                  | 10,384                 | 5,600                              | 13,200                           | 13,500                             |
| Transport                                 | 8,711                  | 300                                | 300                              | 300                                |
| Supplies and Services                     | 71,916                 | 100                                | 100                              | 100                                |
| Third Party Payments                      | 49                     | -                                  | -                                | -                                  |
| <b>TOTAL DIRECT EXPENDITURE</b>           | <b>342,419</b>         | <b>69,600</b>                      | <b>70,900</b>                    | <b>74,400</b>                      |
| <b>DIRECT INCOME</b>                      |                        |                                    |                                  |                                    |
| Other Grants and Contributions            | (6,035)                | -                                  | -                                | -                                  |
| Other Income                              | (13,917)               | -                                  | -                                | -                                  |
| Fees and Charges                          | (3,978)                | -                                  | -                                | -                                  |
| <b>TOTAL DIRECT INCOME</b>                | <b>(23,930)</b>        | <b>-</b>                           | <b>-</b>                         | <b>-</b>                           |
| <b>NET DIRECT (INCOME) / EXPENDITURE</b>  | <b>318,489</b>         | <b>69,600</b>                      | <b>70,900</b>                    | <b>74,400</b>                      |
| Support Services                          | 81,269                 | 20,600                             | 7,100                            | 7,000                              |
| Recharges                                 | -                      | (2,200)                            | -                                | -                                  |
| <b>NET EXPENDITURE TO SUP+MAN SPECIAL</b> | <b>399,758</b>         | <b>88,000</b>                      | <b>78,000</b>                    | <b>81,400</b>                      |

**Variations:**Employees:

|                   |         |         |
|-------------------|---------|---------|
| IAS19 Adjustments | (3,000) | (2,800) |
|-------------------|---------|---------|

Premises

|                    |       |       |
|--------------------|-------|-------|
| Contract Cleaning  | 3,500 | 3,600 |
| Premises Insurance | 4,100 | 4,300 |

Support Services:

|                     |          |          |
|---------------------|----------|----------|
| Revised allocations | (13,500) | (13,600) |
|---------------------|----------|----------|

**S7450 CENTRAL HEATING**

|   |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| <b>DIRECT EXPENDITURE</b>                 |                |                |                |                |
| Premises                                  | 148,205        | 151,700        | 163,300        | 163,300        |
| Supplies and Services                     | 1,731          | 1,900          | 1,900          | 1,900          |
| <b>TOTAL DIRECT EXPENDITURE</b>           | <b>149,936</b> | <b>153,600</b> | <b>165,200</b> | <b>165,200</b> |
| Support Services                          | 314            | 300            | 400            | 400            |
| <b>NET EXPENDITURE TO SUP+MAN SPECIAL</b> | <b>150,250</b> | <b>153,900</b> | <b>165,600</b> | <b>165,600</b> |

|   | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|---|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7460 COMMUNITY CENTRES</u></b>     |                        |                                    |                                  |                                    |
| <b>DIRECT EXPENDITURE</b>                 |                        |                                    |                                  |                                    |
| Premises                                  | 4,193                  | 6,400                              | 5,300                            | 5,300                              |
| Supplies and Services                     | 1,573                  | 4,200                              | 4,200                            | 4,200                              |
| <b>TOTAL DIRECT EXPENDITURE</b>           | <b>5,766</b>           | <b>10,600</b>                      | <b>9,500</b>                     | <b>9,500</b>                       |
| <b>DIRECT INCOME</b>                      |                        |                                    |                                  |                                    |
| Other Income                              | (720)                  | (700)                              | (700)                            | (700)                              |
| <b>TOTAL DIRECT INCOME</b>                | <b>(720)</b>           | <b>(700)</b>                       | <b>(700)</b>                     | <b>(700)</b>                       |
| <b>NET DIRECT (INCOME) / EXPENDITURE</b>  | <b>5,046</b>           | <b>9,900</b>                       | <b>8,800</b>                     | <b>8,800</b>                       |
| <b>NET EXPENDITURE TO SUP+MAN SPECIAL</b> | <b>5,046</b>           | <b>9,900</b>                       | <b>8,800</b>                     | <b>8,800</b>                       |

**S7620 HSG OPEN SPACES**

|   |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| <b>DIRECT EXPENDITURE</b>                 |                |                |                |                |
| Premises                                  | 63,626         | 30,200         | 30,200         | 30,200         |
| Supplies and Services                     | 5,780          | 3,000          | 3,000          | 3,000          |
| Third Party Payments                      | 427,241        | 397,600        | 397,600        | 407,800        |
| <b>TOTAL DIRECT EXPENDITURE</b>           | <b>496,647</b> | <b>430,800</b> | <b>430,800</b> | <b>441,000</b> |
| Support Services                          | 180,411        | 137,000        | 123,600        | 129,400        |
| <b>NET EXPENDITURE TO SUP+MAN SPECIAL</b> | <b>677,058</b> | <b>567,800</b> | <b>554,400</b> | <b>570,400</b> |

**Variations:**Third Party Payments

|  |   |       |
|--|---|-------|
| Cleansing Services Contract Inflation  | - | 6,100 |
| Grounds Maintenance Contract Inflation |   | 3,300 |

Support Services

|                     |          |         |
|---------------------|----------|---------|
| Revised allocations | (13,400) | (7,600) |
|---------------------|----------|---------|

|   | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|---|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7630 HSG COMMUNAL AREAS</u></b>    |                        |                                    |                                  |                                    |
| <b>DIRECT EXPENDITURE</b>                 |                        |                                    |                                  |                                    |
| Premises                                  | 288,404                | 336,200                            | 287,900                          | 293,300                            |
| Supplies and Services                     | 227                    | 600                                | 600                              | 600                                |
| <b>TOTAL DIRECT EXPENDITURE</b>           | <b>288,631</b>         | <b>336,800</b>                     | <b>288,500</b>                   | <b>293,900</b>                     |
| Support Services                          | 63,663                 | 66,400                             | 65,700                           | 65,500                             |
| <b>NET EXPENDITURE TO SUP+MAN SPECIAL</b> | <b>352,294</b>         | <b>403,200</b>                     | <b>354,200</b>                   | <b>359,400</b>                     |

**Variations:**Premises:

|                             |          |          |
|-----------------------------|----------|----------|
| Review of cleaning contract | (48,300) | (42,900) |
|-----------------------------|----------|----------|

**S7635 ESTATE SUPERVISORS**

|   |                |                |                |                |
|---|----------------|----------------|----------------|----------------|
| <b>DIRECT EXPENDITURE</b>                 |                |                |                |                |
| Employees                                 | 165,992        | 164,600        | 176,200        | 167,500        |
| Premises                                  | 7,085          | 16,300         | 16,300         | 16,300         |
| Transport                                 | 13,559         | 14,100         | 14,100         | 14,200         |
| Supplies and Services                     | 6,204          | 6,300          | 6,300          | 6,300          |
| Third Party Payments                      | 3,148          | -              | 700            | -              |
| <b>TOTAL DIRECT EXPENDITURE</b>           | <b>195,988</b> | <b>201,300</b> | <b>213,600</b> | <b>204,300</b> |
| <b>DIRECT INCOME</b>                      |                |                |                |                |
| Fees and Charges                          | -              | -              | -              | -              |
| <b>TOTAL DIRECT INCOME</b>                | <b>-</b>       | <b>-</b>       | <b>-</b>       | <b>-</b>       |
| <b>NET DIRECT (INCOME) / EXPENDITURE</b>  | <b>195,988</b> | <b>201,300</b> | <b>213,600</b> | <b>204,300</b> |
| Support Services                          | 24,739         | 19,800         | 27,100         | 26,700         |
| Recharges                                 | (27,000)       | (27,000)       | (27,000)       | (27,000)       |
| <b>NET EXPENDITURE TO SUP+MAN SPECIAL</b> | <b>193,727</b> | <b>194,100</b> | <b>213,700</b> | <b>204,000</b> |

**Variations:**Employees

|   |        |       |
|---|--------|-------|
| Fixed term Neighbourhood Officer post to support additional fire safety works | 11,600 | 2,900 |
|---|--------|-------|

Support Services

|                     |       |       |
|---------------------|-------|-------|
| Revised allocations | 7,300 | 6,900 |
|---------------------|-------|-------|

|   | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|---|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>7928 REPM FIRE RISK ASSESSMENTS- COMMUNAL</u></b> |                        |                                    |                                  |                                    |
| <b>DIRECT EXPENDITURE</b>                               |                        |                                    |                                  |                                    |
| Premises  | -                      | 49,300                             | 49,300                           | 49,300                             |
| <b>TOTAL DIRECT EXPENDITURE</b>                         | -                      | <b>49,300</b>                      | <b>49,300</b>                    | <b>49,300</b>                      |
| <b>NET EXPENDITURE TO SUP+MAN SPECIAL</b>               | -                      | <b>49,300</b>                      | <b>49,300</b>                    | <b>49,300</b>                      |

|   | ACTUAL<br>2017/18<br>£ | ORIGINAL<br>BUDGET<br>2018/19<br>£ | LATEST<br>BUDGET<br>2018/19<br>£ | ORIGINAL<br>BUDGET<br>2019/20<br>£ |
|---|------------------------|------------------------------------|----------------------------------|------------------------------------|
| <b><u>S7900 HOUSING REPAIRS - MAJOR</u></b>   |                        |                                    |                                  |                                    |
| 7900 REPM PAINTING & DECORATIONS              | 96,425                 | 100,000                            | 300,000                          | 100,000                            |
| 7901 REPM CONCRETE REPAIRS                    | 11,639                 | 40,000                             | 40,000                           | 40,000                             |
| 7903 REPM COMMUNAL FLOORING/CARPETS           | -                      | -                                  | 14,300                           | -                                  |
| 7905 EMR REPM COMMUNAL FLOORING CARPETS       | -                      | -                                  | 10,700                           | -                                  |
| 7910 REPM ELECTRICAL REPAIRS                  | 456,491                | 575,300                            | 573,500                          | 573,500                            |
| 7912 REPM GAS/HEATING MAINTENANCE             | 661,637                | 596,800                            | 594,700                          | 594,700                            |
| 7914 REPM HRA LIFT MAINTENANCE                | 49,217                 | 37,300                             | 37,300                           | 37,300                             |
| 7916 REPM DOOR ENTRY & SECURITY MAINTENANCE   | 102,069                | 60,300                             | 60,000                           | 60,000                             |
| 7918 REPM SHOP MAINTENANCE                    | 2,328                  | 10,700                             | 10,700                           | 10,700                             |
| 7920 REPM HRA STAIRLIFT MAINTENANCE           | 35,646                 | 81,700                             | 81,700                           | 81,700                             |
| 7922 REPM LEGIONELLA TESTING                  | 36,407                 | 34,600                             | 34,600                           | 34,600                             |
| 7923 EMR MOBILITY SCOOTER STORE (REPM FIRE PR | 32,350                 | -                                  | -                                | -                                  |
| 7926 REPM FIRE PREVENTION WORKS               | 147,038                | 150,000                            | 150,000                          | 200,000                            |
| 7927 SHELTERED SCHEME FIRE ALARM SYSTEMS      | 19,481                 | -                                  | -                                | -                                  |
| 7929 EMR SHELTERED SCHEMES ALARM SYSTEMS      | 114,700                | -                                  | -                                | -                                  |
| 7930 REPM HRA PATHS AND SURFACING             | 96,049                 | 100,000                            | 100,000                          | 100,000                            |
| 7940 REPM HRA ASBESTOS WORKS                  | 551,012                | 400,300                            | 400,000                          | 400,000                            |
| <b>NET EXPENDITURE TO HRA SUMMARY</b>         | <b>2,412,489</b>       | <b>2,187,000</b>                   | <b>2,407,500</b>                 | <b>2,232,500</b>                   |

**Variations:**Painting and Decorations

|  |         |   |
|--|---------|---|
| Increased programme to 700 from 200 properties to maintain housing standards | 200,000 | - |
|--|---------|---|

Communal Flooring / Carpets

|  |        |   |
|--|--------|---|
| Work being done as part of fire safety programme | 14,300 | - |
|--|--------|---|

EMR Communal Flooring / Carpets

|  |        |   |
|--|--------|---|
| Slippage from 2017/18 - work to be done as part of fire safety programme | 10,700 | - |
|--|--------|---|

Fire Prevention Works


|                             |   |        |
|-----------------------------|---|--------|
| Risk Assessments for blocks | - | 50,000 |
|-----------------------------|---|--------|

**S7950 HOUSING REPAIRS - RESPONSIVE**

|                                       |                  |                  |                  |                  |
|---------------------------------------|------------------|------------------|------------------|------------------|
| 7960 REPR VOID REPAIR CONTRACT        | 949,121          | 1,271,500        | 1,271,500        | 1,271,500        |
| 7964 REPR OUT OF HOURS CONTRACT       | (363)            | -                | -                | -                |
| 7966 REPR DAY TO DAY REPAIRS CONTRACT | 1,281,851        | 1,500,300        | 1,499,800        | 1,499,800        |
| 7968 REPR GARAGES: RESPONSIVE REPAIRS | 35,471           | 58,700           | 58,700           | 158,700          |
| <b>NET EXPENDITURE TO HRA SUMMARY</b> | <b>2,266,080</b> | <b>2,830,500</b> | <b>2,830,000</b> | <b>2,930,000</b> |

**Variations:**Garages: Responsive Repairs:

|  |   |         |
|--|---|---------|
| Garage Site Improvements and Environmental Works | - | 100,000 |
|--|---|---------|

|   |  |  |
|---|--|--|
|  <b>Executive</b><br><b>6 February 2019</b>  |  | <b>Agenda Item No.</b><br><br><b>6</b> |
| <b>Title</b>  | Treasury Management Strategy 2019/20   |  |
| <b>For further information about this report please contact</b>   | Roger Wyton 01926 456803 or e mail<br>roger.wyton@warwickdc.gov.uk<br>Karen Allison 01926 456334 or e mail<br>karen.allison@warwickdc.gov.uk |  |
| <b>Wards of the District directly affected</b>  | -  |  |
| <b>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?</b> | No   |  |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   | N/A  |  |
| <b>Background Papers</b>  | Treasury Management Information via External Advisers, Brokers, External Investment Agents etc.  |  |

|  |                   |
|--|-------------------|
| <b>Contrary to the policy framework:</b>                                   | No                |
| <b>Contrary to the budgetary framework:</b>                                | No                |
| <b>Key Decision?</b>   | Yes               |
| <b>Included within the Forward Plan? (If yes include reference number)</b> | Yes (972)         |
| <b>Equality Impact Assessment Undertaken</b>                               | No – not relevant |
|  |                   |

|   |             |                     |
|---|-------------|---------------------|
| <b>Officer/Councillor Approval</b>  |             |                     |
| <b>Officer Approval</b>   | <b>Date</b> | <b>Name</b>         |
| Chief Executive/Deputy Chief Executive  | 15/01/2019  | Andy Jones          |
| Head of Service   | 15/01/2019  | Mike Snow           |
| CMT   | 15/01/2019  |                     |
| Section 151 Officer   | 15/01/2019  | Mike Snow           |
| Monitoring Officer  | 15/01/2019  | Andy Jones          |
| Finance   | N/A         | Finance Report      |
| Portfolio Holder(s)   | 15/01/2019  | Cllr. Peter Whiting |
| <b>Consultation &amp; Community Engagement</b>                                  |             |                     |
| None  |             |                     |
| <b>Final Decision?</b>  |             | Yes                 |
| <b><i>Suggested next steps (if not final decision please set out below)</i></b> |             |                     |

## **1. Summary**

- 1.1. This report details the strategy that the Council will follow in carrying out its treasury management activities in 2019/20.

## **2. Recommendation**

- 2.1. That the Executive notes:

The changes to the various Treasury Management Practices as detailed in paragraph 3.1 below.

- 2.2. That the Executive recommends to Council:

- a) The Treasury Management Strategy for 2019/20 as outlined in paragraph 3.2 and contained in Appendix A,
- b) The 2019/20 Annual Investment Strategy as outlined in paragraphs 3.3 and contained in Appendix B including the following changes:
  - 1. That as per paragraph 1.4 of Appendix B and Annex 2 to Appendix B, the minimum sovereign country rating in respect of investments in counterparties residing outside the United Kingdom be amended from "at least the equivalent of the UK" to a minimum of AA- and that no UK sovereign rating applies to UK domiciled counterparties.
  - 2. The current counterparty limits are increased to those shown in paragraph 2.7 of Appendix B and Annex 2 to Appendix B, and that the condition currently restricting investments in banks to those domiciled in the UK be removed for the reasons outlined in paragraph 2.8 of Appendix B.
- c) The Minimum Revenue Provision Policy Statement as outlined in paragraph 3.4 below and contained in paragraphs 5.1 to 5.4 of Appendix C.
- d) The Prudential Indicators as outlined paragraph 3.5 below and contained in Appendix D.

## **3. Reasons for the Recommendations**

- 3.1. The Council's treasury management operations are governed by various Treasury Management Practices (TMP's), the production of which is a requirement of the CIPFA Treasury Management code and which must be explicitly followed by officers engaged in treasury management. These have previously been reported to the Executive. There have been the following changes to various Treasury Management Practices (TMP's) and these changes are outlined below.

### **TMP 1 - Risk Management.**

Paragraph 2.1(a,d,e) – Change in minimum sovereign country rating for counterparties residing outside the United Kingdom from "at least equal to the UK's" to "minimum sovereign rating of AA-". This has been recommended by Link, the Council's treasury advisers, to help

mitigate any potential adverse effects of Brexit in terms of a downgrade to the UK's sovereign credit rating on the Council's ability to invest its funds. Also see paragraph 1.4 of Appendix B.

- Paragraph 2.1(k,l) – Redefinition of Constant Net Asset Value Money Market Funds to Government Debt Constant Net Asset Value Money Market Funds and introduction of Low Volatility Net Asset Value Money Market Funds following reform of European Money Market Funds.
- Paragraph 2.2 – increase in counterparty limits as outlined in paragraph 2.7 of Appendix B.

#### **TMP 4 - Approved Investments, Methods and Techniques**

- Paragraph 2.1(j) – changed to reflect the new definition of Money Market Funds as per TMP 1.

#### **TMP 11 - Use of External Service Providers.**

- Paragraph 1.3 (h) - changed to reflect the new definition of Money Market Funds as per TMP 1.
- Paragraph 2.1 – updated to reflect change of treasury advisers name from Capita – Treasury Solutions Ltd to Link Asset Services.

Finally, the various TMP's have been updated throughout to reflect:

- a) the new definition of a short term investment as outlined in the 2018 Investment Guidance issued by MHCLG i.e. one that is 365 days or less and
- b) the change of name from DCLG to MHCLG.

- 3.2. Under CIPFA's updated Treasury Management in Public Services Code of Practice the Council continues to be required to have an approved Treasury Management Strategy, within which its Treasury Management operations can be carried out. The proposed Strategy for 2019/20 is included as Appendix A.
- 3.3. This Council has regard to the Government's Guidance on Local Government Investments. The guidance states that an Annual Investment Strategy must be produced in advance of the year to which it relates and must be approved by the full Council. The Strategy can be amended at any time and it must be made available to the public. The Annual Investment Strategy for 2019/20 is shown as Appendix B. Increasing cash balances and the potential consequences of a disorderly Brexit make it necessary to consider increasing certain counterparty limits and amending the minimum country sovereign credit rating. It has increasingly become the case that UK branches of non UK domiciled banks are sending deposits raised in the UK back to their home countries, hence the recommendation to amend "UK Private Banks" to "Private Banks" in order to avoid losing valuable counterparties. It is not considered that this poses any significant threat to the security of our investments in such banks.
- 3.4. The Council has to make provision for the repayment of its outstanding long term debt and other forms of long term borrowing such as Finance Leases. Statutory guidance issued by CLG requires that a statement on the Council's policy for its annual Minimum Revenue Provision (MRP) should be submitted to



the full Council for approval before the start of the financial year to which it relates and this is contained in Appendix C.

- 3.5. The Prudential Code for Capital Finance in Local Authorities which was last revised in 2018 introduced new requirements for the manner in which capital spending plans are to be considered and approved, and in conjunction with this, the development of an integrated treasury management strategy. The Prudential Code requires the Council to set a number of Prudential Indicators and this report does therefore incorporate within Appendix D the indicators to which regard should be given when determining the Council's treasury management strategy for the next 3 financial years.

## 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 three 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   |
| <b>External</b>   |  |   |
| <b>Health, Homes, Communities</b>   | <b>Green, Clean, Safe</b>  | <b>Infrastructure, Enterprise, Employment</b>   |
| <u>Intended outcomes:</u><br>Improved health for all<br>Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities                                       | <u>Intended outcomes:</u><br>Area has well looked after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and ASB | <u>Intended outcomes:</u><br>Dynamic and diverse local economy<br>Vibrant town centres<br>Improved performance/ productivity of local economy<br>Increased employment and income levels |
| <b>Impacts of Proposal</b>  |  |   |
| No direct impact  | No direct impact   | No direct impact  |
| <b>Internal</b>   |  |   |
| <b>Effective Staff</b>  | <b>Maintain or Improve Services</b>  | <b>Firm Financial Footing over the Longer Term</b>  |
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the | <u>Intended outcomes:</u><br>Focusing on our customers' needs<br>Continuously improve our processes<br>Increase the digital provision of services                                | <u>Intended outcomes:</u><br>Better return/use of our assets<br>Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money |

| FFF Strands                       |           |  |
|-----------------------------------|-----------|--|
| People                            | Services  | Money  |
| right skills and right behaviours |           |  |
| <b>Impacts of Proposal</b>        |           |  |
| No impact                         | No impact | To continue to maximize the income earned on our investments whilst first ensuring security and appropriate levels of liquidity. |

#### 4.2. **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies. The Treasury Management function is consistent with the relevant supporting strategies.

#### 4.3. **Changes to Existing Policies**

The Treasury Management function is in accordance with existing policies.

#### 4.4. **Impact Assessments**

There are no impacts of new or significant policy changes proposed in respect of equalities.

### 5. **Budgetary Framework**

- 5.1. The Treasury Management Strategy has a significant impact on the Council's budget through its objective of maximising investment income and minimising interest payable whilst ensuring the security and liquidity of financial resources.

The 2019/20 budget for investment income is as follows:

| 2019/20 Budget                          | £000         |
|---|--------------|
| External investment income              | 1,038.6      |
| Plus deferred capital receipts interest | 20.6         |
| Plus long-term debtor loans             | 36.6         |
| Less HRA allocation                     | (623.5)      |
| <b>Net interest to General Fund</b>     | <b>472.3</b> |

### 6. **Risks**

- 6.1. Investing the Council's funds inevitably creates risk and the Treasury Management function effectively manages this risk through the application of the SLY principle. Security(S) ranks uppermost followed by Liquidity (L) and finally Yield(Y). It is accepted that longer duration investments increase the security risk within the portfolio; however this is inevitable in order to achieve the optimal return and still comply with the SLY principle which is a cornerstone of treasury management within local authorities.
- 6.2. Section 2 of Appendix B provides more detail on how the risk is mitigated.

- 6.3. By engaging with our treasury management consultants, the Council is able to tolerate the risks to which it is exposed. Link Asset Services (Link), the Council's consultants, provide regular briefings, alerts and advice in respect of the Council's portfolio. Provision also allows for training so Members and officers responsible for the Council's treasury management function are informed and competent.
- 6.4. The strategies outlined in this report are based on an orderly exit from the EU at the end of March 2019. There is significant risk to counterparty creditworthiness and also the interest rate assumptions and economic forecasts upon which the interest rates are predicated should the exit from the EU be disorderly. The treasury management function along with Link Asset Services will keep this situation under review and bring forward suitably modified strategies for approval should the need arise.

## **7. Alternative Option(s) considered**

- 7.1. An alternative to the strategy being proposed for 2019/20 would be to not alter the current counterparty limits, the minimum sovereign rating and to continue to restrict investments in non UK domiciled banks to UK branches where the funds are not transferred back to the banks home country. However, this would risk the Council running out of acceptably credit rated counterparties and possibly having to lower its minimum credit ratings below that which it feels comfortable with.

## **8. Background**

- 8.1. The Council is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite, providing adequate liquidity initially before considering investment return.
- 8.2. The second main function of the treasury management service is the funding of the Council's capital plans. These capital plans provide a guide to the borrowing need of the Council, essentially the longer-term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet Council risk or cost objectives.
- 8.3. The 2019/20 Treasury Management and Annual Investment Strategies together with the 2019/20 Minimum Revenue Provision Policy take account of the various changes stemming from the following documents:-
- CIPFA Treasury Management Code of Practice 2018
  - CIPFA Prudential Code 2018
  - 2018 MHCLG Statutory Investment Guidance
  - 2018 MHCLG Statutory Minimum Revenue Provision Guidance

The main change to the above codes/guidance relates to non-financial asset investments which authorities treasury management functions are increasingly involved with. Such non-financial investments can include the purchase of

property for capital or rental gain or loans to third parties in pursuit of service outcomes.

8.4. CIPFA defines treasury management as:

*"The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."*

8.5. Whilst any commercial initiatives such as the purchase of properties in order to provide capital appreciation or rental income or loans to third parties will impact on the treasury function in terms of cashflow etc., these activities are generally regarded as non-treasury activities and are separate from day to day treasury management activities.

8.6. **Revised Reporting Requirements**

In addition to the current reports submitted to Finance and Audit Scrutiny Committee and The Council from 2019/20, the CIPFA revised Prudential and Treasury Management Codes require all local authorities to prepare an additional report, a capital strategy report, which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital strategy is to ensure that all elected members on the full Council fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

This capital strategy is reported separately from the Treasury Management Strategy Statement; non-treasury investments such as acquisition of Investment Properties or Loans to Third parties will be reported through the former. This ensures the separation of the core treasury function under security, liquidity and yield principles, and the policy and commercialism investments usually driven by expenditure on an asset. The capital strategy will show:

- The corporate governance arrangements for these types of activities;
- Any service objectives relating to the investments;
- The expected income, costs and resulting contribution;
- The debt related to the activity and the associated interest costs;
- The payback period (MRP policy);
- For non-loan type investments, the cost against the current market value;
- The risks associated with each activity.

Where a physical asset is being bought, details of market research, advisers used, (and their monitoring), ongoing costs and investment requirements and any credit information will be disclosed, including the ability to sell the asset and realise the investment cash.

Where the Council has borrowed to fund any non-treasury investment, there should also be an explanation of why borrowing was required.

If any non-treasury investment sustains a loss during the final accounts and audit process, the strategy and revenue implications will be reported through the same procedure as the capital strategy.

To demonstrate the proportionality between the treasury operations and the non-treasury operation, high-level comparators are shown throughout this report where appropriate.

### **Appendices**

- A Treasury Management Strategy
- B Investment Strategy
  - Annex 1 - Types of Investment
  - Annex 2 - Counterparty Limits
  - Annex 3 - Approved Countries for Investment
- C Minimum Revenue Provision Policy
- D Prudential Indicators
- E Link Economic Background

## **Treasury Management Strategy**

### **1 Interest Rate Forecasts**

- 1.1 The major influences on the Council's investment and borrowing strategies are the Bank of England Bank Rate and Public Works Loans Board (PWLB) rates respectively. The Council has appointed Link as treasury advisors who have provided the interest rates forecast shown below:

| <b>Quarter</b> | <b>Bank Rate</b> | <b>25 yr PWLB Rate</b> | <b>50 yr PWLB Rate</b> |
|----------------|------------------|------------------------|------------------------|
| Dec 2018       | 0.75%            | 2.90%                  | 2.70%                  |
| Mar 2019       | 0.75%            | 2.90%                  | 2.70%                  |
| Jun 2019       | 1.00%            | 3.00%                  | 2.80%                  |
| Sep 2019       | 1.00%            | 3.10%                  | 2.90%                  |
| Dec 2019       | 1.00%            | 3.10%                  | 2.90%                  |
| Mar 2020       | 1.25%            | 3.20%                  | 3.00%                  |
| Jun 2020       | 1.25%            | 3.30%                  | 3.10%                  |
| Sep 2020       | 1.25%            | 3.30%                  | 3.10%                  |
| Dec 2020       | 1.50%            | 3.40%                  | 3.20%                  |
| Mar 2021       | 1.50%            | 3.40%                  | 3.20%                  |
| Jun 2021       | 1.75%            | 3.50%                  | 3.30%                  |
| Sep 2021       | 1.75%            | 3.50%                  | 3.30%                  |
| Dec 2021       | 1.75%            | 3.60%                  | 3.40%                  |
| Mar 2022       | 2.00%            | 3.60%                  | 3.40%                  |

- 1.2 It should be noted that this is Link's central view of the interest rate path. Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK especially with regard to whether we have an orderly or disorderly exit from the EU. A disorderly exit could lead the Monetary Policy Committee (MPC) to lower the Bank Rate in order to stimulate the economy and could also impact on the UK's sovereign credit rating, a reduction in which could result in higher Gilt interest rates which would then follow through to increased PWLB rates as these are based on Gilt rates plus 0.8%. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

### **2 Borrowing Strategy**

- 2.1 The Council's current long term borrowing portfolio consists of £136.157m PWLB debt. These loans were taken out to finance the Housing Revenue Account (HRA) Self Financing settlement and the interest paid on this debt is entirely borne by the HRA and is provided for as part of the HRA Business Plan. The first of these loans is scheduled to be repaid on 28<sup>th</sup> March 2053 with the final loan being repaid on 28<sup>th</sup> March 2062. The Council's treasury advisors will monitor the HRA debt portfolio and identify any opportunities for debt restructuring, should these arise.

- 2.2 As a result of the refurbishment of St Nicholas Park and Newbold Comyn Leisure Centres, the Council is currently “internally borrowed”, that is, instead of borrowing externally it has utilised the cash backing its Reserves and Balances to the tune of £8.999m and, as a result of its capital programme aspirations, this is expected to rise to £20.6m by the end of 2018/19 before falling back to around £13.3m by the end of 2022/23. At present this strategy is prudent as investment returns are low and counterparty risk is still present. However, this position is not sustainable into the future as at some point the Council will need to replenish the cash backing the Reserves and Balances in order to pay for future developments. In addition, the uncertainties surrounding the path of PWLB rates as a result of Brexit make it prudent to consider “externalising” some of the internal borrowing by taking PWLB loans during 2019/20. Accordingly, the strategy proposed for 2019/20 is to take PWLB loans amounting to £11.672m during the year. This will probably be taken in two stages, at the beginning and end of the year. The loans are likely to consist of two annuity loans, one for a period of 25 years and the second for 40 years, to match the expected life of the assets financed. Based on the forecast for borrowing rates at the time of taking the loans this will result in interest and principal repayments of £549k per annum and a total repayment of £18.5m. The proposed strategy will be kept under review, particularly in respect of interest rate movements and fully discussed and agreed with Link Asset Services before being implemented.
- 2.3 The major source of long term borrowing for local authorities is the PWLB. However, it is possible the recently established Municipal Bond Agency will be offering loans to local authorities in the future. It is envisaged that the rates will be lower than those offered by the PWLB. This Authority may make use of this new source of borrowing as and when appropriate. The Council will also consider other sources of external finance if they provide a lower rate of interest than comparable PWLB loans.
- 2.4 Should the Council identify any further long term borrowing needs during 2019/20, if deemed to be advantageous due to the expected path of interest rates, the Council may borrow in advance of need subject to prior appraisal of the risk and the borrowing must not take place in excess of 18 months before the anticipated need.
- 2.5 The Council will continue to engage in short term borrowing (up to 365 days), if necessary, in order to finance temporary cash deficits. However, by managing the Council’s cash flow effectively these will be kept to a minimum. In each case, wherever possible, the loan will be taken out for periods of less than 7 days in order to minimise the interest payable. The Council has not incurred any short term borrowing in 2018/19 to date and is not expecting to in 2019/20.

### **3 Capital Prudential Indicators for 2019/20 to 2021/22**

- 3.1 The Council’s capital expenditure plans are a key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members’ overview and confirm capital expenditure plans.
- 3.2 The Council must have regard to the 2018 Prudential Code for Capital Finance in Local Authorities and there is an overriding requirement for capital spend to be prudent, affordable and sustainable. This is measured by adherence to

prudential indicators as set by the Authority. Prudential indicators are approved as part of the budget resolution in February and are relevant for setting an integrated Treasury Management Strategy. These can be found in Appendix D.

### 3.3 Capital Expenditure

This prudential indicator is a summary of the Council's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle.

| <b>Capital expenditure<br/>£000</b>              | <b>2017/18<br/>Actual</b> | <b>2018/19<br/>Estimate</b> | <b>2019/20<br/>Estimate</b> | <b>2020/21<br/>Estimate</b> | <b>2021/22<br/>Estimate</b> |
|--|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| General Fund                                     | 11,758                    | 12,495                      | 4,200                       | 449                         | 577                         |
| HRA  | 3,649                     | 10,598                      | 22,156                      | 4,633                       | 4,636                       |
| Commercial Activities/Non Financial Investments* | 0                         | 5,952                       | 0                           | 0                           | 0                           |
| <b>Total (A)</b>                                 | <b>15,407</b>             | <b>29,045</b>               | <b>26,356</b>               | <b>5,082</b>                | <b>5,213</b>                |

\* Commercial activities / non-financial investments relate to areas such as capital expenditure on investment properties, loans to third parties etc.

The table below summarises how these plans are being financed by capital or revenue resources. Any shortfall of resources results in an increase in the Capital Financing Requirement indicating a borrowing need.

| <b>Financing of capital expenditure<br/>£000</b> | <b>2017/18<br/>Actual</b> | <b>2018/19<br/>Estimate</b> | <b>2019/20<br/>Estimate</b> | <b>2020/21<br/>Estimate</b> | <b>2021/22<br/>Estimate</b> |
|--|---------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Capital receipts                                 | 745                       | 1,906                       | 3,449                       | 0                           | 0                           |
| Capital grants and contributions                 | 2,695                     | 1,299                       | 2,206                       | 25                          | 0                           |
| Capital reserves                                 | 3,535                     | 9,772                       | 18,585                      | 4,511                       | 4,513                       |
| Revenue  | 941                       | 4,422                       | 2,071                       | 501                         | 655                         |
| <b>Subtotal (B)</b>                              | <b>7,916</b>              | <b>17,399</b>               | <b>26,311</b>               | <b>5,037</b>                | <b>5,168</b>                |
| <b>Net borrowing need for the year (A – B)</b>   | <b>7,491</b>              | <b>11,646</b>               | <b>45</b>                   | <b>45</b>                   | <b>45</b>                   |

The Council is required under the CIPFA Prudential Code for Capital Financing in Local Associations to produce a Capital Strategy, as part of best practice. The Council's first Capital Strategy for the period 2019/20 to 2023/24 is being considered as part of the 2019/20 Budget report.

## 4 Benchmarking



- 4.1 Link co-ordinates a sub-regional treasury management Benchmarking service of which Warwick District Council is an active participant. The Council aims to achieve or exceed the weighted average rate of return of the Link model portfolio, which is published quarterly.
- 4.2 During 2018/19 year to date, the Council's performance has been in line with the model portfolio.

## **5 Performance**

- 5.1 Performance of the treasury function is reported twice yearly to the Finance and Audit Scrutiny Committee.
- 5.2 The Treasury Management Team will seek to achieve a return on its money market investments of 0.0625% over the London Interbank Bid Rate (LIBID) of a similar duration (LIBID refers to the average interest rate which major London banks are willing to borrow from each other).

## **6 External Contracts**

- 6.1 The Council has exercised the option to extend our contract with Link, our treasury advisors, by two years, taking the current agreement to January 2020. Therefore during the currency of this strategy it will be necessary to re-tender for this service.
- 6.2 Banking services are provided by HSBC Bank Plc, with the current agreement running until February 2020. This agreement has an option to extend for a further five years and research will be undertaken with a view to exercising this option.

## **7 Training**

- 7.1 The CIPFA Code requires that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Following the 2019 Council elections, our treasury consultants will deliver in house training to Members of the Finance and Audit Scrutiny Committee as well as other interested Members. Further training will then be provided as and when required.
- 7.2 Those officers currently involved in treasury management receive training from the Council's treasury consultants and this has been and will be kept up to date by regular attendance at seminars held by our consultants, and also through other sources such as CIPFA publications and market intelligence.

**Annual Investment Strategy****1 Background**

- 1.1 The Council will have regard to the 2018 MHCLG Guidance on Local Government Investments and the 2018 revised CIPFA Treasury Management in the Public Services Code of Practice.
- 1.2 The Council's investment priorities will be Security first, Liquidity second and thirdly Yield.
- 1.3 The Annual Investment Strategy specifies which investments the Council may use for prudential treasury management. Annex 1 details the types of investment the Council may invest in, split under the headings of specified and non-specified investments in accordance with statutory guidance and also details the counterparty limits.
- 1.4 Specified investments are currently defined as those with a high credit rating including a Fitch (or Moody's or S&Ps equivalent) sovereign rating at least equal to that of the United Kingdom. At the time of writing this was AA long term and F1+ short term. However if there were to be a disorderly Brexit, it is possible that the credit rating agencies could downgrade the sovereign rating for the UK but as we have no minimum sovereign rating applying to the UK this approach will not limit the number of UK counterparties available to the Council. To ensure our credit risk is not increased outside the UK, it is recommended that the sovereign rating requirement for investments is amended to "Non UK countries with a minimum sovereign rating of AA-". This is the recommended minimum as currently suggested by Link Asset Services and a list of countries that currently qualify using the new criteria is shown in Annex 3. By removing the minimum for the UK, we will have the ability to continue using UK counterparties even where the sovereign rating falls below the AA- threshold for other countries. This list will be added to, or deducted from, by officers should ratings change. Given that AA- is still a high credit rating it is not expected that the adoption of this recommendation will have a significant impact on the security of the Council's investments with banks within the countries listed in Annex 3.
- 1.5 Use of non specified investments provides a useful tool for investing relatively small amounts of money for short periods of time and obtaining a competitive return on the investment. The restrictions, as detailed in Annex 1, allow the management of the increased risk compared to specified investments.

**2 Creditworthiness policy**

- 2.1 The Council relies on credit ratings published by the three main Credit Rating agencies, Fitch Ratings, Moody's Investor Services and Standard & Poor's which are supplied to it by its treasury advisers. These ratings are used to establish the credit quality of counterparties and investment schemes. These institutions also issue regular ratings watch bulletins and where these are negative and affect one of our counterparties this will be taken into account when deciding whether or not to place future investments with them.
- 2.2 The Council also utilises elements of the creditworthiness service provided by Link in determining the duration of its investments with certain counterparties. This service employs a sophisticated modelling approach utilising credit ratings

from the three main credit rating agencies - Fitch, Moody's and Standard & Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- Credit Default Swap (CDS) spreads to give early warning of likely changes in credit ratings;
- Sovereign ratings to select counterparties from only the most creditworthy countries.

- 2.3 All credit ratings will be monitored routinely and will inform every investment decision. The Council is alerted to changes to ratings of all three agencies through its use of the service.
- if a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
  - in addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads and other market data on a daily basis.
- 2.4 Reliance will not be placed solely on the use of this external service. In addition this Council will use market data and market information to help support its decision making process.
- 2.5 All investments in property, corporate bond and corporate equity funds will be supported by the advice of Link, our treasury advisors.
- 2.6 All investments will be in sterling. The Council's investment priorities are the security and liquidity of its investments. The Council's objective will be to maximise the return whilst safeguarding as much as possible the capital sum and avoiding cash flow problems. The Council will not engage in borrowing for purely investment purposes.
- 2.7 The Council will ensure that it maintains the lists of permitted investments and counterparty limits (Annexes 1 and 2) and will revise and submit the criteria to Council for approval when required. In respect of counterparty limits, the Council's investment balances continue to increase mainly due to increasing Housing Revenue Account balances which currently are not projected to be spent in the foreseeable future. Therefore in order to provide flexibility particularly in the case of a disorderly Brexit and to continue to be able to invest in the highest quality counterparties it is proposed to increase the counterparty limits for certain institutions as follows:-
- A rated private banks from £4m to £5m
  - A+ rated private banks from £6m to £7m
  - AA- rated private banks from £7m to £8m
  - Government Debt CNAV MMF's from £9m to £10m
  - LVNAV MMF's from £9m to £10m
- 2.8 The list of counterparties contained in Annex 1 currently limits investments in banks to those described as UK banks which is commonly interpreted as those banks offering retail deposit facilities in the UK or branches of foreign banks where the money invested remains within the UK as opposed to being sent abroad to the parent bank. Increasingly these days, foreign bank branches

operating in the UK do “passport” investments raised in the UK back to their parent banks and it has become difficult to be certain that our investments made with foreign bank branches remain within the UK. Given that we only deal with banks that meet our credit rating criteria, particularly in this case the sovereign rating it is not felt that the security of our investments is unduly diminished in cases where the money is sent abroad. Therefore it is proposed that the description in the counterparty list for banks is amended from “private UK” to “private”.

- 2.9 The Council has both cash flow derived and core balances available for investment. Investment decisions will be made with regard to cash flow requirements, core cash balances and the outlook for short term interest rates.
- 2.10 The Council will continue to use Money Market Funds (MMFs), call bank accounts and the money markets to invest cash flow driven money until the time when it is required. Core investments will be invested in a combination of corporate equity funds and the financial markets.
- 2.11 The Council has two corporate equity fund managers, Royal London Asset Management and Columbia Threadneedle, the performance of which will be kept under review. Currently both fund managers expect to make returns of around 4% in 2019/20. Although not currently anticipated, the Council may engage other fund managers to manage investments in similar or alternative investments; any appointment would be made in conjunction with Link and would be in adherence with the procurement rules.
- 2.12 Based on its cash flow forecasts, the Council anticipates that its investments in 2019/20 on average will be in the region of £91m of which £31m will be “core” investments i.e. made up of reserves and balances which are not required in the short term.
- 2.13 The maximum percentage of its core investments that the Council will hold in long term investments (over 365 days) is 70%. It follows therefore that the minimum percentage of its overall investments that the Council will hold in short term investments (365 days or less) is 30%. Having regard to the Council’s likely cash flows and levels of funds available for investment the amount available for long term investment will be a maximum of 70% of the core investment portfolio subject to a total of £20 million at any one time in line with the Prudential Indicator covering this issue. These limits will apply jointly to the in house team and any fund managers so that the overall ceilings of 70% and £20 million are not breached.
- 2.14 The 2019/20 interest rate outlook is for Bank Rate to start the year at 1.00% and rise to 1.25% by the final quarter of the year. Based on current investment policies and interest rate projections, it is currently estimated that the overall portfolio will achieve a 1.35% return for 2019/20.

### **3 Investments that are not part of treasury management activity**

- 3.1 Where, in addition to treasury management investment activity, the Council invests in other financial assets and property primarily for financial return, these investments will be proportional to the level of resources available and the Council will ensure the same robust procedures for the consideration of risk and return are applied to these decisions.
- 3.2 The Council recognises that investment in other financial assets e.g. loans to

third parties and property may be taken for non-treasury management purposes, thus requiring careful investment management. Such activity includes loans supporting service outcomes and commercial investments, which are taken for mainly financial reasons.

- 3.3 The Council's framework to consider such non treasury management investments is reflected within the Council's Capital Strategy. All such investment proposals will be considered on their own merits, and have regard to treasury management principles.
- 3.4 The Council will ensure the organisation's investments are covered in the capital programme, investment strategy or equivalent, and will set out, where relevant, the organisation's risk appetite and specific policies and arrangements for non-treasury investments. It will be recognised that the risk appetite for these activities may differ from that for treasury management.

**Schedule of specified and non-specified investments**

**Specified Instruments (365 days or less)**

- Deposits with banks and building societies
- Deposits with UK Government, Nationalised Industries, Public Corporations, and UK Local Authorities
- UK Government Gilts
- Debt Management Agency Deposit Facility (DMADF)
- Government Debt Constant Net Asset Value Money Market Funds (AAA rated)
- Low Volatility Net Asset Value Money Market Funds (AAA rated)
- Variable Net Asset Value Money Market Funds (AAAF rated)
- Certificates of deposits issued by banks and building societies
- Corporate Bonds issued by private sector financial institutions
- Corporate Bonds issued by financial institutions partly or wholly owned by the UK Government
- Corporate Bonds issued by corporates
- Covered Bonds issued by private sector financial institutions
- Covered Bonds issued by financial institutions partly or wholly owned by the UK Government
- Covered Bonds issued by corporates
- Supranational Bonds issued by Supranational Institutions or Multi-Lateral Development Banks
- Floating Rate Notes issued by private sector financial institutions
- Floating Rate Notes issued by financial institutions partly or wholly owned by the UK Government
- Floating Rate Notes issued by corporates
- Eligible Bank Bills
- Sterling Securities guaranteed by HM Government
- Repos

**Non Specified Investments**

- Deposits with unrated building societies
- Deposits with banks and building societies greater than 365 days
- Deposits with UK Local Authorities greater than 365 days
- Certificates of deposits issued by banks and building societies greater than 365 days
- Corporate Bonds issued by private sector financial institutions greater than 365 days

- Corporate Bonds issued by financial institutions partly or wholly owned by the UK Government greater than 365 days
- Corporate Bonds issued by corporates greater than 365 days
- Covered Bonds issued by private sector financial institutions greater than 365 days
- Covered Bonds issued by financial institutions partly or wholly owned by the UK Government greater than 365 days
- Covered Bonds issued by corporates greater than 365 days
- Corporate Bond Funds
- Regulated Property Funds including Real Estate Investment Trusts
- CCLA Property Fund
- UK Government Gilts with over 365 days to maturity
- Supranational Bonds issued by Supranational Institutions or Multi-Lateral Development with over 365 days to maturity
- Corporate Equity Funds

## Counterparty Limits

| Investment / Counterparty type:   | S/term                         | L/term      | Viability / Support | # Sovereign Country min credit rating | Max limit per counterparty | Max. maturity period | Use             | Notes ref: |
|---|--------------------------------|-------------|---------------------|---------------------------------------|----------------------------|----------------------|-----------------|------------|
| <b>Specified instrument:</b>  | <b>( FITCH or equivalent )</b> |             |                     |                                       |                            |                      |                 |            |
| DMADF   | n/a                            |             |                     | AA-                                   | £12m                       | 364 days             | In House & EFM* |            |
| UK Govt., Local Authorities / Public Corporations / Nationalised Industries     | n/a                            |             | High                |                                       | £9m                        | 364 days             | In House & EFM* | 11         |
| Bank - part nationalised UK   | F1                             | A           |                     | AA-                                   | £9m                        | 364 days             | In House & EFM* | 1 & 2      |
| Bank - Private (includes Fixed Term Deposits, CD's, & Category 1 FRN's & Bonds) | F1                             | A           |                     | AA-                                   | £5m                        | 364 days             | In House & EFM* | 1 & 2      |
|   | F1                             | A+          |                     | AA-                                   | £7m                        | 364 days             | In House & EFM* | 1 & 2      |
|   | F1                             | AA- & above |                     | AA-                                   | £8m                        | 364 days             | In House & EFM* | 1 & 2      |
| Other Private Sector Financial Institutions (includes Category 1 FRN's & Bonds) | F1                             | A           |                     | AA-                                   | £4m                        | 364 days             | In House & EFM* | 1 & 2      |
|   | F1                             | A+          |                     | AA-                                   | £6m                        | 364 days             | In House & EFM* | 1 & 2      |
|   | F1                             | AA- & above |                     | AA-                                   | £7m                        | 364 days             | In House & EFM* | 1 & 2      |
| Corporates (Category 3 FRN'S, Bonds)  | F1                             | A           |                     | AA-                                   | £4m                        | 364 days             | In House & EFM* | 1 & 2      |
|   | F1                             | A+          |                     | AA-                                   | £5m                        | 364 days             | In House & EFM* | 1 & 2      |
|   | F1                             | AA- & above |                     | AA-                                   | £6m                        | 364 days             | In House & EFM* | 1 & 2      |
| Bank subsidairies of UK Banks   | Unrated                        |             |                     | Explicit Parent Guarantee             | £5m                        | 3 months             | In House & EFM* | 1 & 3      |
| Money Market Fund (CNAV)  | AAA m / Aaa-mf/AAAmmf          |             |                     |                                       | £10m                       | liquid               | In House & EFM* |            |
| Money Market Fund (LVNAV)   | AAA m / Aaa-mf/AAAmmf          |             |                     |                                       | £10m                       | liquid               | In House & EFM* |            |
| Money Market Fund (VNAV)  | AAAf S1 / Aaa-bf/ AAA/V1       |             |                     |                                       | £6m                        | liquid               | In House & EFM* | 4          |
| Building Societies - category A   | F1                             | A           |                     | AA-                                   | £4m                        | 364 days             | In House & EFM* | 1a.        |
| Building Societies - category B   | F1                             |             |                     | AA-                                   | £2m                        | 364 days             | In House & EFM* | 1a.        |
| Corporate bonds - category 2  |                                | A           |                     |                                       | £9m                        | 364 days             | In House & EFM* | 5          |
| Covered bonds - category 2  |                                | A           |                     |                                       | £9m                        | 364 days             | In House & EFM* | 12         |
| Bonds - Supranational / Multi Lateral Development Banks                         | AAA / Govt Guarantee           |             |                     |                                       | £5m                        | 364 days             | In House & EFM* |            |
| Floating Rate Notes - category 2  |                                | A           |                     |                                       | £9m                        | 364 days             | In House & EFM* | 6          |
| Eligible Bank Bills   | n/a                            |             |                     | Determined by EFM                     | £5m                        | 364 days             | EFM*            |            |
| Sterling Securities guaranteed by HM Government                                 | n/a                            |             |                     | AA-                                   | 9m                         | not defined          | EFM*            |            |



## Counterparty Limits

| Investment / Counterparty type:   | S/term                         | L/term      | Viability / Support | # Sovereign Country min credit rating | Max limit per counterparty | Max. maturity period | Use                     | Notes ref:  |
|---|--------------------------------|-------------|---------------------|---------------------------------------|----------------------------|----------------------|-------------------------|-------------|
| <b>Non-specified instruments</b>  | <b>( FITCH or equivalent )</b> |             |                     |                                       |                            |                      |                         |             |
| Building societies - assets > £500m   | unrated category C             |             |                     |                                       | £1m                        | 3 months             | In House                | 1b. & 9     |
| Bank - part nationalised UK > 1 year  | F1                             | A           |                     | AA-                                   | £9m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
| Bank - Private (includes Fixed Term Deposits, CD's, & Category 1 FRN's & Bonds) | F1                             | A           |                     | AA-                                   | £5m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
|   | F1                             | A+          |                     | AA-                                   | £7m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
|   | F1                             | AA- & above |                     | AA-                                   | £8m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
| Other Private Sector Financial Institutions (includes Category 1 FRN's & Bonds) | F1                             | A           |                     | AA-                                   | £4m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
|   | F1                             | A+          |                     | AA-                                   | £6m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
|   | F1                             | AA- & above |                     | AA-                                   | £7m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
| Corporates (Category 3 FRN'S, Bonds)  | F1                             | A           |                     | AA-                                   | £4m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
|   | F1                             | A+          |                     | AA-                                   | £5m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
|   | F1                             | AA- & above |                     | AA-                                   | £6m                        | 2 years              | In House +Advice & EFM* | 1b.,2, & 10 |
| Building societies - > 1 year   | F1                             | A           |                     | AA-                                   | £1m                        | 2 years              | In House +Advice & EFM* | 1b. & 10    |
| Local Authorities > 1 year  | n/a                            |             | High                |                                       | £9m                        | 5 years              | In House +Advice        | 10          |
| Corporate bonds - category 2 > 1  |                                | A           |                     |                                       | £9m                        | 2 years              | In House & EFM*         | 5 & 10      |
| Covered bonds - category 2 > 1  |                                | A           |                     |                                       | £9m                        | 2 years              | In House & EFM*         | 10 & 12     |
| Corporate Equity Funds - low risk   |                                | N/A         |                     | See note 13                           | £4m                        | 10 years             | EFM*                    | 13 & 14     |
| Corporate Equity Funds - medium   |                                | N/A         |                     | See note 13                           | £2m                        | 10 years             | EFM*                    | 13 & 14     |
| Corporate Bond Funds  |                                | BBB         |                     |                                       | £5m                        | 10 years             | In House +Advice & EFM* | 10          |
| Pooled property fund eg: REITS  |                                |             |                     | Authorised FS&MA                      | £5m                        | 10 years             | In House +Advice        | 10          |
| CCLA property funds   | n/a                            |             |                     | see note 8                            | £5m                        | 10 years             | In House +Advice        | 7 & 10      |
| Day to day balances   | n/a                            |             |                     |                                       | n/a                        | n/a                  | In House                | 8           |

## Counterparty Limits

|               |   |
|---------------|---|
| <b>Notes:</b> |   |
| *             | EFM = External Fund Manager   |
| #             | Minimum sovereign rating does not apply to UK domiciled counterparties.<br>All maximum maturity periods include any forward deal period.  |
| 1.            | Includes Business Call Reserve Accounts and special tranches and any other form of investment with that institution e.g. Certificate of Deposits, Corporate Bonds and Repo's except where the Repo collateral is more highly credit rated than the counterparty in which case the counterparty limit is increased by £3m with a maximum in Repo's of £3m. |
| 1a.           | Includes Business Call Reserve Accounts and special tranches and any other form of investment with that institution e.g. Certificate of Deposits, Corporate Bonds and Repo's except where the Repo collateral is more highly credit rated than the counterparty in which case the counterparty limit is increased by £2m with a maximum in Repo's of £2m. |
| 1b.           | Includes Business Call Reserve Accounts and special tranches and any other form of investment with that institution e.g. Certificate of Deposits, Corporate Bonds and Repo's.   |
| 2.            | Counterparty Limit is also the Group Limit where investments are with different but related institutions.   |
| 3.            | Unrated but with explicit guarantee by parent + parent meets minimum ratings of : S/term F1 L/Term A. Subject to group limit relating to parent bank e.g. £5m if private of £9m if part or wholly nationalised.   |
| 4.            | Subject to overall group limit of £6m - removed from 2016/17.   |
| 5.            | Corporate Bonds must be Senior Unsecured and above. Category types:<br>Category 1: Issued by private sector Financial Institutions<br>Category 2: Issued by Financial institutions wholly owned or part owned by the UK Govt<br>Category 3: Issued by Corporates  |
| 6.            | Floating Rate Notes - categories as per note 5 above.   |
| 7.            | Security of Trustee of fund (LAMIT) controlled by LGA, COSLA who appoint the members and officers of LAMIT.   |
| 8.            | Minimum exposure to credit risk as overnight balances only.   |
| 9.            | Group limit of £8m.   |
| 10.           | £15m overall limit for Corporate Bond/Equity/Property Funds & £20m limit for all counterparties.  |
| 11.           | UK Government includes Gilt Edged Securities and Treasury Bills.  |
| 12.           | Covered Bonds Category types:<br>Category 1: Issued by private sector Financial Institutions<br>Category 2: Issued by Financial institutions wholly owned or part owned by the UK Govt<br>Category 3: Issued by Corporates  |
| 13.           | Risk determined as follows:<br>Low - UK Equity Income Funds<br>Medium - UK Capital Growth Funds   |
| 14.           | Maximum investment limit subject to 10% capital growth i.e. maximum is 110% of original investment.   |

**APPROVED COUNTRIES FOR INVESTMENTS**

This list is based on those countries which have sovereign ratings of AA- or higher, (based on the lowest rating from Fitch, Moody's and S&P).

***Based on lowest available rating***

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- France
- Hong Kong
- U.K.

AA-

- Belgium
- Qatar

***THIS LIST IS AS AT 4<sup>th</sup> DECEMBER 2018***

**Minimum Revenue Provision Policy****1 Background**

- 1.1 The Council is required to pay off an element of the accumulated General Fund capital spend each year (the capital financing requirement - CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).
- 1.2 MHCLG regulations have been issued which require the full Council to approve an MRP Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision. The Council is recommended to approve the following MRP Statement.
- 1.3 The guidance offers four main options under which MRP could be made, with an overriding recommendation that the Council should make prudent provision to redeem its debt liability over a period which is reasonably commensurate with that over which the capital expenditure is estimated to provide benefits. Although four main options are recommended in the guidance, there is no intention to be prescriptive by making these the only methods of charge under which a local authority may consider its MRP to be prudent.

**2 Four Main Options****2.1 Option 1 – Regulatory Method**

This option is the old statutory method of 4% of the CFR and which has to be used in order to calculate MRP on all debt still outstanding at 1<sup>st</sup> April 2008. It can also be used to calculate MRP on debt incurred under the new system but which is supported through the annual SCE (Supported Capital Expenditure) allocation from DCLG.

**2.2 Option 2 – Capital Financing Requirement Method**

This is a variation of Option 1 and is based upon 4% of the CFR with certain changes and is appropriate where the borrowing is not linked to a particular asset.

**2.3 Option 3 – Asset Life Method**

Under this option, it is intended that MRP should be spread over the useful life of the asset financed by the borrowing or credit arrangement. In future, where borrowing is utilised to finance specific assets it is likely that the period of the loan will match the expected life of the asset and therefore, under this method the annual charge to the Council's accounts is directly related to building up the provision required to pay off the loan when it matures which, under Options 1 and 2, is not possible.

There are 2 methods of calculating the annual charge under this option

- a) equal annual instalments or
- b) by the annuity method where annual payments gradually increase during the life of the asset.

## **2.4 Option 4 – Depreciation Method**

This is a variation on option 4 using the method of depreciation attached to the asset e.g. straight line where depreciation is charged in equal instalments over the estimated life and the reducing balance method where depreciation is greater in the early years of an assets life and which is most appropriate for short lived assets e.g. vehicles. In this Council's case assets are depreciated using the straight line method and so option 4 is not materially different from option 3.

## **3 HRA**

- 3.1 Under the Self Financing regime, the HRA Business Plan has to provide resources for the repayment of the £136.157m borrowed from the PWLB on the 28<sup>th</sup> March 2012. Repayment of this debt is currently provided for commencing in year 41 (2052/53) and continuing through to year 50 year of the Business Plan.

## **4 Voluntary Revenue Provision (VRP)**

- 4.1 MHCLG issued revised MRP guidance in 2018 concerning Voluntary Revenue Provision. In future any VRP or overpayment of MRP, which has been disclosed in previous years' MRP statement, can be reclaimed and credited back to the General Fund in certain circumstances. An example would be a loan to a third party where during the duration of the loan MRP or VRP has been made but on full repayment of the loan the principal has been applied to pay down the Capital Financing Requirement. In this instance the VRP is no longer required and can be released back to the General Fund. The Council has instances of such loans but has elected to not make MRP or VRP on these as they are of relatively short duration and on repayment the principal repaid will be applied to pay down the Capital Financing Requirement.

## **5 Warwick District Council Policy**

- 5.1 It is recommended that for any long term borrowing on the General Fund e.g. Leisure Centre refurbishments, the following methods of Minimum Revenue Provision be adopted:
- For borrowing that cannot be linked to a particular asset or capital scheme – Option 2.
  - For borrowing linked to a particular asset or capital scheme – Option 3 based on the annuity method.
- 5.2 For any borrowing incurred through finance leases, the annual principal repayments in the lease are regarded as MRP.
- 5.3 Although not strictly part of Minimum Revenue Provision requirements, it is also recommended that for internal borrowing (i.e. capital expenditure financed from reserves), where appropriate, Option 3 based on the annuity method be adopted as a means of replenishing those reserves which financed the capital expenditure
- 5.4 For short duration loans to third parties the Council will not make either MRP or VRP but instead apply the capital receipt received upon repayment of the loan to pay down the Capital Financing Requirement.

### **Prudential Indicators**

- 1.1 It is a statutory duty under Section 3 of the Local Government Act 2003 and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The amount so determined is termed the "Authorised Limit". The Council must have regard to the Prudential Code when setting its Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future council tax / rent levels is acceptable. Whilst termed an Authorised Limit, the capital plans to be considered for inclusion incorporate those planned to be financed by both external borrowing and other forms of liability, such as credit arrangements e.g. finance leases. The Authorised Limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years. The limits shown include the impact of the HRA Self Financing debt settlement, which took place on the 28<sup>th</sup> March 2012. It also includes the estimated £11.672m borrowing for the Leisure Centre refurbishment project. On top of this, an allowance has been made for potential new capital projects.
- 1.2 The Authorised Limits to be recommended to Council by the Executive were included in the Budget report presented to the Executive on 6<sup>th</sup> February 2019 and need to be ratified by the Council. They are also displayed in the table below:

| <b>Authorised Limit</b>       | <b>2018/19<br/>Latest</b> | <b>2019/20<br/>Estimate</b> | <b>2020/21<br/>Estimate</b> | <b>2021/22<br/>Estimate</b> |
|-------------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|
|                               | <b>£000</b>               | <b>£000</b>                 | <b>£000</b>                 | <b>£000</b>                 |
| Debt including HRA Settlement | 166,853                   | 196,853                     | 206,853                     | 205,853                     |
| Other Long Term Liabilities   | 2,079                     | 2,063                       | 2,047                       | 2,030                       |
| <b>Total</b>                  | <b>168,932</b>            | <b>198,916</b>              | <b>208,900</b>              | <b>207,883</b>              |

- 1.3 The Prudential Indicators required by the code are explained in more detail in the report on the budget and those relevant to an integrated treasury management strategy are reproduced below:

a) **Operational Boundary for External Debt**

| <b>Operational Boundary</b>   | <b>2018/19<br/>Latest</b> | <b>2019/20<br/>Estimate</b> | <b>2020/21<br/>Estimate</b> | <b>2021/22<br/>Estimate</b> |
|-------------------------------|---------------------------|-----------------------------|-----------------------------|-----------------------------|
|                               | <b>£000</b>               | <b>£000</b>                 | <b>£000</b>                 | <b>£000</b>                 |
| Debt including HRA Settlement | 148,879                   | 148,879                     | 148,879                     | 148,879                     |
| Other Long Term Liabilities   | 1,079                     | 1,063                       | 1,047                       | 1,030                       |
| <b>Total</b>                  | <b>149,958</b>            | <b>149,942</b>              | <b>149,926</b>              | <b>149,909</b>              |

The Council is required to set an Operational Boundary for external debt which itself forms part of the Authorised Limit. The Operational Boundary is effectively the day to day working limit for cash flow purposes.

## Capital Financing Requirement

| <b>Year</b>    | <b>General Fund<br/>£000</b> | <b>HRA<br/>£000</b> | <b>Commercial Activities/non financial investments<br/>£000</b> | <b>Total<br/>£000</b> |
|----------------|------------------------------|---------------------|---|-----------------------|
| 2018/19 Latest | 15,273                       | 135,787             | 5,442   | 156,502               |
| 2019/20        | 14,964                       | 135,787             | 5,442   | 156,193               |
| 2020/21        | 13,223                       | 135,787             | 5,442   | 154,452               |
| 2021/22        | 13,283                       | 135,787             | 4,442   | 153,512               |

The Capital Financing Requirement (CFR) as shown in the table above is a measure of the Council's underlying need to borrow in order to meet past capital expenditure. The CFR is reduced by any provision for the repayment of debt each year. In the case of the General Fund CFR this is the principal element of the PWLB Annuity loans expected to finance the Leisure Centre borrowing and the principal element of the Dog Van and Colour Copier leases. In the case of the HRA debt redemption is not scheduled to start until year 41 (2052/53) of the current Business Plan. The General Fund CFR is further subdivided in order to show that element of the GF CFR attributable to capital expenditure incurred on commercial activities and non- financial investments i.e. loans to third parties which has not yet been financed. The figures in the table above relate to the Europa Way Spine Road and Kenilworth School loans.

- 1.4 In addition certain indicators that used to be part of the Prudential Code are now part of the Treasury Management Code of Practice and are shown below:

### Upper limits to fixed interest rate and variable interest rate exposures on borrowing

| <b>Year</b> | <b>Upper Limit - Fixed Rate</b> | <b>Upper Limit - Variable Rate</b> |
|-------------|---------------------------------|------------------------------------|
| 2019/20     | 100%                            | 30%                                |
| 2020/21     | 100%                            | 30%                                |
| 2021/22     | 100%                            | 30%                                |

### Upper and Lower Limits respectively for the Maturity Structure of Fixed Interest Rate Borrowing

| <b>Period</b>                  | <b>Upper</b> | <b>Lower</b> |
|--------------------------------|--------------|--------------|
| Under 12 months                | 6%           | 0%           |
| 12 months and within 24 months | 20%          | 0%           |
| 24 months and within 5 years   | 20%          | 0%           |
| 5 years and within 10 years    | 20%          | 0%           |
| 10 years and above             | 94%          | 0%           |

### Upper and Lower Limits respectively for the Maturity Structure of Variable Interest Rate Borrowing

| <b>Period</b>                  | <b>Upper</b> | <b>Lower</b> |
|--------------------------------|--------------|--------------|
| Under 12 months                | 100%         | 0%           |
| 12 months and within 24 months | 100%         | 0%           |
| 24 months and within 5 years   | 100%         | 0%           |
| 5 years and within 10 years    | 100%         | 0%           |

### 1.5 **Principal sums invested for periods longer than 365 days**

The total maximum sum that can be invested for more than 365 days is 70% of the core investment portfolio subject to a maximum of £20 million at any one time.

However, where investments which originally were for periods of more than 365 days currently have 365 days or less to maturity at the 1<sup>st</sup> April each year they shall be classed from that date as short term i.e. less than 365 day investments and will not count against the 70% or £20 million limit.



### Link Asset Services Economic Background

**GLOBAL OUTLOOK.** **World growth** has been doing reasonably well, aided by strong growth in the US. However, US growth is likely to fall back in 2019 and, together with weakening economic activity in China and the eurozone, overall world growth is likely to weaken.

**Inflation** has been weak during 2018 but, at long last, unemployment falling to remarkably low levels in the US and UK has led to an acceleration of wage inflation. The US Fed has therefore increased rates nine times and the Bank of England twice. However, the ECB is unlikely to start raising rates until late in 2019 at the earliest.

#### **KEY RISKS - central bank monetary policy measures**

Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks' monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as quantitative easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

**The key issue now** is that period of stimulating economic recovery and warding off the threat of deflation, is coming towards its close. A new period is well advanced in the US, and started more recently in the UK, of reversing those measures i.e. by raising central rates and, (for the US), reducing central banks' holdings of government and other debt. These measures are now required in order to stop the trend of a reduction in spare capacity in the economy and of unemployment falling to such low levels, that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this also encouraged investors into a search for yield and into investing in riskier assets such as equities. Consequently, prices in both bond and equity markets rose to historically high valuation levels simultaneously. This meant that both asset categories were exposed to the risk of a sharp downward correction and we did, indeed, see a sharp fall in equity values in the last quarter of 2018. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery, by taking too rapid and too strong action, or, conversely, let inflation run away by taking action that was too slow and/or too weak. **The potential for central banks to get this timing and strength of action wrong are now key risks.** At the time of writing, (early January 2019), financial markets are very concerned that the Fed is being too aggressive with its policy for raising interest rates and is likely to cause a recession in the US economy.

The world economy also needs to adjust to a sharp change in **liquidity creation** over the last five years where the US has moved from boosting liquidity by QE purchases, to reducing its holdings of debt (currently about \$50bn per month). In addition, the European Central Bank ended its QE purchases in December 2018.

**UK.** The flow of positive economic statistics since the end of the first quarter of 2018 has shown that pessimism was overdone about the poor growth in quarter 1 when adverse weather caused a temporary downward blip. Quarter 1 at 0.1% growth in GDP was followed by a return to 0.4% in quarter 2 and by a strong performance in quarter 3 of +0.6%. However, growth in quarter 4 is expected to weaken significantly.

At their November quarterly Inflation Report meeting, the MPC repeated their well-worn phrase that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary or contractionary), than before the crash; indeed they gave a figure for this of around 2.5% in ten years' time, but declined to give a medium term forecast. However, with so much uncertainty around Brexit, they warned that the next move could be up or down, even if there was a disorderly Brexit. While it would be expected that Bank Rate could be cut if there was a significant fall in GDP growth as a result of a disorderly Brexit, so as to provide a stimulus to growth, they warned they could also raise Bank Rate in the same scenario if there was a boost to inflation from a devaluation of sterling, increases in import prices and more expensive goods produced in the UK replacing cheaper goods previously imported, and so on. In addition, the Chancellor could potentially provide fiscal stimulus to support economic growth, though at the cost of increasing the budget deficit above currently projected levels.

It is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. Getting parliamentary approval for a Brexit agreement on both sides of the Channel will take well into spring 2019. However, in view of the hawkish stance of the MPC at their November meeting, the next increase in Bank Rate is now forecast to be in May 2019, (on the assumption that a Brexit deal is agreed by both the UK and the EU). The following increases are then forecast to be in February and November 2020 before ending up at 2.0% in February 2022.

**Inflation.** The Consumer Price Index (CPI) measure of inflation has been falling from a peak of 3.1% in November 2017 to 2.1% in December 2018. In the November Bank of England quarterly Inflation Report, inflation was forecast to still be marginally above its 2% inflation target two years ahead, (at about 2.1%), given a scenario of minimal increases in Bank Rate.

As for the **labour market** figures in October, unemployment at 4.1% was marginally above a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high, together with negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 3.3%, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates less CPI inflation), earnings are currently growing by about 1.2%, the highest level since 2009. This increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC was right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy.

In the **political arena**, the Brexit deal put forward by the Conservative minority government was defeated on 15 January. It is unclear at the time of writing, how this situation will move forward. However, our central position is that Prime Minister May's government will endure, despite various setbacks, along the route to reaching an orderly Brexit though the risks are increasing that it may not be possible to get full agreement by the UK and EU before 29 March 2019, in which case this withdrawal

date is likely to be pushed back to a new date. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary and fiscal policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

**USA.** President Trump's massive easing of fiscal policy is fuelling a (temporary) boost in consumption which has generated an upturn in the rate of strong growth which rose from 2.2% (annualised rate) in quarter 1 to 4.2% in quarter 2 and 3.5%, (3.0% y/y), in quarter 3, but also an upturn in inflationary pressures. The strong growth in employment numbers and the reduction in the unemployment rate to 3.9%, near to a recent 49 year low, has fed through to an upturn in wage inflation which hit 3.2% in November. However, CPI inflation overall fell to 2.2% in November and looks to be on a falling trend to drop below the Fed's target of 2% during 2019. The Fed has continued on its series of increases in interest rates with another 0.25% increase in December to between 2.25% and 2.50%, this being the fifth increase in 2018 and the ninth in this cycle. However, they did also reduce their forecast for further increases from three to two. This latest increase compounded investor fears that the Fed is over doing the speed and level of increases in rates and that it is going to cause a US recession as a result. There is also much evidence in previous monetary policy cycles of the Fed's series of increases doing exactly that. Consequently, we have seen stock markets around the world falling under the weight of fears around the Fed's actions, the trade war between the US and China and an expectation that world growth will slow.

The tariff war between the US and China has been generating a lot of heat during 2018, but it is not expected that the current level of actual action would have much in the way of a significant effect on US or world growth. However, there is a risk of escalation if an agreement is not reached soon between the US and China.

**Eurozone.** Growth was 0.4% in quarters 1 and 2 but fell back to 0.2% in quarter 3, though this was probably just a temporary dip. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of its manufacturing exports e.g. cars. For that reason, although growth is still expected to be in the region of nearly 2% for 2018, the horizon is less clear than it seemed just a short while ago. Having halved its quantitative easing purchases of debt in October 2018 to €15bn per month, the European Central Bank ended all further purchases in December 2018. The ECB is forecasting inflation to be a little below its 2% top limit through the next three years so it may find it difficult to warrant a start on raising rates by the end of 2019 if the growth rate of the EU economy is on a weakening trend.

**China.** Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress has been made in reducing the rate of credit creation, particularly from the shadow banking sector, which is feeding through into lower economic growth. There are concerns that official economic statistics are inflating the published rate of growth.

**Japan** - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. It is likely that loose monetary policy will endure for some years yet to try to stimulate growth and modest

inflation.

**Emerging countries.** Argentina and Turkey are currently experiencing major headwinds and are facing challenges in external financing requirements well in excess of their reserves of foreign exchange. However, these countries are small in terms of the overall world economy, (around 1% each), so the fallout from the expected recessions in these countries will be minimal.

### **INTEREST RATE FORECASTS**

The interest rate forecasts provided by Link Asset Services in paragraph 3.2 are **predicated on an assumption of an agreement being reached on Brexit between the UK and the EU.** On this basis, while GDP growth is likely to be subdued in 2019 due to all the uncertainties around Brexit depressing consumer and business confidence, an agreement is likely to lead to a boost to the rate of growth in 2020 which could, in turn, increase inflationary pressures in the economy and so cause the Bank of England to resume a series of gentle increases in Bank Rate. Just how fast, and how far, those increases will occur and rise to, will be data dependent. The forecasts in this report assume a modest recovery in the rate and timing of stronger growth and in the corresponding response by the Bank in raising rates.

- In the event of an **orderly non-agreement exit**, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall.
- If there was a **disorderly Brexit**, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

However, there would appear to be a majority consensus in the Commons against any form of non-agreement exit so the chance of this occurring has now substantially diminished.

### **The balance of risks to the UK**

- The overall balance of risks to economic growth in the UK is probably neutral.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for ten years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore either over or under do increases in central interest rates.

### **Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:**

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.


- **Bank of England monetary policy** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **eurozone sovereign debt crisis**, possibly in **Italy**, due to its high level of government debt, low rate of economic growth and vulnerable banking system, and due to the election in March of a government which has made a lot of anti-austerity noise. The EU rejected the initial proposed Italian budget and demanded cuts in government spending which the Italian government initially refused. However, a fudge was subsequently agreed, but only by *delaying* the planned increases in expenditure to a later year. This can have therefore only been kicked down the road to a later time. The rating agencies have started on downgrading Italian debt to one notch above junk level. If Italian debt were to fall below investment grade, many investors would be unable to hold it. Unsurprisingly, investors are becoming increasingly concerned by the words and actions of the Italian government and consequently, Italian bond yields have risen – at a time when the government faces having to refinance large amounts of debt maturing in 2019.
- Weak capitalisation of some **European banks**. Italian banks are particularly vulnerable; one factor is that they hold a high level of Italian government debt – debt which is falling in value. This is therefore undermining their capital ratios and raises the question of whether they will need to raise fresh capital to plug the gap.
- **German minority government**. In the German general election of September 2017, Angela Merkel's CDU party was left in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD is reviewing whether it can continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as CDU party leader at her party's convention in December 2018, (a new party leader has now been elected). However, this makes little practical difference as she is still expected to aim to continue for now as the Chancellor. However, there are five more state elections coming up in 2019 and EU parliamentary elections in May/June; these could result in a further loss of electoral support for both the CDU and SPD which could also undermine her leadership.
- **Other minority eurozone governments**. Spain, Portugal, Ireland, the Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile. Sweden is also struggling to form a government due to the anti-immigration party holding the balance of power, and which no other party is willing to form a coalition with. The Belgian coalition collapsed in December 2018 but a minority caretaker government has been appointed until the May EU wide general elections.
- **Austria, the Czech Republic and Hungary** now form a strongly anti-immigration bloc within the EU while **Italy**, in 2018, also elected a strongly anti-immigration government. Elections to the EU parliament are due in May/June 2019.
- Further increases in interest rates in the US could spark a **sudden flight of investment funds** from more risky assets e.g. shares, into bonds yielding a much improved yield. Throughout the last quarter of 2018, we saw sharp falls in equity markets interspersed with occasional partial rallies. Emerging countries which have borrowed heavily in dollar denominated debt, could be

particularly exposed to this risk of an investor flight to safe havens e.g. UK gilts.

- There are concerns around the level of **US corporate debt** which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is now rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will increase their cost of financing and further negatively impact profits and cash flow.
- **Geopolitical risks**, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

#### **Upside risks to current forecasts for UK gilt yields and PWLB rates**

- **Brexit** – if both sides were to agree by 29 March a compromise that quickly removed all threats of economic and political disruption and so led to an early boost to UK economic growth.
- **The Fed causing a sudden shock in financial markets** through misjudging the pace and strength of increases in its Fed Funds Rate and in the pace and strength of reversal of QE, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- **UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

|   |  |                                   |
|---|--|-----------------------------------|
|  <b>Executive<br/>February 2019</b>  |  | <b>Agenda Item No.<br/><br/>7</b> |
| <b>Title</b>  | Response to the LGA Corporate Peer Challenge Review Follow Up Visit 2018     |                                   |
| <b>For further information about this report please contact</b>   | Chris Elliott<br>Tel (01956) 456003<br>Email: chris.elliott@warwickdc.gov.uk |                                   |
| <b>Wards of the District directly affected</b>  | All Wards  |                                   |
| <b>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?</b> | No   |                                   |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   | Executive April 2017 minute number 122                                       |                                   |
| <b>Background Papers</b>  | Report to Executive April 2017   |                                   |

|  |    |
|--|----|
| <b>Contrary to the policy framework:</b>                                   | No |
| <b>Contrary to the budgetary framework:</b>                                | No |
| <b>Key Decision?</b>   | No |
| <b>Included within the Forward Plan? (If yes include reference number)</b> | No |
| <b>Equality Impact Assessment Undertaken</b>                               | No |
| Not applicable.  |    |

| Officer/Councillor Approval   |          |   |
|---|----------|---|
| Officer Approval  | Date     | Name  |
| Chief Executive   | 21.01.19 | Chris Elliott   |
| Head of Service (SMT plus)  | 21.01.19 | Lisa Barker; Robert Hoof, Rose Winship, Marianne Rolfe, Dave Barber, Mike Snow, Tracy Dolphin, Ty Walter, Graham Leach, Steve Partner |
| CMT   | 21.01.19 | Andrew Jones, Bill Hunt   |
| Section 151 Officer   | 21.01.19 | Mike Snow   |
| Monitoring Officer  | 21.01.19 | Andrew Jones  |
| Finance   | 21.01.19 | Mike Snow   |
| Portfolio Holder(s)   | 21.01.19 | Cllr Andrew Mobbs (Leader)  |
| Consultation & Community Engagement                                       |          |   |
| This was inherent within the follow up visit by the LGA Peer Review Team. |          |   |
| Final Decision?   |          | Yes   |
|   |          |   |

## 1. **Summary**

- 1.1 The Council agreed to be part of Peer Challenge process organised by the Local Government Association (LGA) in the summer of 2016. The outcome of that peer challenge was reported in April 2017. An action plan was agreed and as part of that plan, to help ensure and demonstrate that the Council is making progress, a follow up visit was to be undertaken. That follow up visit was made in October 2018 and the report of that visit is attached along with recommendations and a proposed action plan in response.
- 1.2 This work overlapped with the Investors in People assessment and there are some similar themes emerging to those emerging from the LGA peer review follow up.

## 2. **Recommendation**

- 2.1 To note the LGA Peer Challenge follow up visit report at Appendix 1.
- 2.2 To agree to the Action Plan at Appendix 2, developed in response to the key recommendations of the LGA Peer Challenge follow up visit.
- 2.3 To note the Investors in People (IiP) report at Appendix 3 and that an action plan in response will be considered by the Employment Committee.

## 3. **Reasons for the Recommendation**

- 3.1 The LGA offer a Peer Challenge that is free to all of its members as part of its commitment to support Sector-Led Improvement. It is one of a number of resources made available to help councils continuously improve. The peer challenge process involves a team of experienced elected members and officers who, as peers, provide practitioner perspective and critical friend challenge to help a council with its improvement and learning. It is voluntary process and councils are encouraged to commission one every 4-5 years.
- 3.2 This Council had its first Peer Challenge in 2012 and a follow up visit in 2014. After a further 2 years it was felt appropriate to undergo another Peer Challenge as part of this Council's ongoing commitment to continuous improvement. The Peer Challenge was held in July 2016, reported to the Executive in April 2017 and in response to the recommendations it was agreed that a follow up visit should be undertaken within 12 to 18 months. That visit was held in October 2018 and the report of that visit with its recommendations is attached at Appendix 1.
- 3.3 The Peer Review team made 4 recommendations. In response to these recommendations an action plan has been prepared which is attached at Appendix 2 to this report. It is considered that the proposed response to the Peer Challenge Report will help the Council to clarify and achieve its goals, expedite its key projects to delivery and achieve improved partnership working.
- 3.4 Overlapping time wise and issue wise has been the most recent Investors in People (IiP) report. That report is attached at Appendix 3. This was reported to the Employment Committee in December 2018 and an action plan in response will be prepared, nonetheless it was felt that given the overlaps that there was merit in this also being presented to the Executive at the same time as the LGA Peer Review follow up visit.



- 3.5 The most significant issue arising is that within the approach of the Council seeking continuous improvement and not being complacent about how and what it does, that as part of its intention of being a high performing organisation it needs to update its performance management approach. To this end Senior Officers are considering in a facilitated way what this might mean for the organisation and the way it is managed.

## 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   |
| <b>External</b>   |  |   |
| <b>Health, Homes, Communities</b>   | <b>Green, Clean, Safe</b>  | <b>Infrastructure, Enterprise, Employment</b>   |
| <u>Intended outcomes:</u><br>Improved health for all<br>Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities   | <u>Intended outcomes:</u><br>Area has well looked after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and ASB | <u>Intended outcomes:</u><br>Dynamic and diverse local economy<br>Vibrant town centres<br>Improved performance/productivity of local economy<br>Increased employment and income levels  |
| <b>Impacts of Proposal</b>  |  |   |
| The proposal has the potential to impact positively on a range of these intended outcomes above.  |  |   |
| <b>Internal</b>   |  |   |
| <b>Effective Staff</b>  | <b>Maintain or Improve Services</b>  | <b>Firm Financial Footing over the Longer Term</b>  |
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours | <u>Intended outcomes:</u><br>Focusing on our customers' needs<br>Continuously improve our processes<br>Increase the digital provision of services                                | <u>Intended outcomes:</u><br>Better return/use of our assets<br>Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money |
| <b>Impacts of Proposal</b>  |  |   |

|  |
|--|
| The proposal has the potential to impact positively on a range of these intended outcomes above. |
|--|

## **4.2 Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies but none are directly relevant to this matter.

## **4.3 Changes to Existing Policies**

There is no change to existing policies.

## **4.4 Impact Assessments**

Not applicable.

## **5. Budgetary Framework**

- 5.1 Neither the Peer Review nor the follow up attract a cost to the Council other than staff time. The cost of these activities is covered by the LGA's sector-led improvement programme. It is not anticipated that most of the proposed actions in Appendix 2 will generate a cost other than staff time. However, one action does have an ongoing revenue implication and this is addressed in the budget report elsewhere on this agenda.

## **6. Risks**

- 6.1 The Council could be at risk in respect of its reputation if it did not respond positively to the key recommendations of the Peer Review Follow Up visit Report.
- 6.2 None of the proposed actions per se generate a risk to the Council but the content of the work proposed when complete may do. As mitigation this will be assessed as each action is undertaken, completed and reported.

## **7. Alternative Option(s) considered**

- 7.1 The Council could decide not to agree the proposed action plan or indeed any action plan but this option has been rejected as the Council sought the review follow up visit in the first place as part of its own commitment to continuous improvement and not to agree any actions to the recommendations would therefore be perverse.
- 7.2 The Council could decide alternative action in response to particular actions and whilst that is for the Council to consider what they might be, they are not easily to identify.

Chris Elliot  
Chief Executive  
Warwick District Council  
Riverside House  
Milverton Hill  
Leamington Spa  
CV32 5HZ

12th October 2018

Dear Chris,

### **LGA Corporate Peer Challenge Follow Up visit 11th October 2018**

Following the original LGA Corporate Peer Challenge (CPC) in July 2016 Warwick District Council (WDC) asked the Peer Team to make a follow up visit to help review and assess progress and development in response to the original feedback and recommendations. This visit took place on 11<sup>th</sup> October 2018.

This letter summarises the main observations of the Peer Team. The peers used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read during their visit.

### **Process and peer team**

Peer challenge is one of the key tools to support sector-led improvement. It is tailored to meet individual councils' needs, and designed to complement and add value to a council's own performance and improvement focus. The Peer Team provide feedback as critical friends, not as assessors, consultants or inspectors.

The follow up visit included members of the Peer Team who were involved in the original CPC:

- Lorraine Norris, former Chief Executive, Preston City Council
- Cllr Paul James, Leader, Gloucester City Council
- Jackie Yates, Director of Resources, Reading Borough Council
- James Millington, LGA Peer Challenge Manager

The focus of the follow-up was to assess progress and developments in response to the peer challenge feedback and recommendations from the 2016 CPC:

1. Consider an externally facilitated Away Day event for Executive and SMT
2. Ensure Executive portfolio holders own and drive agreed priorities, and are held accountable for delivery of the strategic outcomes
3. Engage with the wider local government and public sector to explore commercial opportunities and learn more about examples of approaches and practice

4. Review the skill sets and capacity internally to deliver ambitions (including commercial, commissioning, procurement, project and contract management and customer insight).
5. Move at pace to deliver the work in progress
6. Work with local partners to agree how to work together better
7. Continue 'horizon scanning', particularly in relation to emerging regional landscape regarding devolution:
  - a) Articulate its rationale and reasoning for current position regarding the West Midlands Combined Authority
  - b) Keep a watching brief on the rapidly evolving developments and keep its position under review

To inform their findings, the Peer Team spent one day on site at WDC, during which they spoke to around 30 people including a range of council officers, councillors and external partners. The team gathered information and views from more than 10 meetings.

We would like to thank you for inviting us back to Warwick to provide further challenge to the Council and we hope that our feedback below helps to support continuous improvement.

### **Overall messages and observations**

Overall the Council has made good progress in taking forward the recommendations that the Team made in 2016. On our visit we heard Warwick described as “a Borough with great ideas, aspirations and ambition... that punches above its weight”. This includes its intention to make the most of the opportunity in being selected to host Lawn Bowls as part of the 2020 Commonwealth Games and continuing to maximise the economic opportunities it has through ‘Silicon Spa’/Creative Quarter, where good progress is being made including procuring a development partner and completing a masterplan. We would encourage you to continue to make the most of what you have, recognising the strengths you have as a place and as a Council.

To make the best use of the resources available the Team would encourage WDC to focus on a smaller defined number of priorities and projects for immediate delivery impact. We know that this is recognised by the Council and we would encourage you to go through this process and ensure this is communicated clearly to staff and partners. There is a sense that, at times, projects “come from left field” and the Council “jumps at things”. While it is important to consider opportunities that arise, this needs to be done as part of a proper decision-making process in the knowledge that the delivery of other priorities will be affected as a result.

The Peer Team heard from both members and officers about the supportive work environment and that colleagues are “courteous, helpful and approachable”. The award of the Silver accreditation of the Investors in People standard demonstrated the Council's commitment to supporting staff to achieve their potential. There was also clear evidence of how members care about the people who live in the Borough and we heard about the strong relations officers and members have between the County and the District and there is a desire to continue to widen and increase this contact, particularly in relation to members. Good relations are also evidenced in the use of shared Legal Services between the District and County and we heard how this is working well.

The Peer Team recognised that the Council has followed through on most of the

recommendations from the 2016 CPC. This was evidenced in the reading provided to the Peer Team ahead of the visit and the conversations which took place on site. There were some areas which the Peer Team felt would benefit from an increased focus and were described in the presentation provided on-site on 11<sup>th</sup> October which made a number of suggestions and recommendations for consideration by the Council, and these are outlined in more detail below:

The Council has ambition to deliver for the District. In order to support delivery the Peer Team recommend gaining agreement and focus between the Executive and Corporate Management Team (CMT) on the key priorities and projects. This will be critical for successful delivery. A number of key priorities are articulated by the leadership team and these include Europa Way, Phase 2 of the leisure contract and the Council Office Relocation. However the Peer Team's on-site discussions suggested there were other priorities articulated at different levels within the organisation, so there may be further work to do to focus in and communicate Warwick's priority areas.

Further clarity on priorities would also assist with focussing resources. The Peer Team recommend considering how the prioritisation of priorities and projects can be undertaken at a strategic level which could then lead to a discussion on resourcing and ensuring capacity is in place. You can then be clear on the resourcing implications for projects and consequences for the existing programme of work for undertaking additional activity. This can also extend to considering the allocation of senior officers to drive forward projects. For instance, the Asset Management Strategy is still to be completed and this would benefit from ensuring resources are deployed in order to finalise this work – as continuing to return to this and restarting may necessitate retreading previously completed activity.

To support delivery, the Peer Team felt that the Executive would benefit from receiving accessible and regular reporting on the progress of key priority projects. Reports should provide high level commentary at the start, as well as the detail, to keep members well briefed. This will keep the Council sighted on delivery. The Peer Team noted that the Council makes a wealth of information available but it may want to consider how it can present this in different ways, for instance through the use of infographics. The Council may wish to consider the approach taken in other areas and Cllr James would be happy to share the experience and practice at Gloucester City Council in more detail.

To help the Council remain focused on delivery the Team recommend that CMT and SMT undertake regular joint horizon scanning to ensure you are not blown off track and to manage the pinch points in the delivery of the strategic priorities. The Team heard about the pausing of projects due to shifting and emerging priorities. Further developing the Council's approach to incorporate a gantt chart to clearly articulate dependencies and resource implications would assist the Council in its decision making. WDC may find it useful to regularly spend some time looking at their resourcing demands and where there are multiple demands on particular areas of the business, and even individual officers, it would enable the Council to consider what the consequences of this may be for delivery and what it may want to do to manage the impact of changes.

The Peer Team were pleased to hear how WDC has intentions to operate in an increasingly more commercial way. The procurement of Phase 1 of the leisure contract is a particularly good example of where this has worked well. Following on from the observations made in the 2016 CPC the Team does think that there remains a need to further define what commercialisation means for Warwick. The Team recommend that you focus on where the Council wants to position itself in regard to this and which models you wish to explore in more detail. To help with this the LGA offers Commercial Skills for Officers training and the Council may wish to consider whether this would be useful to develop your/this approach.

The Peer Team recognised that pace has picked up in the delivery of some high profile areas such as Housing - where key appointments and additional resourcing have helped to renew focus. The Council has added capacity to the organisation by bringing in expertise and this has delivered positive outcomes.

WDC has also embraced the principles of being Lean. The approach is right but the Council needs to continue to ensure that there is capacity and capability in place where this is needed and that it has resilience in key areas. Therefore we would encourage you to keep focused on the organisation's structure to ensure there is stronger resilience - as a continued focus on workforce planning will put you in a good place for future delivery. For instance, we would urge that when looking at the Finance Team restructure you ensure that the future needs and relevant skills required by the Council are met – we know you are looking into this and would encourage you to remain focused on it.

The Team noted that there has been a significant delay this year in signing off the Council's accounts. While it is noted that this is a result of technical matters, it does have the potential to be reputationally damaging and we would urge the Council to learn lessons from what has happened to ensure it is not repeated in future years.

The Council has committed members and it should consider how it can make the most of councillors and how to keep them well briefed on the delivery of key projects and make information more accessible to them. We would also urge the Council to consider how opposition members are briefed and kept up to date on key projects. The Peer Team heard where this has worked well, for example in the Leisure Group and Use of Assets Committee through cross-party working groups. However, there were particular areas such as the Creative Quarter and Council Office Relocation project where it was felt that increased member engagement / briefings would help to secure cross-party support for these projects and save time at a later stage by avoiding unnecessary questions. Warwick may want to consider how to use briefings and forums in order to do this effectively and, for example, for the Council Office Relocation project the Leaders Group meeting could be reenergised in order to ensure that all political groups are properly informed. There is also a feeling that the community could be engaged at an earlier stage in externally-focused projects and WDC may wish to review its approach in this area.

The Peer Team understands that the Council Office relocation has been controversial for a number of reasons, largely centred around the lack of affordable housing on the existing site and car parking issues. While it is not our place to comment on the detail of these matters, we would urge the Council to ensure the decisions it makes in relation to these are robust and based on sound evidence.

It was clear that economic development is important to WDC and it is very active in this area, with an enthusiastic and comparatively well-resourced team, and strong support from the political and managerial leadership of the Council. The District is well placed and taking advantage of its attractive location, has good access to the strategic road network and already has good relations with businesses in the District through the use of regular liaison meetings. The area has many opportunities for business growth, including the National Battery Development Centre and Coventry Airport. The Council is proactively seeking to hear and shape what the market needs and is pragmatic, recognising the balance between significant investment and short term disruption. There has been a period of change through the departmental restructure but the next stage is to focus on establishing clear priorities, and the Peer Team would echo the importance of this. The Council is alive to the impact of Brexit and is monitoring the affect on businesses - especially the impacts on the talent pipeline. Brexit continues to be discussed at senior management meetings to

determine what can be done collectively across the Council.

Recent achievements/inward investment have included businesses such as World of Books relocating to the District and with around 80 computer Games companies now in the District it is the 3<sup>rd</sup> biggest cluster in the UK. WDC has plans to do more in order to highlight the area, including a large festival planned in January 2019 'Interactive Futures' – to showcase Leamington and the District – as part of the 'Silicon Spa' banner. Grow-on space is recognised as being critical to continue to support businesses within the District and to support businesses to make their next steps to grow, the Council recognises this and has plans in place to do more in this area.

Crucially, WDC's economic development plans and priorities are within the Local Enterprise Partnership's plans and include creative and digital, town centres and tourism. The District's plans are also aligned to the County Council's economic plans. WDC is seeking to obtain economic data from the County Council and the Peer Team would emphasise the importance of using this to develop a district based Economic Development Strategy.

The Council has maintained a watching brief on the benefits of being within the West Midlands Combined Authority. We recommend that you continue to keep your position under review as we heard how there may be advantages for others who may benefit from your ideas and enthusiasm.

The Peer Team recognised that the CMT is incredibly busy and in order to optimise their capacity and ability to work smarter we would encourage you to review the administrative support available. This would support CMT to be as effective as possible. Having your most senior managers undertaking activity which is better delivered through administrative support can distract them from more important issues and puts them under unnecessary pressure. Having appropriate administrative support needs to be part of ensuring the authority's senior management arrangements are fit for the future.

Staff recognised and valued the visible leadership shown and made particular reference to the Chief Executive's floorwalking. This contact was appreciated and valued by staff and we would encourage you to consider how activity such as this positively impacts on the Council, creating the positive working atmosphere which the Peer Team heard about from members and officers alike. To continue to improve internal communications the Peer Team suggest that you make the most of your 'Staff Voice' group to review and shape what they feel would be the most effective ways to communicate with staff. This may include staff attending CMT and Head of Service meetings on a regular basis or CMT providing something collectively to staff and managers routinely to share achievements and retain focus on key priorities. This would provide opportunities to communicate your priorities to staff and provide clarity on what they need to focus on over the forthcoming period.

## **Summary of recommendations**

Warwick has made good progress since the Peer Team's visit in July 2016. There is ambition and commitment to work hard for the District. Further to the feedback provided above the Peer Team have made some specific recommendations for you to consider:

### **1. Agree and focus on your priorities**

Warwick is ambitious and the Executive and Management should invest time in focusing in on the organisation's priorities and communicating these. This would focus delivery and ensure that there is clarity across the organisation.



**2. Step up your monitoring and oversight to prevent being blown off track**

Having effective and proportionate arrangements in place for the Council to receive timely and relevant data and information to track and monitor progress of key priorities is important. This will allow the Council to keep an overview on delivery and help to keep on track with priority projects.

**3. Increase your resilience in key areas**

The Peer Team recognise that where this has been done it has produced good outcomes for Warwick and there are plans in place to look into other areas of Council business. We would encourage you to continue to review this.

**4. Celebrate your successes!**

The annual talk and expo of services to showcase achievements are good ways of celebrating your achievements but you may want to consider further opportunities to celebrate staff where they have achieved particular outcomes.

**Next steps**

We appreciate that the Council will want to reflect on these findings and suggestions with the senior managerial and political leadership in order to determine how the organisation wishes to move forward.

Your LGA Principal Adviser, Helen Murray, will be happy to work with you to identify any additional support the LGA can offer to help you respond to the points set out in this letter. Helen can be contacted on 07884 312235 or [Helen.Murray@local.gov.uk](mailto:Helen.Murray@local.gov.uk).



| <b>Appendix 2</b>  |   |
|--|---|
| <b>Summary of recommendations</b><br>Warwick has made good progress since the Peer Team's visit in July 2016. There is ambition and commitment to work hard for the District. Further to the feedback provided above the Peer Team have made some specific recommendations for the Council to consider:  | <b>Proposed Action in response</b>  |
| <b>1. Agree and focus on your priorities</b><br>Warwick is ambitious and the Executive and Management should invest time in focusing in on the organisation's priorities and communicating these. This would focus delivery and ensure that there is clarity across the organisation.  | 1a. That the new Administration prepares a Council wide Business Plan for the period to the next elections in 2023.<br>1b. That the Business Plan sets out the Council's key priorities for the period.<br>1c. That a report be brought to the March 2019 Executive setting out a proposed template and process for developing such a Council wide Business Plan.   |
| <b>2. Step up your monitoring and oversight to prevent being blown off track</b><br>Having effective and proportionate arrangements in place for the Council to receive timely and relevant data and information to track and monitor progress of key priorities is important. This will allow the Council to keep an overview on delivery and help to keep on track with priority projects. | 2a. That the Council's Performance Management and Reporting framework is reviewed in the context of having a Council wide Business Plan.<br>2b. That a report is brought to the March 2019 Executive setting out the proposed revised Performance Management and Reporting Framework.   |
| <b>3. Increase your resilience in key areas</b><br>The Peer Team recognise that where this has been done it has produced good outcomes for Warwick and there are plans in place to look into other areas of Council business. We would encourage you to continue to review this.   | 3a. That in the context of a Council wide Business Plan a review of the Council's ability to deliver the agreed ambitions/priorities is undertaken and reported in the late summer 2019;<br>3b. That this review seeks address the resilience issues identified by the Peer Review.<br>3c. To support CMT/SMT, greater operational staff support resource is provided.<br>3d. That such support is addressed within the 2019/20 budget. |

|   |  |
|---|--|
| <p><b>4. Celebrate your successes!</b><br/>The annual talk and expo of services to showcase achievements are good ways of celebrating your achievements but you may want to consider further opportunities to celebrate staff where they have achieved particular outcomes.</p> | <p>4a. That the Expo is held again in 2019 to coincide with the induction of members of the new Council (late May/early June 2019) and thereafter every other year.<br/>4b. That there is a special session of the Expo for Councillors and Partners.<br/>4c. That a report on other ways the Council can recognise success of staff individually and collectively is brought forward to the Employment Committee by September 2019.</p> |
|---|--|

| Summary of proposed recommendations - IIP  | Proposed Action in response   |
|--|---|
| <p><b>1. Review and define the role of leaders in enabling high performance</b> - To include a reflection on the strategic/tactical interface of SMT and CMT in forming and enabling strategic decision making. Also, to enhance the understanding and capabilities of all managers to facilitate a high-performance culture in all areas.</p> | <p>1a. Training/facilitated briefing workshop Dec and Jan 2018. This is a continuous process and development of skills/knowledge and approach. Monitoring through 12/24 month IIP interim reviews</p> |
| <p><b>2. Establish and monitor measures of high performance</b> - Making more effective use of metrics and benchmarks to monitor, review and communicate the impact of the People Strategy on performance</p>  | <p>2a. Ongoing data analysis utilising new Apprentice to review benchmarking and presentation/interpretation of the data</p>  |
| <p><b>3. Refresh the core values</b> – Ensuring that everyone understands that they remain valid and are more conscious of the associated behaviours when managing and celebrating performance.</p>  | <p>3a. Review planned to be undertaken after the May elections in conjunction with the development of the Business Plan.</p>  |
| <p><b>4. Enable more collaboration and innovation-</b> With a focus on facilitating more collaboration across teams and enabling innovative ideas to be considered and actioned with pace.</p>   | <p>4a. Scope of how this might be achieved to be developed and reported for approval by September 2019.</p>   |

|   |   |
|---|---|
| <p><b>5. Improve planning and coordination of change -</b><br/>Taking a more planned approach to change projects that considered the impact on teams and their users at an earlier stage and coordinates change activities more effectively.</p>        | <p>5a. Part of business planning initiative</p>   |
| <p><b>6. Recognition of teams on their achievements -</b><br/>Extending the best practice in recognising and celebrating individuals to improve how the achievements of teams can be recognised more overtly across the Council by their colleagues</p> | <p>6a. Review took place March 2018, further considerations to be included in People Strategy Action Plan update February 2019.</p> |

# Assessment report

Warwick District Council

Accreditation number: CEN-18-00431

Accreditation valid from: 16/07/2018

Assessment conducted by: Bob Morrison



Official assessment of Warwick District Council conducted by Bob Morrison, operating on behalf of the following licensed Investors in People centre:

Investors in People Central England  
5 Merus Court  
Meridian Business Park  
Leicester  
LE19 1RJ

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## Acknowledgements

I would like to thank all staff within Warwick District Council for their very warm hospitality and active participation in this assessment. The commitment and transparency demonstrated by everyone exemplifies the high level of engagement and sense of pride that defines the Council.

In particular, I would like to acknowledge the assistance of Tracy Dolphin and Karen Weatherburn in making the arrangements for the assessment including compilation of a comprehensive range of documents for the desktop research..

## Executive Summary

Warwick District Council have been accredited as Investors in People since 1998 and have held Bronze accreditation for the last three years having taken part as one of the first organisations to undertake the pilot for the 6<sup>th</sup> Generation of the IIP standard in 2015. The Council was assessed against the 6th generation of the Investors in People Standard for the second time in July 2018.

The Council has continued to evolve and develop its processes for managing and developing people using feedback from the last Investors in People assessment and interim reviews combined with internal reviews and benchmarking activity to determine where enhancements are best placed. This assessment was focussed on providing feedback on how well these processes have matured and the capacity to establish a sustainable high performing culture to support Fit for the Future.

This assessment commenced in May 2018 with the deployment of the online survey. A response rate of 52% was received and subsequently 37 people were interviewed during July 2018 from across the Council representing a range of roles and length of service and including council members. The visits included an observation of the Staff Expo, meetings with staff representatives and groups, meeting the People Strategy Steering Group (PSSG) and a review of over seventy documents or online materials.

The assessment concluded that Warwick District Council surpassed the minimum requirements of the Investors in People Standard and has demonstrated that the Council is currently operating at an Established level of organisational performance in seven out of nine of the key indicators with a number of additional themes performing at an advanced or high performing level as shown on the heat map on the next page. Consequently, **Warwick District Council is awarded Investors in People Silver accreditation until July 2021.**

The assessment confirmed that the Council has continued to improve in all nine indicators of the Standard with overall benchmark scores either above or equal to the public sector average for all accredited organisations that have completed Generation 6 framework. The development of a more cohesive People Strategy and establishment of the PSSG are examples of good practice that will ensure all aspects of organisational performance will continue to mature and evolve. Consistency of leadership and management has improved significantly but there remain some pockets of weak management practice at all levels. There were also some notable differences in perceptions when comparing the survey results from across the service areas.

There are numerous strengths that include:

- A clear vision and set of priorities
- A shared ethos that fuels a strong sense of pride and passion
- A strong commitment to managing, developing and supporting people that is actively promoted and demonstrated by both senior leaders and Council Members.
- Access to a blend of well-designed and engaging learning and development interventions
- A dedicated scrutiny group of members and officers with a clear remit of monitoring and evolving the people strategy



A key observation is that the organisation is collectively moving towards a high performing culture, but the current leadership model and practices have not yet adjusted to fully enable this culture. There are several recommendations included within the full report but the key recommendations to secure the capacity for high performance are:

**Review and define the role of leaders in enabling high performance** - To include a reflection on the strategic/tactical interface of SMT and CMT in forming and enabling strategic decision making. Also, to enhance the understanding and capabilities of all managers to facilitate a high-performance culture in all areas.

**Establish and monitor measures of high performance** - Making more effective use of metrics and benchmarks to monitor, review and communicate the impact of the People Strategy on performance

**Refresh the core values** – Ensuring that everyone understands that they remain valid and are more conscious of the associated behaviours when managing and celebrating performance.

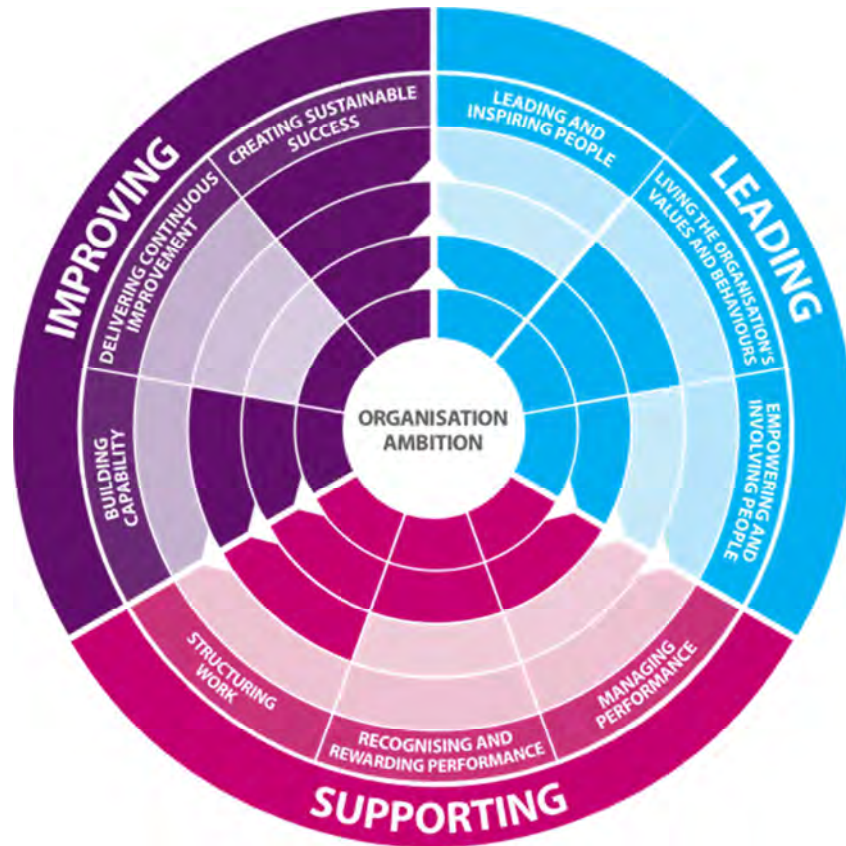
**Enable more collaboration and innovation-** With a focus on facilitating more collaboration across teams and enabling innovative ideas to be considered and actioned with pace.

**Improve planning and coordination of change** - Taking a more planned approach to change projects that considered the impact on teams and their users at an earlier stage and coordinates change activities more effectively.

**Recognition of teams on their achievements** - Extending the best practice in recognising and celebrating individuals to improve how the achievements of teams can be recognised more overtly across the Council by their colleagues.

The accreditation is subject to review visits at 12 and 24 months after this assessment which will continue to explore the capacity to be high performing.

Warwick District Council assessment outcome



Warwick District Council final award outcome



## Introduction

Warwick District Council sought re-assessment against the Investors in People standard in June 2018 following an agreed extension to the previous accreditation due to the initial delays incurred as one of the UK's first organisations to pilot the 6<sup>th</sup> generation of the IIP framework in 2015. The Council has continued to use the IIP Standard as a framework for benchmarking and evolving the way it manages and develops people.

Organisations that meet the world-recognised Investors in People Standard reflect the very best in people management excellence. Underpinning the Standard is the Investors in People Framework. Based on 25 years of leading practice, the latest research and workplace trends, the Investors in People Framework is organised around nine key indicators of high performance each with three underpinning themes.

To achieve accreditation, organisations are assessed against these themes and indicators, leading to an award level of standard, silver, gold or platinum, that represents the level of performance achieved, or the level of 'maturity', from a fundamental 'Developed' level to 'High performing'.

Assessment is carried out using surveys, interviews, meetings and observation. The approach taken in the assessment of Warwick District Council is summarised in a later section of the report. The accreditation awarded represents the current level achieved and the standard can be used to facilitate ongoing development of people management practices.

The Council opted for an Insights assessment that reports in depth on each of the 9 indicators and provides benchmark data against the previous assessment and results from all organisations that have undertaken the online survey.

## Organisational context

### The organisation

Warwick District Council is a local government district of central Warwickshire. The district comprises the towns of Warwick, Leamington Spa, Kenilworth and Whitnash, and includes the surrounding rural areas. The Council employs approximately 490 members of staff across several sites.

### The Vision of the Council is

To make Warwick District, a great place to live, work and visit, where we aspire to build sustainable, safe, stronger and healthier communities

### Values

- Honesty and Integrity
- Openness and transparency
- Fairness and Equity
- Community Focus
- Environmental Sensitivity

The values are also enshrined within the People Strategy designed to ensure the council will be “Fit For the Future”



The people strategy is designed around 6 key themes to support the overall vision.



### Strengths

The senior leaders within the context meeting described a number of strengths within the company that underpin their success. These include:

- Innovative with a can-do attitude
- Empowered and committed staff
- Investment in learning and development
- Long service and knowledge
- Resilience in dealing with change
- Listening and responsive
- Good relationship between governance and leadership
- Transparency and trust
- Forward thinking
- We never waste a crisis

### Challenges

- Increasing number of regulatory frameworks such as GDPR
- Brexit causing uncertainty and distracting government from policy making and commitment to economy
- Scale of change due to growth in the District

- May 2019 Elections resulting in all seats up for election which may lead to no-overall control
- Boundary revisions
- Recruitment of specialist staff
- Introduction of Universal Credit
- Government Homeless Policy

## Developments

- Relocation of the Council and introduction of more agile working
- Further development of IT infrastructure and tools
- Increase provision for apprentices
- Continue to embed the People Strategy

## Metrics

The Council utilises a comprehensive range of metrics to monitor performance as required of local authorities and HM Government. They include:

- § Staff engagement
- § Fiscal performance
- § Asset utilisation
- § ICT support resolution
- § Request processing
- § Complaint handling
- § Housing repairs, voids and rent recovery
- § Media engagement – including social media and web utilisation
- § Footfall and participation

In relating to people metrics, the organisation records and monitors a range of information including:

- § Headcount, turnover and attrition
- § Diversity
- § Absence and attendance
- § Compliance with performance
- § Recruitment and retention
- § Learning and development

### Focus of the assessment

In relation to the IIP accreditation process, the senior managers sought to gain further insight on:

- Staff perceptions of cross team collaboration
- Impact of large projects on day-to-day operations
- Feedback on perceptions from the Staff Expo

All aspects of the Investors in People Standard apply to the ambition but the key indicators that underpin the priorities in the strategy are:

1. Leading and inspiring people
3. Empowering and involving people
6. Structuring work
8. Delivering continuous improvement
9. Creating sustainable success



## Warwick District Council's Self-diagnostic

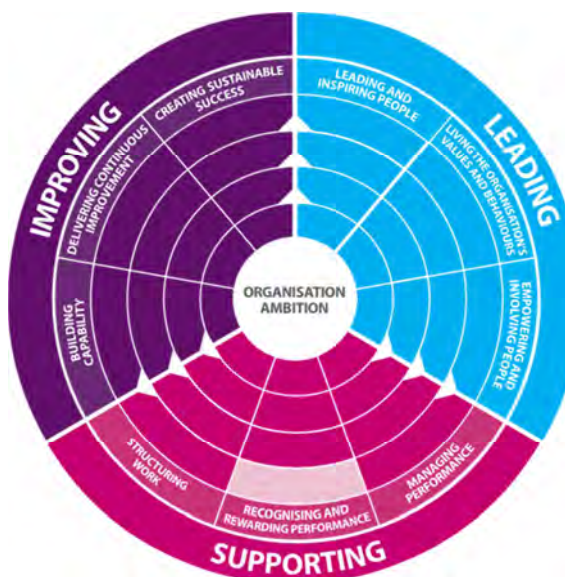
The heat maps below summarise where Warwick District Council believes it currently sits against the each of the nine IIP indicators and where it aspires to be in order to achieve its organisational ambition. The shaded cells represent the maturity level against each indicator. The more cells shaded the more mature and embedded the practices are within Warwick District Council.

Having carefully considered the IIP Framework, Warwick District Council believe that they are Developed in all indicators of performance with three indicators at an Established level, three at Advanced and one at High Performing.

### Warwick District Council 'As Is' heat map



### Aspiration or 'To-be' heat map





## Assessment Approach



The online assessment was deployed to 471 employees and we saw a response of 52%. This was above the international Investors in People guidelines and therefore the sample is considered statistically relevant.



Based on the finding from the online assessment, we interviewed 37 people from across the organisation over four days either face to face or by telephone within a confidential setting. These included Council members and employee representatives.

Observation activities included:



- Attendance at the Staff Roadshow event including a presentation by the CEO
- Meeting with SMT and CMT
- Meeting with the People Strategy Steering Group (PSSG)
- Meeting with the Staff Voice Group
- Meeting with Staff Welfare Group
- Review of the Intranet content
- General observations of staff interactions in offices

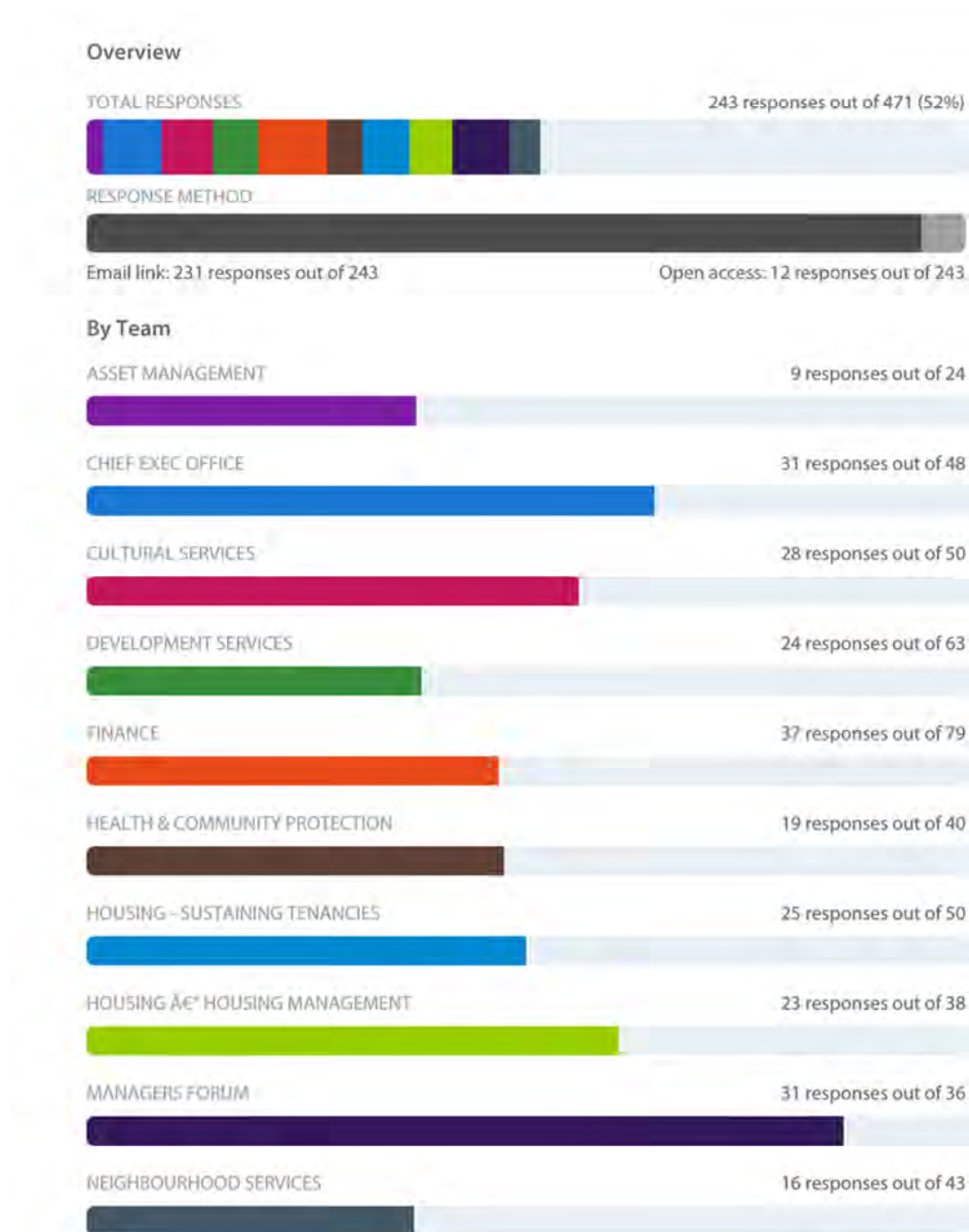
A comprehensive range of documents were reviewed including:



- Strategic and service area plans
- People Strategy and reports to PSSG
- Terms of reference
- Minutes of meetings including Managers Forum, PSSG and Workforce Steering Group
- Performance appraisal documentation and reports
- HR Metrics
- Policies and procedures relating to people management
- Communications strategy and examples
- Corporate Training information and processes
- Staff engagement documents
- Staff voice TOR and minutes
- Recruitment documents and employee branding
- Reward and recognition examples and documents
- Staff awards
- Succession planning
- Equality and Diversity documents and examples
- LGA peer review and response
- External links and network information
- Staff conference materials and presentations.

## Survey response rates

We received a 52% response rate with a good level of response from most areas of the Council. Whilst the range of responses from each group was broad, the overall response rate was above the minimum required for the results to be statistically valid.



## Bias and variance

The number of responses for each group were sufficient to avoid the risk of significant statistical bias but caution should be taken with the results for Asset Management, Development services and Neighbourhood Services due to the relative small numbers that can influence the percentages reported in the survey.

There was some variance across the groups which is illustrated later in this report under each indicator.

## Detailed Assessment Outcome

The following sections provide a detailed analysis of Warwick District Council's assessment against the IIP framework. It commences with the benchmark scores and follows with an analysis for each of the nine indicators. The table in Annex 1 shows the assessed maturity level for each of the 27 themes within the IIP framework.

### Benchmarks

For the purposes of establishing an industry benchmark, data collected from the Public Administration and Defence sector has been used as a benchmark and is shown below.

#### Warwick District Council benchmark



\* This reveals the average IIP Benchmark for all organisations who have undertaken the survey.

*Note – Benchmark data accurate as at 1st August 2018*

The benchmark score of 679 out of a maximum of 900 suggests that the Council is currently performing below the average for the whole Investors in People community by 46 points and outperforming the sector by 9 points.

## Summary of online assessment results

This shows a summary of results for all nine indicators including an average score out of a maximum of 7 (strong agreement) including the variation from the 2015 Investors in People survey and the current average for all Public Sector organisations that have taken the survey up until July 2018. A score of 3.5 reflects a neutral average response.

### Indicator summary

|  | Strongly agree | Agree | Somewhat agree | Neither agree nor disagree | Somewhat disagree | Disagree | Strongly disagree | Benchmark score (max 7) | Compare 2015 Survey | Compare Public Sector |
|--|----------------|-------|----------------|----------------------------|-------------------|----------|-------------------|-------------------------|---------------------|-----------------------|
| INDICATOR 1<br>Leading and inspiring people                    | 13.9%          | 34.4% | 22.8%          | 13.0%                      | 6.4%              | 6.1%     | 3.5%              | 5                       | +0.3                | 0.0                   |
| INDICATOR 2<br>Living the organisation's values and behaviours | 21.9%          | 45.0% | 16.7%          | 10.6%                      | 1.9%              | 2.1%     | 1.8%              | 5.6                     | +0.3                | +0.1                  |
| INDICATOR 3<br>Empowering and involving people                 | 22.0%          | 40.2% | 18.3%          | 6.3%                       | 5.6%              | 3.9%     | 3.7%              | 5.4                     | -0.0                | -0.0                  |
| INDICATOR 4<br>Managing performance                            | 23.3%          | 40.3% | 13.5%          | 10.1%                      | 3.5%              | 6.2%     | 3.2%              | 5.4                     | +0.1                | -0.0                  |
| INDICATOR 5<br>Recognising and rewarding high performance      | 10.8%          | 23.8% | 20.9%          | 15.6%                      | 9.9%              | 11.4%    | 7.6%              | 4.5                     | +0.3                | -0.1                  |
| INDICATOR 6<br>Structuring work                                | 24.6%          | 42.9% | 16.5%          | 8.2%                       | 3.3%              | 2.5%     | 2.1%              | 5.6                     | +0.2                | +0.1                  |
| INDICATOR 7<br>Building capability                             | 16.7%          | 38.4% | 18.4%          | 14.2%                      | 3.5%              | 5.7%     | 3.0%              | 5.2                     | +0.5                | +0.2                  |
| INDICATOR 8<br>Delivering continuous improvement               | 18.0%          | 36.8% | 20.9%          | 14.0%                      | 3.0%              | 5.2%     | 2.1%              | 5.3                     | +0.2                | 0.0                   |
| INDICATOR 9<br>Creating sustainable success                    | 21.4%          | 43.5% | 18.6%          | 9.6%                       | 1.6%              | 2.9%     | 2.4%              | 5.6                     | +0.2                | +0.2                  |

## Themes – (Highs and Lows)

Each of the nine indicators is underpinned by three themes resulting in a total of twenty-seven themes. This graph shows the five highest and five lowest scoring themes against the averages for all accredited organisations that have completed a survey. The maximum score is 7.





## Indicator 1: Leading and Inspiring People

*This indicator explores how the business leaders in the organisation communicate the vision and objectives clearly and inspire people to deliver them. The extent to which people trust leaders is also explored.*



5.0

This indicator produced a benchmark score of 5.0 which was on a par with the public sector average and improved on the score of 4.2 in 2015, although it was the second lowest scoring indicator for this assessment. The benchmark scores for each department varied across the Council, ranging from 4.1 for Asset Management up to 5.7 for Development Services. Taking a closer look at the questions it would appear that weaker perceptions of how well the Council develops great leaders has had a significant impact on the overall score for the indicator. Nearly a quarter (23%) of all respondents remained neutral when asked if the council develops great leaders. Another quarter (24%) disagreed to some extent. The majority of the positive responses only somewhat agreed (31%) with the proposition.

People were far more positive about how well management communicate the council's ambition with 84% providing a positive response overall. People also gave a positive response in relation to the perceptions of trust in leadership with 78% providing a positive response, including 17% strongly agreeing. The responses were slightly more muted when people asked if managers motivated them to achieve their best with 69% providing a positive response although 13% remained neutral. However, when asked if they feel motivated to achieve the best, the scores were slightly higher, with 73% providing a positive response, including 35% agreeing and 21% strongly agreeing, suggesting that self-motivation regardless of management engagement was high.

## Leading and inspiring people

The observation of the staff conference included a concise but engaging presentation by the Chief Executive on the current level of progress within the Council as well as the external influences and the priorities for the future. Feedback from interviewees combined with desktop research that included the long-term priorities within Fit for the Future and operational plans confirmed that everybody had a clear understanding of the overall vision and had been given opportunities to ask questions, clarify their understanding and make suggestions for changes in the way that plans are implemented.

Prior to the staff conference, the Chief Executive had also visited several teams to gain an insight into the current understanding of the Council's strategy and listen to opinions about the future which were responded to within the address or online documents.

Additionally, people can raise questions through the own line managers or via email if required. There is also a platform within the intranet known as "The Rumour Mill" which provides an opportunity for people to raise any ideas or concerns anonymously and receive a response via the platform.



Most people believe that internal communications had improved significantly over the last 2 to 3 years in terms of access to information, response to the interventions and transparency from the top. Whilst there were some examples of issues that have been escalated taking some time to receive a response, most people believed there was a good intent to provide answers when possible. For example, updates on progress with the planned relocation of council offices, including initial plans for layout, parking and a more agile way of working.

Most people confirmed that they experienced an effective matrix of meetings, briefings, newsletters and updates that included regular team meetings, sharing of information between teams, access to key information online and a clear understanding of who to refer to for further or specialist information. They also felt confident they could approach any colleague and receive a timely response to clarify understanding or gain further guidance and support. A small number indicated that their meetings with their manager were too infrequent or lacked the opportunity to ask questions.

The intranet provides some information about work being undertaken by other teams as well as responses to frequently asked questions and concerns. The staff expo provides an opportunity for people to meet colleagues from other departments and learn about their purpose, priorities and achievements which has led to further opportunities to collaborate and promote the wider service provision of the council

Most people believe that the levels of trust and transparency that exists within the Council had also improved in the last 2 to 3 years with interviewees explaining they had experienced a very high level of trust when reflecting upon how most council members and the Chief Executive engaged with them. Some believed this was not consistently reflected in the way

that a minority of other senior leaders and managers operated and behaved, which was also reflected in the online results. It was acknowledged that there have been changes in the leadership within some departments which had already started to improve perceptions of trust and transparency. However, there remains a significant number of people who felt that there could be greater delegation of some decisions and discussions with staff when developing some policies.

### Motivating people to deliver the organisation objectives.

Nearly everyone believed they understood the key objectives within the Fit for the Future strategy and operational plans. Interviewees and people attending the staff expo could explain in plain language how their own responsibilities related to the strategic aims and their own departmental or team priorities. These priorities are frequently referenced within team meetings and were a feature of personal objectives setting for most people. Nearly everyone believed that their line manager as well as team colleagues were supportive in helping them to achieve these objectives by providing additional time and support, enabling them to overcome obstacles and provide opportunities to develop new skills or knowledge if necessary.

The majority of people believe that the passion demonstrated by the Chief Executive for delivering high standards of service to the community as described within fit the future was reflected in the way that most senior leaders and line managers encouraged them to deliver outcomes. The staff expo was regarded as a source of both inspiration and encouragement because it provided a platform for the Chief Executive to convey his own sense of passion and also to experience the pride and commitment that was demonstrated by colleagues from other teams. The intranet includes a number of video clips and case studies of staff demonstrating their pride and passion in working for the Council and the impact it has on the community.

Most people gave examples of how they have routinely discussed progress with these objectives and taken action to ensure they are being addressed where necessary. There remain a very small number of examples where infrequent discussions with the line manager (or a change in manager) have either delayed delivery of the objectives or there has been a change of focus for the team that has not been communicated effectively.

### Developing leadership capability

Most of the line managers that were interviewed demonstrated a high level of confidence that they understood their role and responsibilities in managing and developing people although their descriptions were varied in terms of detail and alignment with the relevant values. These responsibilities are defined within role descriptions and an emerging set of management competencies. Leadership and management development alongside additional guidance within the HR policies ensures that managers understand their responsibilities and have enough clarity about how they should manage performance in line with the values. The Council has recently introduced a tailored induction process for newly appointed managers.

Several managers gave examples of how recent management development programmes alongside coaching and guidance from HR specialists had helped them develop their management skills. These examples included undertaking courageous conversations,



developing Personal Development Plans (PDPs) from appraisals, communication skills and dealing with different levels of motivation and performance. There were some managers who felt they would benefit from further development of management skills beyond knowledge of the HR procedures for discipline, managing absence and appraisal. They had not discussed this with their own line manager.

Most people also believe they have a good understanding of the Council's expectations of their line managers and about two-thirds of those interviewed have provided some form of feedback to their line manager either on request or as part of the appraisal process. Two managers have made their own arrangements for more detailed 360-degree feedback. Some feedback has also been extrapolated from the previous Investors in People surveys, internal audits and review processes such as the recent LGA peer review.

It is clear that the consistency and quality of management effectiveness in relation to line management support has improved significantly since the last Investors in People review with only a few examples of weaker or inadequate support by line managers being evidenced.

*"I think the way people are managed and supported by their line managers has improved over the last two years with far fewer examples of poor management as managers have moved on or improve their skills. I am less worried about moving teams than I was before"*

Whilst line management effectiveness has improved, several interviewees including managers indicated that the understanding of leadership responsibilities and how these enable high performance was less clear and consistent. This may explain why the results of the online survey were more muted when people ask if the council develops great leaders.

Feedback from middle and senior managers suggests that the interface between tactical and strategic leadership is not consistently understood with a number of managers believing there could be greater delegation of decision-making within the strategic framework which will reduce the need to escalate some issues to the most senior leaders and save time implementing the outcomes. At an operational level, leaders and some team members are also aware of this lack of clarity about leadership roles and responsibilities. The LGA peer-review also highlighted the need to clarify the interface between the strategic and tactical leadership.

*"We still have to wait for permission from some senior managers before we can proceed with what will appear to be the most obvious solution, given how well we now understand the overall aim of the service. On one occasion, the permission arrived several days after the event should have taken place"*

Over recent years, there has been closer engagement between SMT and CMT and the development of a wider Managers Forum to improve communications across management levels and understanding of strategic issues. Feedback from interviewees combined with desktop analysis of the online results and the peer review suggests that these developments combined with greater levels of

## Indicator 1: Leading and inspiring people



transparency have helped develop a wider and deeper understanding of the strategic landscape.

Consequently, middle managers are increasingly more confident that they can make decisions in line with the strategy and are more able to contribute to the strategic development of the Council. Conversely some senior leaders expressed some mild frustration that middle or tactical leaders do not fully engage with the strategy.

*“I think we have been more involved in understanding and helping (to some extent) shape strategic decisions, but we have not adapted the way we lead in a way that makes best use of this knowledge and transparency. We have not grasped the responsibility and they (senior leaders) have not necessarily let go”*

*“We have deliberately involved more of our leaders in discussing strategic changes and challenges, but I do not think they are picking up the responsibility we expect of them in this area.”*

Consequently, there appears to be some incongruence in the way that leadership is demonstrated at a tactical and strategic level, which has had an impact on operational management in some areas, as well as the capacity to enable and sustain a high-performance leadership culture. In many ways, the high level of faith in the Chief Executive and leadership of the council compensates for these inconsistencies by inspiring people to achieve the strategic objectives.

## **Performance level achieved**

**Indicator 1 - Leading and inspiring people: [Established](#)**

### [Potential areas for further development of this indicator](#)

The overall leadership culture including the respective roles and responsibilities of tactical and strategic leaders has not evolved sufficiently to enable and sustain the ambition for high performance and greater efficiency which will be critical to the success of a more agile and responsive council in the future.

- Consider how you would revisit the strategic and tactical responsibilities and expectations of SMT and CMT to facilitate a culture of enabling others rather than directing them. This may require some facilitated, reflective review of current perceptions and abilities of all senior leaders and learning from best practice in other organisations. Further development may be required in the development of strategic and tactical competencies, providing coaching opportunities and enabling mentoring within the existing leadership groups.

Whilst there is a clear on-boarding or induction process for newly appointed line managers, this appears to be relatively recent development and it was clear that some line managers were unaware of their full responsibilities and lack confidence in enabling and managing performance. The aspiration to deliver high-performance requires the development of high-performance leadership and management capabilities at all levels.

- Consider how you could ensure that all managers are both confident and competent in facilitating high performance in line with the values and leadership approach demonstrated by some senior leaders such as chief executive.

## Indicator 2: Living the organisation's values and behaviours

This indicator explores how senior managers and employees act in line with organisational values and whether people have the courage and support to challenge inconsistencies



5.6

This indicator produced one of the highest benchmark scores of 5.6 alongside structuring work and creating sustainable success. It is marginally above the national average and also improves upon the 2015 score of 5.3. There was a strong level of positive response across the five questions that contribute to this indicator with most areas scoring highly in the agree category and about a quarter strongly agreeing. Nine out of every ten respondents believed to some extent that the Council has clear values that they shared with their own personal value base. The highest scoring question related to how well people believed their behaviour reflected the Council's values with 35% strongly agreeing and 48% agreeing.

Most people also believed that they challenge behaviours that do not reflect the organisations values. (72% positive), although 22% remained neutral. The feedback in interviews indicates that this neutral figure is mostly due to the fact that many people have not seen the need to challenge behaviour because it was consistently in line with the values they expect of their colleagues.

## Operating in line with values.

The core values of *Honesty and Integrity, Openness and transparency, Fairness and Equity, Community Focus and Environmental Sensitivity* have been established for some time and are consistently promoted within the Council's long-term strategy, the people strategy, information provided for potential recruits and the appraisal process. They are also included within the induction programme and embroidered within the ID lanyards issued to all staff. The Chief Executive's presentation to staff conference referred to these values and how they relate to future developments, as well as the strength of the Council and its workforce. Most of the recently appointed staff, explained how the values had been promoted with a high profile within their induction although some noted that the specific values were rarely mentioned in the subsequent weeks or months.

Although there were some exceptions relating to behaviour of colleagues including managers, the majority of people believed that the values were embedded within Warwick District Council to such an extent that people would find it difficult to operate outside of the behaviours expected of them. They indicated that most decisions about how they are led, managed and developed would be influenced by the ethos.

While many leaders found it difficult to cite an example of how the values had influenced the way they make decisions and operate, there was a strong and consistent belief that it was highly unlikely that they would operate in a way that is contrary to the broad values. They explained that the Council has a strong focus on community and acting fairly when dealing with the public and other stakeholders such as external agencies, other local authorities and government representatives.

The focus on values has also driven improvements to openness and transparency with the workforce as demonstrated elsewhere in this report. Leaders also explained how professional integrity and honesty encouraged them to quickly admit to any mistakes and explore opportunities to learn from them and improve services. Recently appointed leaders with experience of other organisations had noticed the high degree of transparency, openness and focus on the community that exemplifies the values. Leaders also explained how they looked for similar values and a commitment to embrace the ethos of district council when identifying partners and contractors.

*"We expect a high level of transparency and integrity from our contractors so that we have honest discussions about performance and remain focused on our customers even if that includes admitting to our mistakes and paying a little more to achieve something that is fairer and more appropriate for the environment in the long term."*

## Adopting the values

Everyone could confirm that the values have been communicated to them and most could describe the specific values without referring to their lanyard. Several could also describe the range of behaviours expected of everyone that underpinned the values. They also believed that the values were a critical part of the success of the Council and ensuring that it is a great place to work. The feedback from interviewees resonated with the outcome of the online survey with nearly everyone believing that their own behaviour reflected the values of the organisation with an obvious sense of pride and mild passion for working in accordance with this ethos.

For many, the values exemplify and endorse their own sense of purpose in working within the public sector and delivering services for the community that is supported by Warwick District Council. There were several examples of people taking action to go out of their way



to deliver the service or support a colleague rather than do the bare minimum that is expected of the role or task. These examples included individuals taking time to find the right colleague or service in response to a visitor's need for information on elections and benefits or contacting another team to admit to an error in a data report they were sent. Reception staff were observed going out of their way to contact a partner authority and handing the phone over to a visitor to deal with a planning enquiry rather than send them across town to the correct location.

## Living the values

The values and related behaviours are referenced within the appraisal process because they are embedded within the five core competencies. They are intended to encourage people to reflect on how well they demonstrate the behaviours alongside other aspects of their performance. Although several appraisal discussions did not directly discuss behaviours, most believe they are actively encouraged to demonstrate them within their role. However, many of the interviewees indicated they did not receive specific feedback about their behaviours from their line manager during the Appraisal and one-to-one meetings. Most of the review is tentatively based on the individual's own description of how they demonstrate the values.

*"We are all about the values. We live and breathe them everyday"*

Although some were unsure of how well they're expected to demonstrate each of the values they do not believe there are mutually exclusive and frequently felt that a specific behaviour or approach to dealing with colleagues or customers would demonstrate how they met the needs of several values.

It is also clear from discussions with staff working closely with council members and the meeting with members of the People Strategy Steering Group that everyone is encouraged to reflect the values in the way they deal with each other across the political groups and with other agencies. These meetings clearly exemplified the way the ethos pervades every aspect of working within Warwick District Council.

Senior leaders have consistently worked at developing a culture within the council that fosters a values-based approach to working collaboratively and promoting these values. They have encouraged discussions about behaviour and highlighted best practice, providing opportunities for people to work with integrity, honesty and transparency whilst remaining focused on the community's needs. This includes reacting in a non-judgemental way to errors and delays, providing a high level of support in dealing with difficult situations and

## Indicator 2: Living the organisation's values and behaviours



challenging teams to consider the impact of their work during team meetings and one-to-one discussions.

Whilst several people indicated they either felt (or would feel) comfortable about challenging colleagues and managers about behaviour that was not consistent with the values, there remain a significant minority who did not feel confident when inappropriate behaviour was displayed by more senior managers, although they did believe this was improving. Some examples related to a perceived lack of transparency portrayed by managers when asked about decisions such as the restructuring and pay reward that have been escalated to a higher level.

In January 2018 the Council undertook an internal cultural audit as part of the commitment to examine aspects of corporate governance which included a look at how well the organisation values are communicated, understood and reviewed. The audit explored evidence from a range of influences and indicators of how well the values were being applied, including complaints, access to training, whistleblowing and compliance with HR practices. It is extremely rare for organisations to carry out such cultural audits and in many ways, this represents an aspect of best practice that underlines how important the culture is within Warwick District Council and delivering its ambition.

## **Performance level achieved**

**Indicator 2 - Living the organisation's values and behaviours:** **Advanced**

### **Potential areas for further development of this indicator**

Some interviewees were unclear about the specific values because they have been established over some time and they lacked the higher profile that existed when they were introduced.

- There may be some merit in refreshing the way the values are promoted with clear reference to the specific values and associated behaviours. This could include a clear invitation to everyone to constructively challenge behaviours that were inconsistent with the values regardless of who they were referring to. Some managers have encouraged their teams to periodically explore a specific value and how they demonstrate the related behaviours.

Whilst the appraisal and related guidance encourages people to discuss the behaviours related to values of part of the performance review, it would appear that very few managers proactively give feedback about behaviour consistently unless there has been some difficulty.

- Consider how you can revise guidance and encourage managers to take a more proactive approach to giving feedback about behaviour within the appraisal and during other one-to-one opportunities.

## Indicator 3: Empowering and involving people

The indicator explores how the organisation empowers people to make decisions within a culture of trust and ownership.



5.4

The survey responses suggest that a clear majority of people feel they are empowered and involved within decision-making, having good access to the information as they require it. The benchmark score of 5.4 for empowering involving people is on a par with the national average and has not changed since the 2015 survey. 86% of respondents believed they were encouraged to use their initiative in their role with 34% strongly agreeing and 40% agreeing. A similar number (87%) believed to some extent they were trusted to make decisions, with 46% agreeing and 27% strongly agreeing.

The responses were slightly more muted when asked if they have all the information they need to do their job well. (76% positive) and if they have a say in decisions that affect their role (71% positive). Over half of respondents agreed that they understood what is expected of them with a further quarter (27%) strongly agreeing. Over three-quarters of respondents (76%) believe they are supported by their manager to some extent, with one in four (27%) strongly agreeing and two out of three (36%) agreeing



## Empowering people

Nearly everyone believed that they were given sufficient access to the information, guidance and sources of expertise they required to carry out their role efficiently and to make their own decisions. This information is either available via the intranet, through a few dedicated knowledge databases, or via a network of colleagues with expertise or knowledge on specific topics. Most documents and procedures are available digitally, making it easy to access for most people. Those who do not have regular access to technology confirm that they were given sufficient information and hardcopy documents available within their location to access when required. If the information was not available, they were confident that this would be provided quickly by a colleague or their line manager.

About 17% of respondents in the survey indicated that they did not have access to sufficient information to carry out their role. Feedback from interviewees suggest that some of this information that was difficult access was managed by other teams, stakeholders or partners where there were different protocols for accessing documents and they were not informed about changes. A few interviewees also indicated that some internal documentation was either out of date or difficult to locate within the system although most felt they could resolve this within a relatively short timescale.

A minority of interviewees also suggested that senior managers could share more information about future developments and planned changes so that they can respond accordingly and make appropriate decisions without having to escalate a question or revisiting decisions that have had to be reversed.

Interviewees also confirmed they were confident that they could make improvements to the way they carried out their role and responsibilities, provided these stayed within clearly communicated parameters about performance expectations or standards. The examples included making changes to layouts and forms, the way that guidance was described in plain English, making more use of graphs and charts to produce reports and data and recording the outcomes of discussions for future reference.

Whilst there were several examples of colleagues being encouraged to take the lead on an aspect of improvement that they have suggested, there are a small number that felt that they had to wait for approval from a high level of management or that, they were not given the opportunity or time to follow through on improvements. These responses tended to be from the same people who felt that they experienced lower levels of trust by managers and a degree of micro-management taking place even though there encouraged to proceed with their ideas for improvement.

*"Whilst I can say that I was encouraged to continue and develop my suggestion, I had a strong feeling that the only way that was acceptable was one that my manager would have taken in the first place."*

## Participating and collaborating

Union representatives, employee groups and several interviewees confirmed that there was a clear intent by senior managers to consult staff on key decisions and changes that would have an impact on how they undertake their roles and responsibilities. Staff relations are described as constructive and positive with an open-door approach to raising issues as they occur and a high degree of transparency throughout most consultation. Whilst there were some examples of issues being consulted with insufficient time to response, most of the examples given were timely and introduced at the earliest opportunity. These examples included discussions about changes to pay and grading, restructuring, car parking, use of

email and IT equipment, staff well-being, benefits, and internal communications. Many people cited the attempts to communicate and consult on the relocation of council offices were a good example of how the leadership seek to involve people in major decisions that impact on their working environment. Information gained through the desktop review, the observation of the staff conference and discussions with senior revealed a comprehensive plan to consult and engage staff throughout the development of the new offices.

On a more local operational basis, interviewees confirmed that most managers consult with them about planned changes to processes, team composition and some operational plans. It was accepted by everyone that some plans had to be revised without consultation due to external factors such as changes in government policy.

### Indicator 3: Empowering and involving people



As previously reported, some middle and senior managers suggested that they could be more involved with strategic and tactical decision-making as plans are being developed rather than communicating outcomes and implementing them. There appears to be a ripple effect whereby some teams also believed they could be more closely engaged with planning now they have a better understanding of the outcomes and external influences due to the high levels of transparency and communication of priorities by senior leaders.

Most people also believed that their contributions have an impact on final decisions and outcomes at a team level and within some high-level decisions. There were a few exceptions due to changes in management and a lack of opportunity to discuss team issues. However, several people indicated that they are unsure of how

their contributions have been taken on board when they are escalated to a higher level or they relate to other teams and operations. This is mostly due to lack of timely feedback or updates on progress. Nearly everyone was confident that any suggestions or concerns that were raised during the staff conference would be followed up and addressed but they were less sure about how comments and suggestions made at other times were being considered.

Whilst many appreciated that the Rumour Mill provides an opportunity for issues to be raised within an open forum and there was evidence that these issues received a response, some people felt that the platform was open to misuse and that they would not personally use this as a consultation tool.

Increasingly, people feel they are asked to be involved in collaborative projects and contribute their suggestions within team briefings, via the intranet and to some extent through the use of social media tools, but several felt that they were unable to respond due to time or workload constraints or a lack of opportunity being facilitated by their line manager. Some managers also believed there was a lack of interest in collaborative projects due to a poor response in the past.

The staff expo provided an opportunity for the Chief Executive to feedback on the issues raised in his discussions with teams and how this information was being addressed.



### Making decisions

At an operational level, nearly everyone believed they had a clear understanding of the levels of authority and autonomy that have been established for their role and level of experience. The majority of people could explain how they agreed how far they can take decisions in their one-to-one meetings with their line manager and as needs arise such as dealing with urgent issues, covering for colleagues and adopting new roles and responsibilities. Newly appointed staff explained how managers delegated more authority as their confidence and competence developed during probation period and the first year. Managers also tend to make it clear within team meetings, when people need to refer decisions to them or just to check.

Within some teams there are very clear processes and guidance in place to establish when decisions must be escalated, referred to others or confirmed by a more senior manager.

Most people indicated that the level of trust and transparency that exists at a team level has improved over the last two to three years with an increased amount of information being shared and managers taking time to explain the background to policies, decisions and the needs of stakeholders. Whilst they felt comfortable that they could constructively challenge the way the Council currently operates, and they believe this is enshrined within Fit for the Future, several felt that their contributions would not make a difference or would be ignored. Notably, many believed that challenges will be heeded by the Chief Executive and some members, but they were less confident that these would be considered by other senior managers.

### Performance level achieved

Indicator 3 – Empowering and involving people: **Established**

### Potential areas for development for this indicator

Whilst there is active encouragement to involve people in decision-making and collaborative projects, the feedback suggests that some do not feel they can respond due to a lack of opportunity or encouragement from their own line manager. This perception is also adversely impacting on people's ability to take a lead on making improvements.

- Consider how to encourage managers to enable more collaboration and empowerment to follow through on improvements. This should include highlighting the benefits of developing leadership skills within their teams and enabling high performance. This could also include highlighting the contribution of individuals to collaborative projects and how they have made an impact on performance.

As previously reported the interface between strategic and tactical leadership roles would benefit from a fresh look at how these leaders are involved with decision making and planning. Some decisions are being escalated unnecessarily or are not getting a timely response.

- Consider how you could enable teams and individuals to periodically review some decision processes and identify where they could be improved or even removed.

## Indicator 4: Managing performance

This indicator explores whether objectives within the organisation are fully aligned, performance is measured, and feedback is used constructively.



5.4

The benchmark score of 5.4 is on a par with national average and has improved from the score of 5.3 in 2015. Four out of every five (78%) of the respondents indicated that they had agreed objectives with their line manager within the last 12 months and a similar figure (84%) have also discussed their performance with their manager in the last six months. Both scores have improved since 2015, suggesting that compliance with the appraisal process and consistency has been enhanced. However, it should be noted that 14% either disagreed or strongly disagreed that they had agreed objectives.

Whilst 85% of people provided a positive response when asked if they knew what their manager expected of them, a lower number (72%) responded positively when asked if their manager helped them to improve performance. Notably 14% remained neutral about line management support. Similarly, 14% remaining neutral when asked if they felt encouraged to perform to the best of their abilities, although three out of every four (74%) people responded positively to this question.



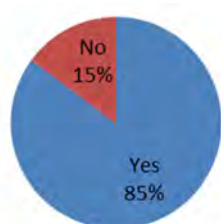
## Setting objectives

The feedback from the interviewees and desktop search also suggest that both the level of compliance and quality of objective setting has improved since the last Investors in People assessment. With three exceptions, interviewees had been involved with setting objectives with their line manager within the last year or were planning to do so within the next few weeks.

There was also a small number who reported that this was the first time they had completed an appraisal within the last three years. However, most people felt they had discussed their performance either formally or informally during one-to-one discussions with their line manager and they were confident that they had an understanding of the key objectives they needed to achieve for their team. Several people referred to the Fit for the Future priorities as their “golden link” to the objectives they set with their line manager.

Most interviewees had participated in a discussion about team objectives and service area plans prior to establishing their objectives. A survey of 35 people undertaken in 2017 by the Council indicated that 85% of appraised these had discussed these plans.

**Has your team had the team goals and service area plans explained and discussed?**



Nearly everyone confirmed that they had reviewed their performance during the course of the last 12 months, reflecting the outcomes of the online survey. The frequency for this ranged from six months to monthly reviews. Six people had not reviewed their performance since setting their objectives.

Best practice examples included objectives being revised and replaced as

changes occur within the role or priorities for the team, as well as people being encouraged to establish more stretching objectives to enhance their performance or enable career progression. Some managers also gave examples of how they had established a performance agenda with their colleagues prior to establishing priorities for objectives with the team.

Most of the objectives provided as examples by interviewees were specific, measurable and time-bound although some were vague or focused on team performance that relied upon the performance of colleagues rather than the individual. There were also some objectives that were focused upon attending learning activities rather than performance. E.g. “attend a manual handling course” or “attend Excel training”.

Less than half of the interviewees believed that they had either been encouraged, or were able to, set stretching objectives. Just under half of the interviewees felt that they could not potentially surpass their objectives because they were either too vague or it was impossible to go beyond the objective. For example, responding to a hundred percent of calls or improving the process without any measure of success.

## Encouraging high performance

With the notable exception of those who have not undertaken a performance appraisal for some time, most people believed that they had been given an opportunity to plan their review, prepare for the discussion and follow-up on the actions agreed. People confirmed

there is clear guidance within the appraisal documentation, which has been communicated both centrally and within some team briefings ahead of the annual review cycle.

Most interviewees believed that they had a very honest and balanced discussion with their line manager during their appraisal and at other times during the performance year. A minority felt that the discussion had been very short and basic without exploring their performance in any detail which may explain the small number of people who did not believe they were helped improve the performance by their line manager within the online survey.

#### Indicator 4: Managing performance



The appraisal process requires managers to rate people across five core competencies that are also linked to the values with examples provided within the guidance documentation. These ratings include “*excellent performance*” where “*people have consistently performed competencies above expectations and act as a role model for others*”. Whilst there were some examples of people having achieved higher ratings, a significant number of people felt that they were either too difficult or impossible to achieve within their own role. This was partly due to the setting of finite objectives that could not be outperformed and partly due to a lack of clarity of what excellence would look like at the start of the year so that they could aspire to achieve it. However, there were also a small number of examples of best practice where managers had outlined what constituted an acceptable level of performance and how excellence could be demonstrated.

Both managers and team members gave examples of how they had been supported to address aspects of underperformance, either through coaching, further training or agreeing a plan to improve performance. This support was also included within a Personal Development Plan. (PDP). Whilst a few interviewees felt that underperformance by some colleagues was still being tolerated by managers, most felt that this had improved over the last two years. However, two managers indicated that they were unsure how to deal with poor performance, where this had related to behaviour rather than the achievement of performance indicators.

#### Measuring and assessing performance

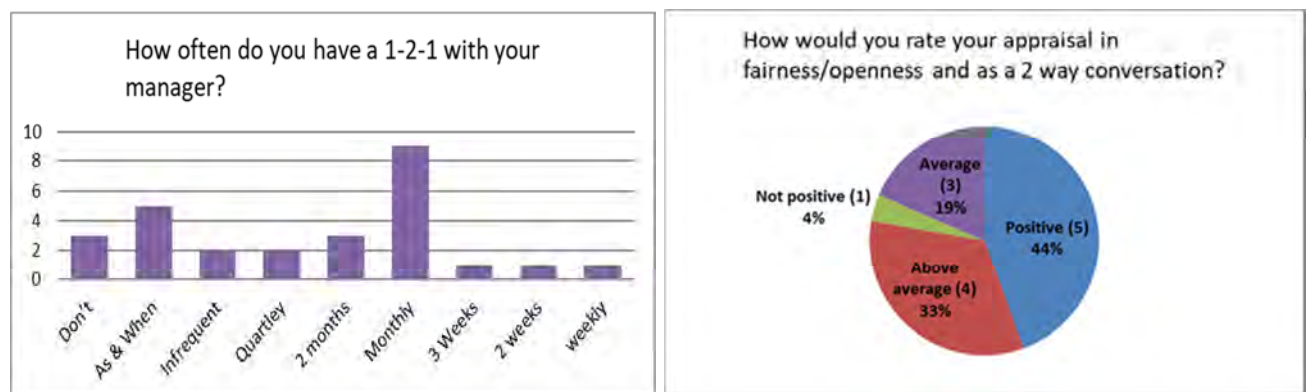
The majority of people confirmed that they regularly discuss progress against the objectives using appropriate measures and standards where necessary. These discussions include feedback on performance gained through observation and from other stakeholders. They take place within one-to-one’s and informal interactions with line managers. There were several examples of managers taking feedback from other managers where people work within other teams or for partner organisations. Examples of feedback included comments from stakeholders, customers and colleagues covering both positive and negative aspects of performance.

The clear links between the values related behaviours and the five core competences ensure that everybody effectively has their behaviours assessed, although is clear from

some interviewees that they were unaware that the competencies related to these behaviours. Overall performance outcomes from the appraisals are collated and explored centrally. Some senior managers could also give evidence that they review the range of ratings achieved following the appraisal process alongside other performance data for the service.

During 2017 the council undertook, and evaluation of how well appraisals were being carried out, including the frequency of monitoring and opportunities for two-way conversations. Although the sample was relatively small (35 people), the responses from the interviewees combined with the Investors in People survey suggest that the outcomes were broadly accurate. This information is used to improve the process including guidance on when and how to undertake appraisals. Whilst the frequency of one-to-one meetings varied, there were positive indications that people felt the appraisal process was fair, open and enabled a good dialogue.

#### Data from internal evaluation of appraisal process



Overall perceptions indicate that performance review processes have continued to improve and are more closely aligned to both individual and organisational performance for most people.

#### Performance level achieved

**Indicator 4 – Managing performance: Established**

#### Potential areas for development for this indicator

Despite the guidance provided within the appraisal documentation that clearly identifies the links between values and the five competencies, there are a significant number of people (including managers) that appear to be unaware of this link with the consequence that they may not be looking closely at behavioural aspects of performance alongside achievement of targets.

- Consider how you can further encourage managers and their teams to understand these links as part of team discussions prior to undertake appraisals and during the one-to-one sessions that occur throughout the year.

Some of the objectives provided as examples by interviewees could not effectively be outperformed and therefore achieve a rating of excellence. There are also several interviewees who did not believe it is possible to achieve a higher rating in their role because



the difference between acceptable and excellent performance had not been discussed and clarified start of the performance year.

- Consider how you can ensure that all or most objectives and related measures of success can be outperformed sufficiently to achieve an excellent rating. This should be established at the start of the performance year. Closer monitoring of the outcomes of ratings and discussion at management team meetings would help to build greater consistency and fairness in the way that ratings are awarded.

## Indicator 5: Recognising and rewarding high performance

This indicator explores whether recognition and reward processes are clear, fair and appropriate and if there is a culture of appreciation where people are motivated to perform at their best



4.5

This was the lowest performing indicator with a benchmark score of 4.5 which has improved upon the 2015 benchmark of 4.3. However, it is only marginally beneath the average for the public sector of 4.6. Looking at the combined scores for the indicator, just over 55% of the respondents gave a positive response to some extent, whilst 16% remaining neutral. 8% strongly disagreed and 11% disagreed overall. The highest scores in the core questions related to how well people felt appreciated for the work they do with 70% positivity. The optional questions revealed that much of this appreciation originated from colleagues, with a positivity score of 78%, including 19% strongly agreeing and 37% agreeing.

The lowest scores related to how well people felt they were rewarded in ways that match their motivations with a notable 23% remaining neutral and only 40% providing a positive response to some level.

## Indicator 5: Recognising and rewarding high performance



Although the overall range of scores remain positive for most of the questions. There are some significant negative scores with around 6 to 10 % of respondents strongly disagreeing to the four core questions posed in the survey. Over a quarter of respondents disagreed to some extent that they were receiving appropriate recognition for the work they undertook with a similar number disagreeing to some extent that they are consistently recognised when they exceed expectations.

There are also some more marked differences across the different groups compared to other indicators with Asset Management returning a significantly low benchmark score of 2.7 whilst the Chief Executive's office returned the highest benchmark score of 5.3. closely followed by Development Services and Health & Community Protection (5.2).

### Designing an approach to recognition and reward

Within the constraints of public sector pay structures and what is perceived to be acceptable by the community in terms of financial reward within local government, senior leaders and Council members are constantly reviewing the range of benefits and rewards they can provide for staff. The desktop research revealed how the Council had considered a range of potential rewards in line with research on motivation and best practice from other organisations both within the public and private sectors. Some of these discussions have been informed by feedback from staff, representatives and members. The discussion with the People Strategy Steering Group and senior leaders clearly demonstrated a commitment to recognise the contribution of staff and need to maintain high levels of motivation and commitment. It was clear from the discussions and minutes of meetings that senior leaders and members sought to align the reward and recognition strategy and related policies to achieving the outcomes within Fit for the Future, sustaining the core values and retaining good talent.

*"Ensuring our staff feel they are appreciated and rewarded as well as we can is in all our best interests, so we can keep the best people on a team and therefore deliver the best services to our community and residents"*

The current reward strategy includes access to a range of benefits through a dedicated portal that include discount vouchers of up to 20% for retail groups, meals, hotel accommodation, supermarkets and leisure activities. During the Staff Expo, the Council launched a new optional benefit for health care provision in partnership with BUPA, which was being well received by attendees, and noted by several interviewees. Discussions with the provider and members of HR confirmed there was intention that this benefit is intended to also lead to improvements in well-being and sickness-related absences.

The Council has also reviewed and trialled various employee recognition schemes: “Going the Extra Mile” or GEM and ‘Workstars’ alongside long service awards. Several interviewees gave examples of how their long service has been recognised with tailored gifts, acknowledgement by senior leaders and time off to spend with their family. There are also numerous examples of colleagues taking part in the trials by either nominating or receiving awards as part of the “Workstars” pilot.

People had felt proud if a colleague was nominated in the team or they were involved with the nomination themselves. Those outside of the trial were unaware of these projects and any formal recognition process. People gave examples of how they personally had been nominated for awards or nominated colleagues for recognition. These awards were highlighted at the Chief Executives EXPO when celebrating staff and their work achievements.

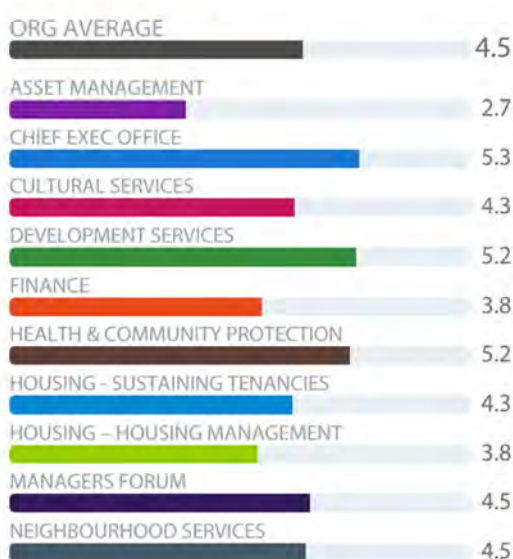
In recognition of the amount of hard work undertaken by everybody and their commitment to service despite several years of pay restraint within local government, the Council awarded two extra days holiday for everyone at Christmas 2017.

### Adopting a culture of recognition

Nearly everybody understood the breadth of rewards that were available, although there was some uncertainty around the full range of benefits available and how these operated for a few individuals. People involved with the awards trial gave examples of how they personally had been nominated for awards or had nominated colleagues for recognition.

There were also several examples of individuals making use of the range of vouchers and benefits available including the cycle to work scheme, discount vouchers for hotels, meals out, and entertainment.

#### Indicator 5: Recognising and rewarding high performance



Generally, people felt there is a culture of appreciation that extended within the team, although they were less certain that this consistently applied across the Council within other teams or that their efforts were understood by others. Team achievements are regularly celebrated either within team meetings or very occasionally taking time out to meet socially and celebrate in the evenings. There were examples of managers bringing chocolates, doughnuts and biscuits to meetings as a way of thanking the team for their efforts during busy periods and celebrating achievement of goals or completion of projects.

Senior leaders and council members frequently issue, emails and personal notes of thanks to teams and individuals. In recognition of their efforts following major events and achievements such as organising the staff conference, volunteering for events

such as national cycle races and efforts to maintain services throughout bad weather conditions.

*“I definitely feel valued. After working for 6 months planning the Women’s Cycle tour I was told that everyone had a great event and my contribution was fantastic”*

Staff are also recognised for their achievements outside of work, including fundraising activities, health and well-being achievements and success in sports or hobbies. Long service awards available for those with 20 years’ service, which include a gift or cash to the value of £370 or a one-off entitlement to 2 weeks additional leave in the anniversary year. The Council is also allocated four tickets to the Queen’s garden parties. These are allocated to long serving staff and councillors by ballot.

Staff that work closely with members of Council also indicated that they were very appreciative of their efforts and achievements with several receiving personal notes of thanks or messages passed on via their line manager. The Council’s endorsement of benefits such as the extra days during the Christmas break and access to healthcare was cited as an example of how appreciative members were of the staff.

*“I have worked for other local authorities. One of the big differences here is that the members genuinely care about the staff and will go out of their way to say thank-you and will listen to my opinions. They also have a dedicated committee that looks at how staff are being managed which says something about their commitment to our welfare.”*

## Recognising and rewarding people

As previously reported, most people understood the criteria by which they would be rated within their appraisal because this was discussed at the point of setting the objectives and was also discussed during review meetings and one-to-one discussions but a minority were unclear about what constitutes an excellent rating making it difficult for them to focus their performance on achieving outstanding performance and in some cases maintain motivation to achieve if they were already a high -performer.

The appraisal process includes the five core competences which are clearly linked to the values and related behaviours. Whilst the level discussion about behaviours varied within the appraisal and review meetings, most people felt that the way they carried out their role, responsibilities as well as how they worked alongside colleagues was as important as achieving targets, meeting deadlines or completing reports. Many of the nominations for recognition were related to the core behaviours either formally or informally.

*“I am not sure we are recognised for how well we demonstrate or promote the values, but I do think we are recognised for the way we do things, so I guess that means behaviours are appreciated. I am not certain if our awards are related to the values”*

People gave several examples of how their positive behaviour had been appreciated during feedback from their line manager and within team meetings.

*“I was thanked the way that I’d helped a colleague another team to resolve an issue with a customer who was behaving unreasonably. I could easily discover of my job and ignored it is not the way we do things here”*

When asked about what motivates people to perform at their best, many indicated that the work they do for the community and the impact they have on individuals was their main



source of reward swiftly followed by the support and camaraderie extended by their colleagues. The majority also felt that the council was a good place to work with both managers and members demonstrably appreciating their efforts on most occasions.

## **Performance level achieved**

**Indicator 5 - Recognising and rewarding high performance: Established**

### **Potential areas for development for this indicator**

There is some inconsistency in the way that achievements of a similar nature are recognised because the individual or managers feel that high performance is what is expected of everybody, so they believe recognition is unnecessary. There were also several people who felt the efforts of their own team were not appreciated across the Council or they would like to nominate other teams for some form of recognition.

- Continue to review how recognition can be utilised more effectively within the Council recognising public sector constraints on expenditure. This should include reviewing the lessons gained from the pilot recognition processes and feedback from staff.
- Look at enhancing the way the Council encourages and acknowledges contributions from the Rumour Mill, Staff Suggestion scheme and other feedback processes to improve confidence that staff contributions are being heard and addressed.
- Consider how you can continue to raise awareness of the purpose and benefits of staff recognition as a platform for recognising performance, motivating people and highlighting best practice.
- Consider also how you can encourage greater recognition of teams. This may include improving how the responsibilities and achievements of teams are promoted across the Council in newsletters and online building upon the Staff Expo experiences.

As previously indicated, there are a number who do not feel it is possible to achieve a high rating in the appraisal or they were unclear of the criteria until after the year has concluded.

- Ensuring that all line managers discuss what would constitute high performance for each objective would improve the objective and set a clear benchmark for high performance that people could aim for and be recognised.

## Indicator 6: Structuring work

This indicator explores whether the organisation is structured to deliver its ambition and whether roles are designed to deliver organisational objectives whilst delivering interesting work for people and encouraging collaborative ways of working.



5.6

The benchmark score of 5.6 for Structuring work was one of the highest in this assessment and improves by two decimal points upon the 2015 score of 5.4. Overall, four out of every five (78%) respondents provided a positive response with 11% remaining neutral. The highest scoring question indicated that nine out of every ten people believed their work was interesting with 31% strongly agreeing and 42% agreeing.

The capacity to collaborate across the Council also appeared to be strong with 91%, indicating that their role enabled them to work well with others. Four out of every five people (81%) suggested that they have the right level of responsibility to carry out their job effectively. The responses were more muted when people asked if they were able to develop the skills they needed to progress with 15% remaining neutral and 72% providing a positive response.

### Designing roles

The desktop review combined with feedback from interviewees confirmed that nearly everyone has a defined job description and that their responsibilities are often revised as changes occur within their team or the services they deliver. The recent restructuring exercises provided an opportunity to clarify roles and remove any overlapping responsibilities. Interviewees that had been involved with restructured teams confirmed that there was greater clarification about roles, leaner management structures and greater

delegation of some responsibilities which had enabled them to deal with issues without escalating them to a manager.

The Council recognises that some of the clerical roles are very generic in the way they are described, and they have recently reviewed a range of job descriptions and clerical functions using examples provided by Coventry City Council. Whilst many of the job descriptions are generic and lacked detail in terms of the capabilities expected of them, most people believe that there is sufficient variety and stretch within the job to keep it interesting and they could extend some responsibilities and authorities if they so wished. They could identify these through discussion with their line manager or managers of other roles that they may wish to apply for vacancies.

Most job descriptions are available online or upon request and those seeking to progress their careers either vertically or horizontally, were confident that they could identify the additional capabilities required of other roles so that they could develop their skills and knowledge.

### Indicator 6: Structuring work



The desktop review included several documents and reports related to workforce planning that included discussions and processes focused on retaining talents by ensuring people have access to interesting opportunities and could identify a potential progression route.

Managers and team members gave examples of how they had discussed the additional capabilities required for progression or to extend skills knowledge within the role as part of one-to-one discussions or during the appraisal. Whilst several people explained how the appraisal gave them an opportunity to review the current job description, none could give examples of having a job description revised as a consequence of the discussion, even if they felt that it was perceived to be out-of-date.

### Creating autonomy in roles

The job descriptions indicate the level of authority and autonomy in broad terms and managers tend to discuss this in more detail with individuals either during induction or one-to-one meetings and appraisals. People universally had a very clear understanding of the level of decision-making authority they had been given.

With only three exceptions, people believed they have very good access to the policies, procedures and guidance required to undertake their role. The exceptions were related to limited access to IT systems, especially when these were shared with partner organisations. Most people indicated that access to policies and guidance had improved over the last two years, both in terms of accessibility via IT systems, as well as clarity of content and a reduction in duplication or obsolete documents remaining on the system. Timely access to



information enabled them to make quick decisions and deliver services without significant delay. They also believe there was good information available about other colleagues and partner organisations who can provide additional guidance and expertise.

Policies and procedures are routinely reviewed either as a result of feedback, audits or individuals suggesting improvements to processes or the way that guidance is presented. Nearly everyone was confident that policy and procedures would be updated and revised when appropriate including if they contributed suggestions for improvement. The only frustrations with outdated procedures related to those that were shared with partner organisations or dictated by central government policy. Those who do not have routine use of technology to access policy procedures confirmed that they were provided with hard copies or could contact their manager for updated versions if required.

Several interviewees including staff representatives gave examples of how they have been involved with improving policies and procedures through consultation or taking part in small working groups. Some of the suggested improvement had come via The Rumour Mill or feedback from team meetings, working on new ways of working and innovation.

The desktop review included a number of policies and procedures that had been reviewed and improved including references to other policies, procedures such as equality and diversity to avoid significant duplication and overlap. Some policies included a review date to ensure they remained relevant. Major change projects such as the introduction of new software, IT solutions and implementing new government policies include a review of relevant policies and procedures that may be impacted by the change. Documents provided for this assessment included the forward plans for HR, Marketing and Communications that made clear reference to updating policies and procedures such as recruitment and selection, induction, management competencies and evaluation.

### Enabling collaborative working

Feedback indicated that roles are designed to encourage collaboration within teams and to a lesser extent across the Council where there is a defined need. The core values combined with the Fit for the Future plan make it clear that people are expected to collaborate in order to achieve the strategic outcomes and maintain the ethos of the council. Nearly everyone believed they were encouraged to collaborate with colleagues and external agencies in a professional and productive way by sharing information and having honest conversations about services and the support provided for the community.

There were examples of people being invited to join working groups, or to contribute their ideas when making improvements or changing processes. These examples included changes being made to IT solutions and software, improving communications, streamlining processes and exploring innovation. Increasing use is being made of social media tools to enable people to collaborate on a virtual basis and to organise activities. It is too early to tell how effective this type of collaboration is and how well people feel they can make use of it.

The Council is also increasingly becoming flexible in the way that it works with a number of people able to work from home with the active encouragement of their line manager and good access to technology and systems to carry out their role effectively. It is anticipated that this type of agile working will increase with the relocation of the offices and a more agile approach to working practices. A hot-desking pilot is currently being undertaken to identify how best to develop this model for the relocation. There were however, a few examples where people felt they were unable to work flexibly because their manager was reluctant to

support this way of working or to release them to work alongside colleagues on collaborative projects. Some managers expressed some concern about managing people when they were not physically in the office.

### **Performance level achieved**

**Indicator 6 - Structuring work: Established**

#### Potential areas for development for this indicator

There is already an appreciation by senior managers that more can be done to enable collaboration and flexible working across the Council with examples of best practice and some adoption of social media tools to enable both formal and informal networks to be established.

- Consider how you can build upon internal and external best practice to encourage more people to make use of the opportunities to collaborate and work flexibly. This may require some further development of line managers to develop confidence in managing people remotely.

It is unclear how well roles are designed to meet future needs of the Council, although this has clearly been discussed within workforce planning and talent management meetings.

- Consider how you can identify these future needs and ensure that the foundations for building the associated capabilities and capacity to meet them are included within team discussions and individual reviews of performance. This may require more detailed definition of the current and potential capabilities required within some roles.

## Indicator 7: Building capability

This indicator explores the extent to which people's capabilities are actively managed and developed including whether people can realise their full potential



5.2

This indicator produced one of the most marked improvements in benchmark scores compared to the 2015 assessment with an increase from 4.7 to 5.2 and a marked improvement in the overall scores with 74% providing a positive response, including 38% agreeing and 17% strongly agreeing although 14% had remained neutral.

The strongest scoring question related to how well people believe they have opportunities to learn at work with 83% providing a positive response, including 47% agreeing and 20% strongly agreeing. People were also confident that they knew how the Council invested in learning and development with four out of every five respondents providing a positive response. Nearly three quarters of those responding to survey also confirmed that they made use of the Council's learning and development opportunities to some extent. Notably, the slightly lower scores related to how well people thought their manager thinks it is important to develop their skills with 16% remaining neutral. Although the overall picture was good with 74% providing a positive response.

The scores were far more muted in relation to perceptions of recruitment and selection with only 57% providing a positive response when asked if people are selected for roles based on their skills and abilities. Nearly a fifth (19%) remained neutral, with 10% disagreeing and 8% strongly disagreeing, suggesting there are either perceptions of unfair bias or that the recruitment, selection process was not understood by everybody.

## Understanding people's potential

The overall responses from interviewees and the desktop evidence were more positive than the survey results suggested, although there remain some minor inconsistencies in the way that line managers discuss future capabilities.

### Indicator 7: Building capability



The appraisal documentation and guidance does not directly cover potential learning and development needs or career development, but there is a clear invitation to produce a personal development plan (PDP) to identify both current and future learning needs, including how these will best be delivered and some indication of timescales. The majority of people interviewed confirmed that they had been given the opportunity to discuss their development needs, regardless of their length of service and current levels of experience in the role. These discussions have mostly taken place during the appraisal discussion but also occurred during one-to-one meetings and within team discussions where there is a collective need. A small number of people felt they were not given the opportunity to

discuss their needs with their line manager due to time constraints or a lack of opportunity to discuss career aspirations.

People can identify and request learning interventions that are available for corporate or generic needs via an online and directory of learning programmes that are available. These encompass workshops, traditional training activities and an increasing range of online materials that had been designed in-house through consultation with teams and managers.

Council Members are also given access to a range of learning and development workshops that are specific to their needs. Additionally, people can also access a range of informal and formal coaching or mentoring opportunities including some that are provided externally through networks with other local authorities. Those with professional accreditations, confirmed there can continue with their CPD requirements through the support of the Council in terms of time, opportunity, and in some cases, costs.

A small number of interviews felt that the increasing use of e-learning did not provide them with the appropriate learning intervention to match their own learning style or topic they were exploring. However, there were also several examples of individuals blending their learning with coaching and attendance at workshops alongside the e-learning packages.

## Supporting learning and development

Nearly everyone believed that continuous learning is both an expectation and facilitated throughout the council for both staff and members. While some long-standing Council Members may not take up the opportunities, they are actively promoted.



Although some people felt that they had limited opportunities to pursue their career aspirations, most felt that they could approach HR learning specialists or their line manager to discuss their options for career development and identify where they could find additional learning and support. The examples included accessing external agencies and professional bodies such as RICS, CIPFA and CIPD to identify suitable learning programmes such as those required to support finance, management and HR careers. They can also approach the LGA and other partners to gain access to both guidance and learning opportunities.

The current Learning and Development Guide introduces a more comprehensive leadership and management offering including ILM accredited programmes, use of MBTI, Coaching and mentoring. The guide includes reference to a range of corporate courses as well as how to make best use of e-learning.

Nearly everyone could give examples of learning development activities undertaken within the last year that were directly relevant to their existing role or enhanced their capabilities for the future. Most of these have been sourced from within the Council's range of courses and programs, with some sourced from external bodies and providers.



Most people also believe there could have access to relevant qualifications, although some felt that resources for these qualifications have been restricted in recent years due to financial constraints. Most believe that if there was a compelling business case for additional learning, it would be supported. This was confirmed through discussions with senior leaders, HR specialists and a desktop review of documents. Members of the PSSG confirmed there is a commitment to support learning development, wherever it is relevant and that resource allocation for learning had been maintained despite cuts to some budgets. The budget for central learning has been sustained over the last three years.

Everyone believed they were given opportunities to develop embed newly acquired skills and knowledge gained from learning activities through discussion with their line manager. Examples of managers providing additional time and opportunity to embed skills such as use of Excel, leadership and supervision and compiling reports.

Overall investment in corporate learning and development is reviewed by senior leaders and PSSG as part of routine reporting from the HR manager. The desktop review included reports to senior leaders and members on the current level of workforce planning including

succession and talent management with comparisons drawn against other local authority organisations and arrange priorities identified that have been included within the forward plan for HR. The most recent report acknowledges that return on investment is not fully appreciated, but the broad discussions, and analysis is being used to improve opportunities and pathways for career progression.

### Deploying the right people at the right time

In 2016 the Council reviewed the recruitment and selection process in response to a number of challenges in attracting and retaining people through the existing process. It now works closely with West Midlands Employers to develop a more contemporary employer brand and improved recruitment process. The process continues to be evolved and developed making greater use of social media and a dedicated micro-site for promoting jobs within the Council and public sector. This included cameos of existing staff promoting the positive work environment and job satisfaction.

Recently recruited staff indicated they had experienced a fair interactive process based on their capabilities, including aspects of behaviour that they understood to be related to the values. They also believe there was a focus on longer term ambition and career development where this was possible. Managers involved with recruitment could explain how they were expected to carry out competency-based interviews to ensure they were fair and focused on the capabilities required for the job rather than experience or knowledge of the candidate.

Whilst the online results suggest that a number of people did not believe that staff were recruited based on the skills and abilities, there is very little evidence of this from interviewees, although there were two examples of individuals feeling that appointments to their team have been made based on past relationships rather than proven capabilities.

Overall, long-term workforce planning is coordinated by the HR manager in consultation with senior managers. This includes identification of skills and knowledge required for the future as well as capacity. Short-term workforce planning including maintaining resilience to cover absences and emergencies is predominantly responsibility of operational managers. There is evidently a clear intent to encourage multi-skilling within teams to cover for colleagues during their absence with examples of individuals being encouraged to shadow colleagues so that they can provide this cover.

As previously reported a degree of succession planning and talent management takes place, utilising a range of basic succession planning tools adopted from other organisations. There are current plans in place to further improve succession planning to maintain resilience in both leadership and critical roles.

### Performance level achieved

**Indicator 7 – Building capability: Advanced**

### Potential area for further development for this indicator

- Once the plans for improving succession planning and talent management have been implemented. It may be beneficial to identify some critical measures to be monitored

and reported so that the impact can be evaluated and any changes in needs are swiftly addressed.

## Indicator 8: Delivering continuous improvement

This indicator explores whether there is a focus on continuous improvement and if people use internal and external sources to come up with new ideas and approaches that are supported by a culture that encourages innovation.



5.3

The overall benchmark score for continuous improvements of 5.3 is on a par with the national average and improves once again upon the 2015 benchmark score of 5.1. Three out of every four respondents provided a positive response overall for this indicator (76%) suggesting that the majority people believe the Council has a capacity to continuously improve. Taking a closer look at the questions, the highest scoring responses indicated that 83% of respondents look for improvement ideas from their colleagues with 20% strongly agreeing.

Just under three quarters of the respondents (72%) believe they are trusted to try new approaches in the way that they operate although 16% remaining neutral. A similar proportion (76%) also believed they were encouraged to improve the way they carry out their role. The figures were similar when people were asked if they are responsible for making improvements with 17% remaining neutral and 72% providing a positive response to some degree.

An additional question confirmed that more than three quarters (76%) of those responding to the survey believed that their ideas are listened to.

### Improving through internal and external sources

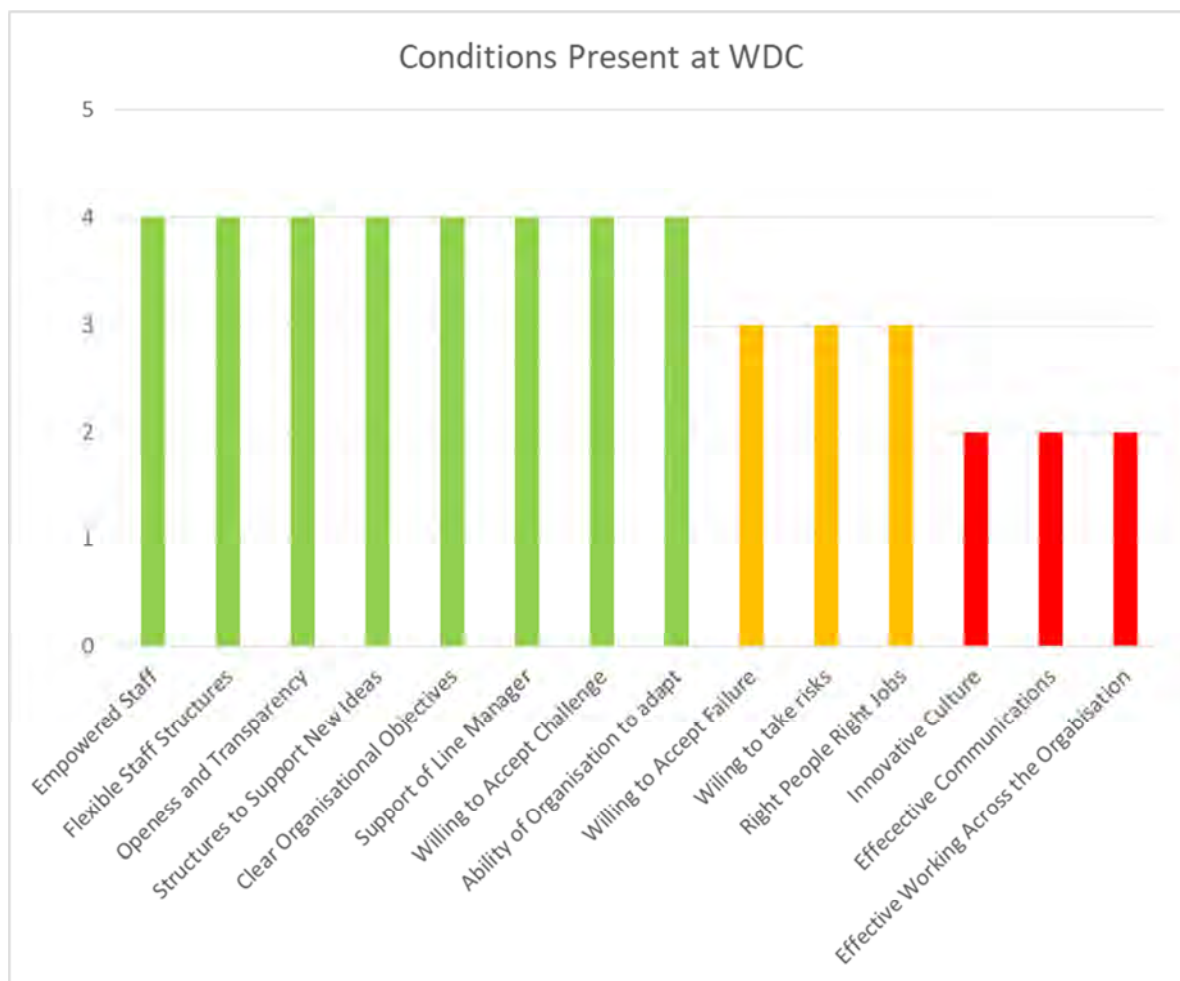
The Council uses a range of both internal and external processes to monitor and benchmark the way that it operates, delivers performance outcomes and manages people. This includes use of peer reviews tools with other local authorities facilitated by the LGA and other networks of stakeholder organisations including feedback from the community, staff and members.

The 2016 review of salary, benefits and recruitment (RSBR) encompassed recruitment processes, learning, development and induction. The outcomes of this review combined with the report from the recent peer review and previous Investors in People assessments have been used to evaluate the overall investment and improve organisational performance. The development of the PSSG and PSAG is a best practice example of these improvements and provides a forum for further evaluation to be discussed, analysed and actioned.

Ideas and working practices of other organisations such as Birmingham City Council for workforce development and Coventry City Council for job descriptions and career pathways are being used to inform and improve processes for managing and developing people. Newly appointed staff, including managers are invited to share their observations of how Warwick District Council operates and suggest improvements based on their past experience with other employers or partner organisations.

### Feedback from innovation awayday





Innovation is a key component within the overall strategy. Recent awaydays within some departments have been focused on enabling innovation and change. The desktop research included feedback from one series of awaydays that was aimed at evaluating how innovative the Council was. The results identified that 92% of people believed that everyone was responsible for finding ways to improve with 71%, having forwarded their ideas. One of the main reasons for 29% not forwarding ideas was that they would not be listened to. The results concluded that the three main changes required to improve innovation were better staff engagement, better ICT and better communication. Is clear from the actions been taken within the Council as evidenced in the desktop review and interviews that all three of these areas are being addressed as a consequence of this feedback and analysis of best practice in innovation.

Another example of improvement related to the changes to the recruitment process with increased use of social media and use of West Midlands Jobs to access a wider demographic. This has resulted in and increase in the number of vacancies filled from 69% to 89% and a reduction in unfilled vacancies from 31% in 2017 to 6%.

#### [Creating a culture of continuous improvement](#)

the feedback from interviewees supports the findings of the online survey with most people understanding that is their responsibility to identify ways to improve performance and contribute their ideas. The main channel for communicating their ideas remains via their line manager and team meetings, although the majority of interviewees felt confident they could approach any manager or specialist within the Council to forward their ideas. Several

interviewees described how their team meetings routinely include an opportunity to suggest ways to improve or change the way they operate with suggestions ranging from changes in documentation, recording contacts with customers and record-keeping through to larger issues such as the layout of offices and premises, frequency of team meetings and working more closely with other teams. Other ideas included improving environmental aspects such as recycling, improving energy efficiency and use of vehicles.

## Indicator 8: Delivering continuous improvement



Everyone confirmed they are actively encouraged to try new ways of working and documents with opportunities to make adjustments if things do not go to plan. Mistakes are generally considered to be opportunities to learn and improve rather than apportion blame. The main barriers to enabling innovation appear to be related to having sufficient time and opportunity to do things “properly”. The feedback from the survey suggested there was some reluctance to accepting failure and take on risks. The majority of interviewees believe this was mostly due to a strong sense of pride in delivering excellent services to their community and service users and the associated risk in undertaking changes related to innovation. They also suggested that the lack of investment in ICT in the past had prevented them from implementing changes that relied upon technology, but they felt that this was improving.

Leaders at every level were perceived to be both encouraging and supportive when changes are being implemented that required a level of risk. However, several interviewees felt that the Council was slow to respond to suggestions due to the time it takes to escalate ideas and make changes through different levels of leadership. The significant minority who did not believe their ideas are listened to indicated that this was predominantly related to ideas that required sanction beyond their immediate line manager. Additionally, several people believed that innovation and improvement that required working across teams was less likely to be enabled and implemented because required the engagement of several managers across departments and a greater understanding of how other teams operate.

## Encouraging innovation

The call to continuously improve and innovate is enshrined within the core values and Fit for the Future. People believe they are constantly being encouraged by senior leaders to engage with continuous improvement activity and suggest improvements. This was also clearly evident during the Staff Expo and within documents presented for the desktop review.

Interviewees were less confident that they have sufficient opportunities to work together across the Council to generate and develop ideas. The tendency is to identify a potential solution or improvements before inviting people to work together on its implementation rather

than enable people to explore new ways of working in a creative culture. Lack of time and resources combined with a strong pride in delivering services appear to prevent many from engaging with innovation.

Whilst many believe that there have been many enhancements to the way that Council operates due to continuous improvement activities and innovation, very few beyond senior leaders could articulate the impact of the changes they have been involved with despite the evidence of performance improvements within existing KPIs and feedback.

*“We must be more efficient, because we are still delivering services despite having fewer people and greater use of technology, so I guess that is a positive impact but I’m not sure we’ll see that way”*

## **Performance level achieved**

**Indicator 8 – Delivering continuous improvement: [Developed](#)**

### [Potential areas for further development of this indicator](#)

The feedback from the awaydays on innovation has clearly identified a number of valid areas to enable more innovation and improvement. These include providing more time to innovate, enabling a system to encourage staff to their ideas forward and processing them.

- Consider how you take more positive action in enabling innovation throughout the council by progressing these outcomes and evaluating their impact. In particular, how could you enable people to work together across teams to generate and develop ideas?

Very few people have understood the impact of improvements that have taken place in the past, and consequently they do not believe any ideas they put forward will make a difference. There have obviously been a number of improvements and efficiencies gained from them but these have not been communicated widely.

- Consider how you could highlight and communicate these eureka moments, including the impact on services, resources and the community.

## Indicator 9: Creating sustainable success

This indicator explores how the organisation maintains a focus on the future and is responsive to change, including how leaders maintain a clear understanding of the external environment and the impact this has on the organisation.



5.6

This indicator also provided one of the highest benchmark scores of the nine with an overall score of 5.6, which is above the national average and improves upon the 2015 score of 5.3. With an overall positive score of 84%, a notable 44% agreed and 21% strongly agreed that they are confident the Council has the capacity to sustain success into the future.

Nine out of every ten respondents believed the Council has a plan for the future with 50% agreeing and 26% strongly agreeing. Not surprisingly, 85% believed to some extent that the Council has a positive impact on society, although 10% remained neutral which is unusual within a local government organisation.

More than four out of every five respondents (84%) indicated to some extent that the Council was a great place to work with 39% agreeing and 21% strongly agreeing.

When questioned about how the Council handles change, three quarters responded positively that change was embraced, although a slightly lower number (70%) indicated that change was welcomed with 17% remaining neutral.

## Focusing on the future.

The Staff Expo provided an opportunity for the Chief Executive to outline both the challenges and opportunities the Council currently faces within the political and economic landscape at both the national and local level. This presentation alongside other information provided within emails, blogs and planning documents builds upon successive presentations of long-term strategic priorities that are outlined within Fit for the Future but have been evolved to meet the fresh challenges outlined within the context discussion and communicated to staff. Consequently, people have a very strong and consistent understanding of the long-term priorities and have a high level of confidence in the leadership in directing the Council through these challenges. Most leaders at each level continue to cascade and interpret the priorities so that teams can understand how they relate to their own area of responsibility.



Although most people believe the strategic plans are strongly influenced by others such as HM Government policy and the Council Members, there is a general belief that staff could influence the way they are implemented and evolved based on their own contributions.

Service and operational plans tend to be developed by management teams who have utilised a blend of consultation and feedback from their teams to inform how these plans are developed. Some staff indicated that they are more closely involved in planning than others, with some teams taking dedicated time to discuss and develop plans outside of their normal routine for team meetings. These included awaydays to review past performance and develop new priorities. Others provided examples how they were personally involved with developing aspects of plans that relate to their own area of operations within one-to-one discussions.

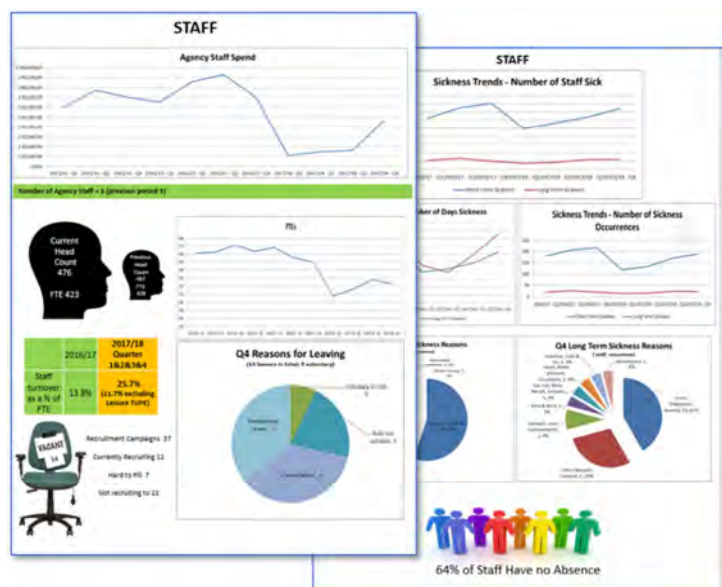
As previously reported, some middle and senior managers believe they could be more involved in strategic planning processes so that they are in a better position to implement the plans and to make decision.

The service process encourages leaders to consult with teams to identify any business priorities of issues that need addressing, look for potential solution and suggested next steps.

The desktop research included a number of plans that several interviewees made reference to and could explain how they had been involved in either developing them or implementing them as a team or individual.

Nearly everyone interviewed indicated with a strong sense of pride that they believed, Warwick District Council was either a great or good place to work. Whilst this pride was often founded on the reward of providing a public service, most people also believed that a contributing factor was the way that their colleagues and managers, enable them to enjoy their work and develop their career. HR metrics indicate a low attrition rate with very small numbers leaving because they are unhappy, or the role is unsuitable.





Several people gave examples of how the Council had supported them through difficult personal challenges such as family illnesses, bereavements and their own personal health concerns. They also believed they were valued by the way they were trusted and encouraged to take control of their own area of responsibility and are provided with the training and support required to do a good job.

As previously reported, the Council works closely with stakeholders and partner organisations to develop its

capabilities to meet the challenges of the future. There were several examples of benchmarking performance against other organisations or using peer reviews to reflect on current ways of working. These examples included peer reviews via the Arts Council, collaborating with local Housing Associations on handling rent arrears and comparing Disaster Recovery processes or researching best practice on current issues such as sprinkler systems following the Grenfell Disaster. The recent peer review has provided an opportunity to review these capabilities and take action to ensure the Council continues to be fit for the future. Senior leaders gave examples of how they personally reviewed some of their own skills, and knowledge, making use of coaching, mentoring and attendance at professional networks to enhance them.

*"I think we are all keeping an eye on changes that are taking place and what other councils are doing to keep ahead of the game. None of us are too old, too experienced or too important to learn and adapt to changes. That is what Fit For the Future is about!"*

## Embracing change

Whilst there remain some concerns about change taking place at too fast a pace for some teams or lacking coordination, the majority of people believe that evolving the way the Council operates is critical to its future success and that every effort is made to communicate change in a timely and open manner so that people can prepare accordingly.

*"My biggest wish is that they would think about how changes impact on the teams and front-line services. We get several changes announced at the same time and with little notice. That seems to be getting worse. I think that is because we are leaner and the expectations of everyone today are constantly changing. I think we need to take more control of that before we slip up."*

People appreciated that some changes cannot be communicated immediately due to political or operational constraints. They believe they were kept informed of delays and the reasons for them. Most commonly cited example of communication change related to the planned relocation of the offices and associated changes to agile working, parking and use of technology.

There were a few examples where several changes processes have impacted on a team at the same time without consideration on how they would affect the maintenance of services and keeping customers informed. This tended to happen where changes were originating from different teams or managers without being fully aware of the other processes being deployed.

Whilst there were some examples of change processes being reviewed once they have been implemented, it is unclear of how well the benefits of both successes and failures are consistently identified and compared against the original business case for change.

Some of the evaluation documents provided for the desktop review and anecdotal evidence from interviewees provided an indication of how services had improved following the introduction of new processes or software. For example, the time taken for providing a response to enquiries had improved following the introduction of more streamlined forms and forwarding them to the right colleague or team.

There were examples of people either asking to adopt or being appointed to the role of “champion” or key person on a range of change activities such as introduction of new software, producing more efficient spreadsheets and reports or leading on aspects of staff development and learning as coaches. The assessment included a discussion with the Welfare Steering Group responsible for leading and monitoring policies and practices for employee well-being, currently focussed on aspects of mental wellbeing.

There were examples of effective planning and considering how best to prepare people for major changes. A small team are involved with piloting a hot-desk model of working which will be developed in preparation for the relocation. These staff will act as champions for helping other staff to adapt to the new environment. There were also examples of individuals acting as champions for employee volunteering and charitable fundraising. Most people believe that either they or their colleagues will instinctively step forward to embrace change and act as a champion for topics they share a passion for or change processes involved with developing.

## Understanding the external context

Not surprisingly, as a local government organisation everybody had a detailed understanding of the different needs and motivations of their local communities and the ever-changing range of stakeholders they must engage with to deliver services. These included national government agencies, regional partners and other local authorities alongside community interest groups and representatives. The Staff Expo, alongside email briefings and updates on the intranet ensure that any emerging changes are communicated to everyone. These included potential housing developments and changes in economic development zones

## Indicator 9: Creating sustainable success



within the district as well as changing demographics such as the impact of migrating families originating from Europe and the declining footfall within the Leamington spa retail zones.

As with all public sector organisations, the Council monitors diversity of its workforce and seeks to recruit from within the community where possible. Whilst it is aware that the workforce does not fully reflect the local community, every effort is made to ensure that staff have a full understanding of their responsibilities in meeting the needs of a diverse community through training, collaboration and exposure to the community through their work and charitable activities. Recruitment strategies have been revised to encourage applications from across the local community. The recent report on gender pay gaps included a benchmarking comparison with other councils and identified a number of actions taking place to address the gap.

| <b>Council</b>        | <b>Mean Gender Pay Gap</b> |
|-----------------------|----------------------------|
| Poole                 | 1.1%                       |
| Hinckley & Bosworth * | 4.3%                       |
| <b>Warwick</b>        | <b>7.9%</b>                |
| Wycombe               | 9.7%                       |
| Chiltern              | 15%                        |
| Herefordshire         | 16.3%                      |
| Stratford upon Avon * | 20.59%                     |
| Broadland (Norfolk)   | 26.8%                      |

The overall impact of the Council on its community is monitored and reported in a range of ways including a review of the Fit for the Future priorities following a PEST and SWOT analysis, regular reports to Council Members and data provided for national government and other economic stakeholders. Service plans identify key metrics for monitoring and potential targets. These include issues such as waste bin, deliveries, data capture for open space information, debt recovery, income generation, efficiencies gained, and number of enquiries handled.

### **Performance level achieved**

**Indicator 9 – Creating Sustainable Success:** **High Performing**



#### Potential area for further development of this indicator

A minority of people indicated that some mistakes made in implementing change, such as lack of coordination and sufficient time to implement had been repeated over a number of years. Additionally, some managers felt there would be some benefit from being able to access information on lessons gained from previous change processes and feedback on how they had been conducted. There is a tendency to only review and communicate major errors and deviations from plan despite evidence that there have been project debriefs reported to members and senior managers in the past.

- Consider how you could routinely review change processes to include lessons learned from both successes and less successful activities. Identifying how and when this evaluation will take place at the point of planning the change would ensure that desired outcomes are achieved, and the evaluation takes place at an appropriate time. Also identify where these lessons could be compiled and accessed for future change activities. This development could build upon existing best practice within some areas where a knowledge base has been developed.

## Implications and Recommendations

The following recommendations for the leadership team are based on the professional judgement and assessment of Warwick District Council undertaken by Bob Morrison.

### Implications

This review has confirmed that the Warwick District Council has continued to evolve and integrate its strategies for managing and developing people in line with its ambition to ensure that it is fit for the future challenges and opportunities that it will encounter despite uncertainty within the public sector and UK economy at this time.

Although a level of inconsistency in leadership and management still exists, it is clear that this has improved significantly since the last assessment in 2015. The development of a more cohesive People Strategy provides a framework for ensuring future developments are coordinated in line with performance priorities whilst the establishment of the PSG and PSAG ensures that there is a high-level commitment to monitor, review and enhance the strategy.

It is evident that the enhanced levels of transparency and efforts to engage people with managing their own performance is enabling higher levels of empowerment and builds upon the high degree of pride and passion for public service that everybody demonstrated. However, the enhanced levels of communication and empowerment have also fuelled the ambition of most people to engage more closely with other features of high performance such as decision-making and continuous improvement. It would appear that despite an invitation by senior leaders to take more responsibility, the leadership structures, terms of reference and responsibilities have not evolved or adjusted sufficiently to enable this desired level of empowerment in several areas. This is particularly evident at the interface between strategic and tactical decision-making but also has a ripple effect upon the way that operational leadership and team engagement is enabled. In effect, the organisation has moved on to a more advanced level of performance and the leadership model has not fully shifted up a gear to make effective use of the talents and human resources available.

The strengths of the council are numerous, but the most notable ones compared to other organisations are:

- A clear vision and set of priorities that encompass both current and future needs and has been universally communicated to staff and stakeholders.
- A shared ethos that fuels a strong sense of pride and passion for delivering services that is defined within the core values.
- A strong commitment to managing, developing and supporting people that is actively promoted and demonstrated by both senior leaders and Council Members.
- Access to a blend of well-designed and engaging learning and development interventions that are aligned to the strategy and seeks to develop the capacity of everyone.
- A dedicated scrutiny group of members and officers with a clear remit of monitoring and evolving the people strategy

There have also been several notable improvements including:

- Internal communications,

- Recognition and reward
- Collaboration at team level.
- Consistency of leadership and management
- Consultation involvement.
- Leadership development.

## **Key Recommendations**

There are specific suggestions provided at the end of each indicator. The following key recommendations are aimed at achieving sustainable high performance in line with the strategic vision of the council and ambitions for high performance discussed with senior leaders during the context meeting and interviews.

### **Review and define the role of leaders in enabling high performance**

It is clear from both the recent peer review and this assessment that the interface between strategic and tactical decision-making is not consistently understood by leaders at this level and that this has a consequential effect on other levels of leadership and empowerment. The Council has also improved many aspects of organisational performance to the point that they are bordering on delivering sustained high performance, but these strategies currently lack the consistent support of managers that fully understand how to sustain a high-performance culture.

Consider undertaking a fundamental review of the responsibilities and terms of reference for strategic, tactical and operational levels of leadership. This should include exploring the expectations of SMT and CMT in enabling strategy.

Consider reviewing and defining the core capabilities required of all managers to enable and sustain a high-performance culture, which would include facilitating a culture of trust, collaboration, innovation and motivating teams to drive high performance for themselves. There is a wealth of best practice that already exists within the management community and is currently promoted within current leadership programmes that should be actively promoted.

Once established, these high-performance management capabilities should be used robustly in the selection, induction, development and performance review of all managers. It is recommended that the Council should consider how it enables more frequent feedback from teams and stakeholders to their managers, encourages periodic peer reflection and mentoring by management teams and plans to continuously adapt and evolve the leadership model in the future.

### **Establish and monitor measures of high performance**

Several of the indicators and themes are not currently at an advanced or high performing level because there is a lack of performance measures to establish if they're having an impact on performance and to evidence if there has been an improvement. Many of these performance indicators exist but they are not universally communicated or used consistently

to monitor trends. It is also acknowledged that access to manage information by teams could be improved and there are already plans in place to facilitate this.

- Consider how you can develop a range of appropriate measures using existing metrics and feedback from staff, stakeholders and partners to monitor key aspects of organisation performance and identify trends so that the impact of the People Strategy on the Council's capacity to deliver the vision can be understood and the investment in people fully evaluated. This may include making more effective use of external benchmarks and producing a dashboard of performance to enhance reports given to PSG and communicated to members and staff.

### **Refresh the core values**

Whilst there is a shared understanding of the ethos of the Council and a strong belief that it has values that influenced the way that everyone performs, there are indications that people are becoming unsure of the behaviours expected of them and how these are reviewed and recognised during the performance appraisal. The core values clearly underpin the performance culture of the Council and are one of its success factors in sustaining a high level of pride and engagement with delivering services.

- Consider how you could refresh the core values and their promotion to ensure they remain both relevant and the centre of the Council's performance culture. This may require a more focussed discussion of the behaviours related to the values within team discussions and performance appraisals.

### **Enable more collaboration and innovation**

Whilst collaboration within teams, has improved and is broadly regarded as effective, there were fewer opportunities for people to work across teams and collaborate on shared projects, despite an invitation to do so from the top. The lack of opportunities for informal and formal networking across the Council also inhibits the capacity to generate new ideas and facilitate innovation. For ideas that have been put forward, there remains some frustration about how these are acknowledged and actioned once they are escalated beyond the team. Consequently, people are less motivated to contribute their ideas for improvement or engage with new ways of working.

- Consider how you could facilitate more opportunities for individuals and teams to network and collaborate across the Council and with partners through greater use of internal social media tools, providing opportunities to shadow or visit other teams, inviting colleagues to make presentations on their roles and areas for improvement, and showcasing best practice.
- Also consider how you can ensure that ideas for improvement and innovation are logged, receive a timely response when they are escalated, and feedback is provided when their actioned. This could also include highlighting such "Eureka" ideas including the impact they have on performance.

### **Improve planning and coordination of change**

Several interviews indicated that the planning and coordination of some changes could be improved with earlier consideration given to how changes affect stakeholders in other teams as well as the impact on sustaining services. This will require further improvements to

communication and involving teams in developing the plans. The previous recommendation on collaboration will help to improve understanding of the needs and potential impact on other teams.

- Consider if it would be appropriate to adopt or develop a suitable project management model or approach to all change projects and how you can improve the project management capabilities of those responsible for leading on change processes. This would include earlier identification of stakeholders and the impact on other teams or individuals.
- It may also be prudent to identify a more effective way of co-ordinating change projects based upon your work with an external provider facilitating the relocation of the offices.

### **Recognition of teams on their achievements**

Recognition and reward of individual achievements has improved significantly since last assessment, although remain a few areas where teams are unsure of what the criteria are for nominating colleagues for recognition. However, people did not believe that the achievements of teams were celebrated as well as they could be across the council.

- Consider how you may extend existing employee recognition scheme to include more opportunities for people to nominate and highlight the achievements of other teams. This could also include clearer guidance to managers on the ways that they can celebrate achievements of their teams within the confines of public expenditure and use of resources.

## Next Steps and Key Dates

A formal feedback meeting has yet to be agreed following the publication of this report. Further reviews will take place at 12 and 24-month intervals. The focus of these reviews will be informed by the outcomes of the initial feedback, the recommendations for further development and the ambitions of the Council.

| Warwick Council<br>Accreditation date | District<br>12-Month<br>Review | District<br>24-Month<br>Review | Warwick Council<br>Accreditation<br>Expiry |
|---------------------------------------|--------------------------------|--------------------------------|--|
| 16/07/2018                            | 16/07/2019                     | 16/7/2020                      | 15/7/2021                                  |

## Annex 1: Assessment outcome table

| The final outcome against 27 themes<br>Note: Lowest theme level dictates final indicator outcome |  | Developed | Established | Advanced | High Performing |
|--|--|-----------|-------------|----------|-----------------|
| 1. Leading and inspiring people  | Creating transparency and trust                            |           |             |          |                 |
|  | Motivating people to deliver the organisation's objectives |           |             |          |                 |
|  | Developing leadership capability                           |           |             |          |                 |
| 2. Living the organisation's values and behaviours   | Operating in line with the values                          |           |             |          |                 |
|  | Adopting the values  |           |             |          |                 |
|  | Living the values  |           |             |          |                 |
| 3. Empowering and involving people   | Empowering people  |           |             |          |                 |
|  | Participating and collaborating                            |           |             |          |                 |
|  | Making decisions   |           |             |          |                 |
| 4. Managing performance  | Setting objectives   |           |             |          |                 |
|  | Encouraging high performance                               |           |             |          |                 |
|  | Measuring and assessing performance                        |           |             |          |                 |
| 5. Recognising and rewarding high performance  | Designing an approach to recognition and reward            |           |             |          |                 |
|  | Adopting a culture of recognition                          |           |             |          |                 |
|  | Recognising and rewarding people                           |           |             |          |                 |
| 6. Structuring work  | Designing roles  |           |             |          |                 |
|  | Creating autonomy in roles                                 |           |             |          |                 |
|  | Enabling collaborative working                             |           |             |          |                 |
| 7. Building capability   | Understanding people's potential                           |           |             |          |                 |
|  | Supporting learning and development                        |           |             |          |                 |
|  | Deploying the right people at the right time               |           |             |          |                 |
| 8. Delivering continuous improvement   | Improving through internal and external sources            |           |             |          |                 |
|  | Creating a culture of continuous improvements              |           |             |          |                 |
|  | Encouraging innovation                                     |           |             |          |                 |
| 9. Creating sustainable success  | Focusing on the future                                     |           |             |          |                 |
|  | Embracing change   |           |             |          |                 |
|  | Understanding the external context                         |           |             |          |                 |

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|   |   |  |
|---|---|--|
|  <b>EXECUTIVE</b><br>6 February 2019   |   | <b>Agenda Item No.</b><br><br><b>8</b> |
| <b>Title</b>  | 2019/20 ICT Services Digital Work Programme   |  |
| <b>For further information about this report please contact</b>   | Tass Smith (01926) 456666<br><a href="mailto:Tass.smith@warwickdc.gov.uk">Tass.smith@warwickdc.gov.uk</a>   |  |
| <b>Wards of the District directly affected</b>  | All   |  |
| <b>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?</b> | No  |  |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   |   |  |
| <b>Background Papers</b>  | <a href="#">Executive Report 7<sup>th</sup> February 2018 – 2018/19 ICT Services Digital Work Programme</a> |  |

|  |     |
|--|-----|
| <b>Contrary to the policy framework:</b>                                   | No  |
| <b>Contrary to the budgetary framework:</b>                                | No  |
| <b>Key Decision?</b>   | No  |
| <b>Included within the Forward Plan? (If yes include reference number)</b> | Yes |
| <b>Equality Impact Assessment Undertaken</b>                               | No  |
| Not applicable   |     |

| Officer/Councillor Approval                                       |      |              |
|---|------|--------------|
| Officer Approval  | Date | Name         |
| Chief Executive/Deputy Chief Executive                            |      | Andrew Jones |
| Head of Service   |      | Andrew Jones |
| CMT   |      | Andrew Jones |
| Section 151 Officer   |      | Mike Snow    |
| Monitoring Officer  |      | Andrew Jones |
| Finance   |      | Mike Snow    |
| Portfolio Holder(s)   |      | Cllr Mobbs   |
| Consultation & Community Engagement                               |      |              |
|   |      |              |
| Final Decision?   |      | Yes          |
| Suggested next steps (if not final decision please set out below) |      |              |

## 1. **Summary**

- 1.1 This report seeks approval from the Executive for the 2019/20 ICT Services Digital Work Programme and provides a progress update of the current programme and some of the other Digital Strategic themes, both of which are key to the office relocation project and in preparing for the migration to the new office headquarters.

## 2. **Recommendation**

- 2.1 That Executive notes the ongoing progress made in all areas of the Digital Strategy, including improving the digital security offering and also the return on investment made in the provision of high speed broadband services within Warwick District. See [Appendix 1](#) for the full update.
- 2.2 That Executive notes the progress made in 2018/19 with the ICT Services Digital Work Programme as set out in the 7<sup>th</sup> February 2018 Executive Report, including a number of learning points.
- 2.3 That Executive agrees the 2019/20 ICT Services Digital Work Programme which will primarily focus on various projects to improve the public-facing, internal processes and contractor integrations provided by the teams in Neighbourhood Services, as set out in [Appendix 3](#)
- 2.4 That Executive notes that the digital programme seeks to balance the resources available in both the front-facing service areas and in ICT Services, and that a report will be submitted later in the year addressing whether further ICT resources are needed.
- 2.5 That, subject to the approval of recommendation 2.3 above, the Executive notes that these projects, and any outstanding from previous years, will be funded from the existing Digital Transformation budget, which has a residual balance of £97,800.
- 2.6 That, subject to the approval of recommendation 2.5 above, the Executive notes that the release of funds for this Programme will be subject to a detailed financial review of each project's requirements and will require sign off by the s151 Officer.

## 3. **Reasons for the Recommendation**

### 3.1 Recommendation 2.1

- 3.1.1 The ICT and Digital Strategy 2015-19 identified five strategic themes. Digital Security naturally sits above these themes.

[Appendix 1](#) contains a detailed explanation of the progress made towards the Digital Warwick theme during 2018/19 and the ongoing commitment for 2019/20. In addition, it also provides updates of the latest Digital security improvements and of the remaining four themes, including projects to support our Digital Workforce in an increasingly agile environment and in preparation for the migration to the new office headquarters.

### 3.2 Recommendation 2.2

- 3.2.1 A number of projects have been completed during 2018/19. These projects either originated from the earlier Digital Work Programmes or were subsequently identified as a high priority:

| Completed projects  | Benefits realised   |
|---|---|
| Building Control<br>Completion Certificate<br>Self-serve Requests | This project was combined with a rewrite of the Building Control Register resulting in a reduction in phone calls received and manual processing of requests                              |
| Development Control – migrating critical data from spreadsheets   | Reduction in data handling and duplication of effort.<br>Increased ability to report on and perform data modelling  |
| Frontline self-serve kiosks                                       | Building on the previous pilot, a robust self-serve solution has now been implemented, which includes the ability to make online payments   |
| Improved planning committee speaker requests                      | Ensures that only valid requests are made<br>Increased customer satisfaction through progress status updates  |
| Interactive Procurement Questionnaire                             | Self-serve internal questionnaire created to guide officers through the correct procurement process for their requirements<br>Reduction in advice request handled by the Procurement Team |
| Land Charges migration to Land Registry                           | Instant online search results with 24/7 access to the data, reducing delays in receiving searches<br>Reduction in manual administration tasks for land charges staff                      |
| Live web chat pilot (Housing Repairs)                             | Trial proved beneficial in improving the accuracy of Housing Repair call details.<br>May also be adopted by other service areas.  |
| Mobile Food Safety Inspection Enhancements                        | Ability to complete a broader range of inspection types<br>Reduction in data handling and duplication of effort.  |
| Neighbourhood Services Data Capture exercise                      | Removes manual processes to identify land ownership<br>Improved contract management processes   |
| Online card payment refunds (Capita)                              | Ease of refunding card payments, whether full or partial without having to make further contact with the  |

|   |  |
|---|--|
|   | customer<br>Confidence that online charge-back fraud is mitigated  |
| Various online forms either created or amended to replace previously published generic service email addresses.<br><br>See <a href="#">Appendix 4</a> for full list | Generic email addresses have either been completely removed from the website or now appear less frequently.<br><br>Customers can now self-serve using structured forms to capture the relevant information<br><br>Staff can be confident that the correct information has been provided first time which allows requests to be completed more efficiently than before. |
| Waste Contractor mobilisation   | Efficient request fulfilment with customer updates and a reduction in manual administration tasks for staff and contractors.   |

3.2.2 A number of projects, detailed below, are still in progress from the 2018/19 Digital Work Programme:

| Ongoing projects   | Current project status  |
|--|---|
| Barcode generation system for miscellaneous payments   | Waiting on the back office system integration and third-party supplier lead times   |
| Fly-tip Reporting  | On hold awaiting completion of the Waste Contractor Mobilisation project as significant elements of that solution will be re-used for this project  |
| Integrating Jadu web forms with maps and automated progress updates  | Linked to the above Fly-tip Reporting project which is currently on hold  |
| Lone Worker Monitoring System<br><br>Limited project scope: ICT involvement restricted to assisting with soft market testing of potential third party products | Software solution pilots are continuing to inform the soft market testing process   |
| Miscellaneous Payments Management System   | No spare ICT capacity to resource this internal-only project  |
| Online forms to replace generic service email addresses  | Building on the success of the web forms already published (see 3.2.1 above), further projects have been identified for 2019/20 to explore direct integration with back office systems, removing unnecessary data inputting |
| Replacement Crematorium System   | Project Manager unable to be released from normal operational duties.<br>Project anticipated to start in April  |

|  |  |
|--|--|
|  | 2019   |
| Self-serve Council Tax Forms (OPENChannel) | Some new forms have been implemented internally and the majority of these are being processed automatically through the back office system. Further software changes being tested before rollout of external self-serve forms in 2019. |

3.2.3 A number of projects, detailed below, have been withdrawn from the 2018/19 Digital Work Programme:

| Projects withdrawn from the 2018/19 programme   | Reasons for project withdrawal  |
|---|---|
| Corporate Field Payment Solution  | The Service Area resources required to progress this project have not been found              |
| Corporate Purchasing Card System  | The project is continuing but outside of this programme as it no longer requires ICT resource |
| Litter Bin issue reporting  | Owing to other bin-related projects, this project scope no longer applies                     |
| PCI DSS Compliance centralised logging system   | The project is continuing but outside of this programme as it no longer requires ICT resource |
| Housing Tenants – Self-serve Repair Requests<br><br>Limited project scope: ICT involvement restricted to assisting with soft market testing of potential third party products and trialling a possible Proof of Concept | The project is continuing but outside of this programme as it no longer requires ICT resource |

3.2.4 Based on the learning points from the 2017/18 Digital Work Programme, the following changes were made by the ICT Application Support Team (who resource the technical elements of this programme):

- All support calls are now routed via the ICT Service Desk
- Calls requiring ICT Application Support Team expertise are managed via a staff rota
- A member of the Desktop Services Team has been working closely with the ICT Application Support Team

These changes were implemented over a period of six months and have reduced interruptions, increased resource availability and opportunities to collaborate on projects, and improved the support capability within the team.

3.2.5 In addition, the main learning points from the 2018/19 Digital Work Programme are:

- It has continued to be challenging for Service Areas to maintain their business as usual service while also releasing the most appropriate staff to design and test their transformational solutions.
- The ICT Application Support Team's availability for development work continues to be affected by the volume and complexity of the support calls or other unplanned projects that it handles.

These learning points have been formally recognised within the Chief Executive's Office Risk Register, under the generic risk "Failure to deliver corporate strategies / initiatives" which is included in the [8<sup>th</sup> January 2019 Finance and Audit Scrutiny committee report \(Appendix A\)](#). However, the delivery of the Digital Strategy specifically carries a RED risk status.

3.2.6 In consequence of the above, the following steps will be taken:

- To reduce the burden on multiple Service Areas having to resource a range of transformational projects, the 2019/20 Digital Work Programme has been redesigned to focus on a single Service Area which has already committed sufficient resources.
- Service Area staff have been encouraged to make ICT Services aware at the earliest opportunity of any proposed project work so that it can be factored into our overall work programme.
- The ICT systems knowledge base is being continually improved so that more calls can be handled by the Desktop Services Team at the first point of contact, helping to reduce some escalations to the ICT Application Support Team.
- The Neighbourhood Services projects will be developed using the Agile Development Methodology, so that the new solutions will be developed, tested and implemented, in manageable increments, in tandem with relevant back office processes.

3.3 Recommendation 2.3 and 2.4

3.3.1 The pace of change required to embed digital transformation across the organisation has not yet been reached for a number of reasons and this has prompted a shift in the strategic approach for the 2019/20 Digital Programme.

3.3.2 As mentioned in 3.2.6 above, one of the Digital Programme learning points is the burden placed on Service Areas to resource a range of different transformational projects. To reduce this burden, the 2019/20 Digital Programme will focus primarily on the high volume of public interactions currently manually handled by the Neighbourhood Services teams.

3.3.3 While the focus will be on Neighbourhood Services, the other service areas will use 2019/20 to think about more comprehensive service changes which will inform future Digital Programmes.

3.3.4 [Appendix 2](#) contains the 2019/20 Digital Transformation Work Programme which includes the new projects contained in [Appendix 3](#).

The remaining projects have been carried forward from the 2017/18 or 2018/19 Work Programmes as a result of supplier or internal delays.

3.3.5 The Work Programme is based on project urgency and importance, internal

staff resource / third-party availability and any anticipated procurement requirements. In addition, ICT Services resources will be impacted by a major project to migrate all our Business Applications onto new servers to maintain data security compliance standards.

- 3.3.6 The following table summarises the anticipated customer and business benefits for each project in the 2019/20 Digital Programme. Business Cases have not been submitted as these projects will be managed using the Agile Methodology.

| Digital Projects 2019/20  | Customer Benefits   | Business Benefits  |
|---|---|--|
| Bulky Waste Collection enhancements   | Increased customer satisfaction as able to book in their collection date  | Drive usage from phone to web – a cheaper channel<br>Save staff time in the back office handling customers chasing up missed collections |
| Making various data sets available for on the website   | Ease of reporting issues<br>Ease of accessing status updates for reported requests  | Drive usage from phone to web – a cheaper channel<br>Save staff time in the back office handling customers enquiries                     |
| Integrating website forms to the back office system, performing auto allocation to named officers and customer status updates | Improved service delivery<br>Increased customer satisfaction through regular status updates   | Drive usage from phone to web – a cheaper channel<br>Save staff time in the back office handling customers enquiries                     |
| Creation of a Members' Portal   | Self-service access to Member-related resources including document links, enhanced mapping, and property-related data sets<br>Improved constituent interactions | Drive usage from phone/email to web<br>Save staff time in the back office handling Member enquiries                                      |

- 3.3.7 In addition, the Application Support Team (who resource the Digital Programme) will also be heavily impacted by the following projects:

| Internal Projects   | Business Benefits  |
|---|--|
| Migration of all Business Applications onto new servers           | Ensure that all Business Applications are hosted on fully supported server operating systems   |
| Supporting the project to procure a replacement to the Civica-APP | Executive will be updated in a future report<br>(The Civica-APP system is currently used by staff in Health and Community Protection and Neighbourhood Services) |
| Supporting the project to procure new Finance Systems             | Executive will be updated in a future report   |
| Supporting the office relocation project                          | Executive will be updated in a future report   |

|  |  |
|--|--|
| Project to review the ICT resources required to fulfil the ongoing Digital Programme | Executive will be updated in a future report |
|--|--|

### 3.4 Recommendations 2.5 & 2.6

- 3.4.1 The Digital Programme budget currently stands at £97,800 and will be used to fund the outstanding 2017/18 and 2018/19 projects. At this stage, it is anticipated that the new 2019/20 Digital Programme projects will incur only minimal costs and therefore no additional funds are required.

To protect the funds made available for this Work Programme, each project will be subject to a detailed financial review to ensure all costs have been identified, before agreement to release the funds is made by the s151 Officer.

## 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   |
| <b>External</b>   |  |   |
| <b>Health, Homes, Communities</b>   | <b>Green, Clean, Safe</b>  | <b>Infrastructure, Enterprise, Employment</b>   |
| <u>Intended outcomes:</u><br>Improved health for all<br>Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities | <u>Intended outcomes:</u><br>Area has well looked after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and ASB | <u>Intended outcomes:</u><br>Dynamic and diverse local economy<br>Vibrant town centres<br>Improved performance/ productivity of local economy<br>Increased employment and income levels |
| <b>Impacts of Proposal</b>  |  |   |
| Many of these projects will provide new customer self-serve options and should improve customer satisfaction through automated case status updates                | The Neighbourhood Services projects and the integrated web forms will directly contribute towards maintaining our public spaces  | The continued investment in the BDUK programme should improve access to superfast broadband which will directly benefit those communities   |
| <b>Internal</b>   |  |   |



| <b>Effective Staff</b>  | <b>Maintain or Improve Services</b>  | <b>Firm Financial Footing over the Longer Term</b>   |
|---|--|--|
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours | <u>Intended outcomes:</u><br>Focusing on our customers' needs<br>Continuously improve our processes<br>Increase the digital provision of services  | <u>Intended outcomes:</u><br>Better return/use of our assets<br>Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money            |
| <b>Impacts of Proposal</b>  |  |  |
| The continued feasibility study into a new lone worker monitoring system will ensure staff have the most appropriate tools  | Several projects focus on providing self-serve capabilities and automated status updates.<br>Other projects streamline our back office processing and improve our reporting capabilities | These projects will improve staff productivity, therefore reducing transaction costs, by automating processes, reducing avoidable demand and by targeting resources towards the most complex tasks |

## 4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are the ICT and Digital Strategy 2015-19 and the People Strategy 2016 - 2020.

The ICT and Digital Strategy 2015-19 clearly sets out how the Council will ensure that its ICT infrastructure will be in place to support the delivery of the council's purpose.

In addition, there are synergies between the ICT and Digital Strategy's Digital Workforce theme and the People Strategy 2016 - 2020, including how the new digital ways of working will impact on the skills, training and management of an increasingly agile workforce.

## 4.3 Changes to Existing Policies

Not applicable

## 4.3 Impact Assessments

Not applicable

## 5. Budgetary Framework

5.1 The Executive should note that the 2017/18 Budget Report included a budget of

£200,000 for delivery of the 2017/18 Digital Transformation Work Programme and that £134,200 has been spent to date. See [Appendix 5](#) for the full expenditure breakdown.

- 5.2 The Executive should note that no additional funds are required for the 2019/20 Digital Programme. However, any funds that are drawn down to meet the costs of the outstanding Digital Programme projects will be managed within the remaining £97,800 budget, with the release of funds agreed by the s151 Officer.

## **6. Risks**

The major risk to the programme continues to be the ability to resource projects effectively within ICT Services and the Service Areas. However, it is anticipated that the improvements set out in 3.2.4 and 3.2.6 above should vastly improve the resource availability.

## **7. Alternative Option(s) considered**

- 7.1 The option not to continue down the 'digital route' was discussed in the 2nd December 2015 Executive Report and it was accepted that while there will always be situations when it is entirely appropriate for a customer to transact with a member of staff, many of the Council's services do not need to be delivered in this way. Continuing with the proposed Digital Transformation Programme advocated in this report will be financially efficient and will provide an improved customer experience.

## Appendix 1 – Digital Warwick, Security and Member updates

The Council's Digital Strategy identified five strategic themes:

- Digital Customer
- Digital Workforce
- Digital Warwick
- Digital Collaboration
- Digital Members

Sitting above all these themes is digital (cyber security)

### 1. Digital Security update

The citizens of Warwick District expect the Council to provide convenient digital services that equals the experience they receive when online shopping or banking. However, because these digital services provide access to things of very real value, they have become a prime target for cyber-attack.

When a digital service is successfully compromised, the fallout can be damaging, expensive and embarrassing for the organisation involved and potentially catastrophic for the individuals whose data has been lost. Therefore, the Council continues to take a measured approach to security that looks at likely risks in context and invests as appropriate.

In 2017/18 our approach to digital security was to enhance our existing 'prevention' technologies:

- Patching
- Next generation Anti-malware
- DMARC, DKIM and SPF
- UK public sector DNS
- Transport Layer Security (TLS)
- Web Check

In 2018/19 we are focusing on 'detection'. If our strategies to prevent an attack are unsuccessful, how do we detect that a compromise has occurred. Many attacks, such as Distributed Denial of Service (DDoS) and Ransomware, are noisy and disruptive, making them hard to overlook. However, the most impactful attacks tend to be perpetrated by cyber threat actors that are commonly referred to as advanced persistent threats (APT), who use sophisticated and stealthy methods to carry out system breaches.

These sophisticated attacks often go undetected for weeks, months, and in some cases, years — by which time the damage is done. The critical first step is determining that the Council has been breached. Given the advanced nature of the attacks and their discrete techniques, an effective way to detect a historical, ongoing or imminent attack is by proactively hunting for evidence of attackers on your systems and networks.

Traditional prevention and detection methods (such as signature-based anti-virus) won't detect sophisticated attacks, which have been tailor-made for our environment.

Preventative technologies, such as firewalls do not prevent the Council's most sensitive information being sent over the internet if the activity is instigated by what appears to be a legitimate user on one of our systems.

Therefore, to detect these types of attacks the Council is investing in log monitoring technology to correlate events across devices and network Intrusion Prevention and Detection software.

## 2. Digital Customer

The major focus of the ICT Digital Works Programme will continue to be projects that improve customer service (Digital Customer), and this report highlights many of the projects that contribute towards this. However, as these projects are defined and scoped, opportunities are also identified for process changes that can assist the workforce to become more productive or to improve the interaction with external contractors, partners and agencies.

## 3. Digital Workforce

Significant work will take place in 2019/20 on this theme as the Council seeks to make its workforce more agile. This will allow more flexible use of its office accommodation and allow more services to be delivered in the field. Major projects include the transition to Office 365, the introduction of Video Conferencing and the introduction of flexible workspaces that accommodate all worker types. Some changes will also be made to our meeting spaces.

## 4. Digital Warwick

The Digital Warwick theme recognises that a strong digital infrastructure is essential for Warwick DC's growing economy to prosper. The benefits of the district's environment, high standards of living and strategic transport connections must be matched by powerful digital advantages to maintain its position as a great place to live, work and visit.

Locally the vision of bringing an improved broadband infrastructure to the district, including superfast broadband, is being delivered by the Coventry, Solihull and Warwickshire Superfast Broadband Partnership (CSWSBP).

At the start of the project (2012) the CSWSBP identified that Warwick District had a relatively high commercial roll-out of superfast broadband (SFBB) of 87%. However, other districts in the County, such as Stratford District, had a much lower coverage of SFBB due to their rural nature.

To increase the coverage of SFBB across the Warwickshire region the CSWSBP, utilising partnership, central government (BDUK) and private sector funding, has let a total of three SFBB contracts.

In Contract 1 Warwick District Council contributed £132,000 to the project which attracted a further £858,000 of investment. In doing so an additional 5,183 premises within the district are now capable of receiving SFBB.

Contract 2, ending in Q1 2019, required no investment from Warwick District Council, but it is anticipated that on completion a further 1,865 premises in the district will benefit from the availability of SFBB.

Contract 3 is now in deployment, but, by the nature of it being the last contract being delivered, it deals with the most difficult and expensive premises to

connect to SFBB. Warwick District has committed another £130,000 to this phase of the project.

It is difficult to give final numbers for the end state of the project in March 2020 as this has a number of variables when considering delivery.

Firstly, until the deployment is completed for Contract 3 and matched to the available budget, the full and final extent of the roll out cannot be determined although early indications would indicate a further 1,556 premises in the district should benefit from SFBB availability.

Secondly, for state aid reasons, the CSWSBP cannot fund any connections in an area where a commercial supplier has indicated that they will build. However, using a best case scenario, of the 72,076 premises identified in Warwick district, over 70,000 (97%+) should have access to SFBB by project completion.

## 5. Digital Collaboration

The Digital Collaboration theme looks at how the Council interacts with other bodies to deliver a service. This year saw the Council work with the Land Registry to become the first Council in the UK to provide data to the Land Registry.

Chief Executive and Chief Land Registrar Graham Farrant said:

"Buying a house is the biggest financial investment of people's lives. By centralising and digitising the local land charges information of local authorities in England we are helping to improve conveyancing. Search results from the new register will be instantly available in a standard, easy-to-read format. This is another significant step forward in the Government's ambition to make the home-buying process simpler, faster and cheaper.

"Warwick District Council is leading the way by being the first local authority to migrate all their local land charges data to our new register. I look forward to more local authorities joining the central register during the year."

The Council will now look to work with its waste collection contractor to optimise ways of sharing data on bin collections and in Housing we will be investigating ways of allowing tenants to directly interact with our repairs contractor to book appointments.

## 6. Digital Members

To progress the Digital Members' theme, the Council setup a Councillor ICT Working Party. Initially the work of the group was to identify the Councillor hardware requirements and core applications.

The group has also recently re-evaluated the Councillor ICT provision and a separate report entitled IT Equipment for Councillors 2019 to 2023 has been prepared. More importantly, it is proposed that this group continues and is used for expanding the services available to Councillors, specifically the development of a Councillor portal. This portal will be used to consolidate the information that Councillors require into a single place and will provide service information for use in Councillor surgeries.

## Appendix 2 – 2019/20 Digital Transformation Work Programme

| Task Name  | 2nd Quarter |     |     | 3rd Quarter |     |     | 4th Quarter |     |     | 1st Quarter |     |     |
|--|-------------|-----|-----|-------------|-----|-----|-------------|-----|-----|-------------|-----|-----|
|  | Apr         | May | Jun | Jul         | Aug | Sep | Oct         | Nov | Dec | Jan         | Feb | Mar |
| <b>Business Cases</b>                                |             |     |     |             |     |     |             |     |     |             |     |     |
| Barcode generation system for miscellaneous payments |             |     |     |             |     |     |             |     |     |             |     |     |
| Fly-tip reporting                                    |             |     |     |             |     |     |             |     |     |             |     |     |
| Integrating Jadu web forms into maps                 |             |     |     |             |     |     |             |     |     |             |     |     |
| Lone Worker Monitoring System                        |             |     |     |             |     |     |             |     |     |             |     |     |
| Miscellaneous Payments Management System             |             |     |     |             |     |     |             |     |     |             |     |     |
| Replacement Crematorium System                       |             |     |     |             |     |     |             |     |     |             |     |     |
| Self-serve Council Tax Forms (OPENChannel)           |             |     |     |             |     |     |             |     |     |             |     |     |
| Bulky Waste Collection enhancements                  |             |     |     |             |     |     |             |     |     |             |     |     |
| Website available data sets                          |             |     |     |             |     |     |             |     |     |             |     |     |
| Integrating website forms to the back office system  |             |     |     |             |     |     |             |     |     |             |     |     |
| Members' Portal                                      |             |     |     |             |     |     |             |     |     |             |     |     |

### Appendix 3 – 2019/20 Digital Projects

| Digital Projects 2019/20  | Customer Benefits   | Business Benefits  |
|---|---|--|
| Bulky Waste Collection enhancements   | Increased customer satisfaction as able to book in their collection date  | Drive usage from phone to web – a cheaper channel<br><br>Save staff time in the back office handling customers chasing up missed collections |
| Making various data sets available for on the website   | Ease of reporting issues<br><br>Ease of accessing status updates for reported requests  | Drive usage from phone to web – a cheaper channel<br><br>Save staff time in the back office handling customers enquiries                     |
| Integrating website forms to the back office system, performing auto allocation to named officers and customer status updates | Improved service delivery<br><br>Increased customer satisfaction through regular status updates   | Drive usage from phone to web – a cheaper channel<br><br>Save staff time in the back office handling customers enquiries                     |
| Creation of a Members' Portal   | Self-service access to Member-related resources including document links, enhanced mapping, and property-related data sets<br><br>Improved constituent interactions | Drive usage from phone/email to web<br><br>Save staff time in the back office handling Member enquiries                                      |
| Projects to migrate all Business Applications onto new servers  | Ensure that all Business Applications are hosted on fully supported server operating systems  |  |
| Supporting the project to procure a replacement to the Civica-APP System  | Executive will be updated in a future report  |  |
| Supporting the project to procure new Finance Systems   | Executive will be updated in a future report  |  |
| Project to review the ICT resources required to fulfil the ongoing Digital Programme  | Executive will be updated in a future report  |  |

#### Appendix 4 – New and updated website forms in 2018/19


| Project Type  | Form details  |
|---------------|---|
| New forms     | <ul style="list-style-type: none"> <li>• Report lost / found dogs and dog attacks</li> <li>• Community partnership team enquiry</li> <li>• Community safety enquiry</li> <li>• Walking for Health enquiry</li> <li>• Contact the safety advisory group</li> <li>• Licensing enquiry</li> <li>• Health and safety enquiry or complaint</li> <li>• Food Safety enquiry or complaint</li> <li>• Anti-social behaviour enquiry - built</li> <li>• Report a street furniture issue</li> <li>• Environmental permits enquiry</li> <li>• Noise nuisance record sheet</li> <li>• Rural street lighting fault</li> <li>• Park enquiry</li> <li>• Park donations and sponsorships</li> <li>• Report a problem with shrubs, grass or pavements</li> <li>• Report a tree issue</li> <li>• Recycling scheme for flats enquiry</li> <li>• Additional waste container enquiry</li> <li>• Interactive Procurement Questionnaire (internal)</li> </ul> |
| Updated forms | <ul style="list-style-type: none"> <li>• Report suspected fraud</li> <li>• Report a damaged waste container</li> </ul>  |



## Appendix 5 – Digital Programme expenditure to date

| <b>Description</b>   | <b>Budget<br/>£</b> | <b>Expenditure<br/>£</b> | <b>Balance remaining<br/>£</b> |
|--|---------------------|--------------------------|--------------------------------|
| Recurring budget for 2017/18   | 16,000              |                          |                                |
| Additional budget for 2018/19 Digital Programme projects                                       | 200,000             |                          |                                |
| ICT Bespoke Development Training (50% of training costs from this budget)                      |                     | 6,600                    |                                |
| Civica OPENChannel project   |                     | 50,000                   |                                |
| Data Capture project   |                     | 50,000                   |                                |
| Budget given up at end of 2017/18 as not required for 2018/19 projects                         |                     | 22,600                   |                                |
| Recurring budget for 2018/19   | 16,000              |                          |                                |
| Barcode generation system for miscellaneous payments<br><br>(Estimated expenditure was £2,000) |                     | 5,000                    |                                |
| <b>Total</b>   | <b>232,000</b>      | <b>134,200</b>           | <b>£97,800</b>                 |

| <b>Description</b>  | <b>Budget<br/>£</b> | <b>Estimated Expenditure<br/>£</b> | <b>Estimated Balance remaining<br/>£</b> |
|---|---------------------|------------------------------------|--|
| Recurring budget for 2019/20  | 16,000              |                                    |  |
| Balance brought forward for 2019/20   | 97,800              |                                    |  |
| Development Control – migrating critical data from spreadsheets (Not yet charged against this budget) |                     | 1,000                              |  |
| Replacement Crematorium System  |                     | 55,000                             |  |
| Remaining 2019/20 Digital projects  |                     | 5,000                              |  |
| <b>Total</b>  | <b>113,800</b>      | <b>61,000</b>                      | <b>£52,800</b>                           |

|   |   |                                    |
|---|---|------------------------------------|
|    | <b>Executive Committee</b><br><b>6 February 2019</b>  | <b>Agenda Item No.</b><br><b>9</b> |
| <b>Title</b>  | Delivery of the St Mary's Lands Masterplan for 2019/20 and beyond, Warwick  |                                    |
| <b>For further information about this report please contact</b>   | Chris Elliott<br>01926 456003<br><a href="mailto:chris.elliott@warwickdc.gov.uk">chris.elliott@warwickdc.gov.uk</a>   |                                    |
| <b>Wards of the District directly affected</b>  | Aylesford and Saltisford, Warwick   |                                    |
| <b>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?</b> | No  |                                    |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   | Executive Meeting 9th January 2019 min 117<br>Executive meeting 5 <sup>th</sup> April 2018 min 153<br>Executive Meeting 29th November 2017 min 88<br>Executive Meeting 1 <sup>st</sup> November 2017 min 71<br>Executive Meeting 31 <sup>st</sup> August 2017 min 48<br>Council Meeting 9 <sup>th</sup> August 2017 min 25<br>Executive meeting 28 <sup>th</sup> June 2017 min 17<br>Executive meeting 8 March 2017 min 108<br>Executive meeting 30 <sup>th</sup> November 2016 min 65<br>Executive meeting 06 <sup>th</sup> April 2016, min 132<br>Executive meeting 3 <sup>rd</sup> September 2015, min 34<br>Full Council 19 <sup>th</sup> November 2014, min 50<br>Executive meeting 1 <sup>st</sup> October 2014, min 56<br>Executive meeting 16 <sup>th</sup> April 2014, min 189<br>Executive meeting 11 <sup>th</sup> September 2013, min 55<br>Executive meeting 19 <sup>th</sup> June 2013, min 13<br>Executive meeting 12 <sup>th</sup> December 2012, min 107 |                                    |
| <b>Background Papers</b>  | Previous reports as above; Agreed FFF Strategy 2017; Local Plan Publication version and Main Modifications 2017; Adopted Masterplan August 2017.  |                                    |

|   |     |
|---|-----|
| <b>Contrary to the policy framework:</b>  | No  |
| <b>Contrary to the budgetary framework:</b>                                     | No  |
| <b>Key Decision?</b>  | Yes |
| <b>Included within the Forward Plan? (If yes include reference number)</b>      | Yes |
| <b>Equality Impact Assessment Undertaken</b>                                    | No  |
| This will be relevant at the level of each individual project's implementation. |     |

| Officer/Councillor Approval  |          |  |
|--|----------|--|
| Officer Approval   | Date     | Name   |
| Chief Executive  | 21.01.19 | Chris Elliott  |
| Head of Service  | 21.01.19 | Dave Barber, Rob Hoof, Rose Winship, Marianne Rolfe, Dave Barber |
| CMT  | 21.01.19 | Chris Elliott, Andrew Jones, Bill Hunt                           |
| Section 151 Officer  | 21.01.19 | Mike Snow  |
| Monitoring Officer   | 21.01.19 | Andrew Jones   |
| Finance  | 21.01.19 | Mike Snow  |
| Portfolio Holder(s)  | 21.01.19 | Cllr Noel Butler; Cllr Moira Ann Grainger                        |
| Consultation & Community Engagement  |          |  |
| The proposals in the Masterplan have been supported by public consultation. More specific consultations have been held in respect of footpath/cycleway and car park changes. |          |  |
| Final Decision?  |          | Yes  |
| Suggested next steps (if not final decision please set out below)  |          |  |

## 1. Summary

This report seeks to:

- update progress on the delivery of the agreed Masterplan for St Mary's Lands, Warwick thus far;
- seek agreement to the next steps for delivery; and,
- seek agreement for the appropriate funding to complete this key project for the town of Warwick and the District.

## 2. Recommendation

- 2.1 That progress on delivery of the Masterplan as set out in **Appendix 1** to date is noted.
- 2.2 That the proposals for 2019/20 also as set out in **Appendix 1** are agreed.
- 2.3 That the funding for the proposals for 2019/20 totalling £257,000 as set out in **Table 1** are agreed and are funded from the Community Projects Reserve.
- 2.4 That the slippage of £255,000 from 2018/19 to 2019/20 as shown in Table 1 be agreed.
- 2.5 That the previous recommendation (January 2019) to apply for Centenary Field designation for the Northern Enclosure be changed to apply for the Going for Green designation from Fields in Trust.

## 3. Reasons for the Recommendation

- 3.1 The work of the St Mary's Lands Working Party led to the adoption of a Master Plan in 2017 which sets out all the projects that will enable the vision for the area to be achieved. In this past year the most significant elements that have been completed include:

- Re surfacing of the inner perimeter track enabling improved and safer access for all;
- Extension of the canterdown to enable the national cycleway to be off road;
- Completion of the MUGA at Racing Club Warwick;
- Improvements to Corps of Drums premises;
- Improvements to toilets at the Golf Course which are available for the public to use;
- Ecological enhancements to support the area's biodiversity and wildlife.

- 3.2 Additionally, Hill Close Gardens, a stakeholder in the St. Mary's Lands project has secured new lottery funding to enlarge its current visitor centre building and implement a programme of much improved interpretation at the gardens.
- 3.3 Alongside these improvement works other issues have been taken forward – for example: consultation of the proposals along Bread and Meat Close for car parking and, for the footpath/cycleway. Preliminary work has also continued in respect of the possible hotel, improvements to the the Golf Centre and Caravan Park. RCW has gone into partnership and established an Academy and is actively looking at a 3G pitch via funding from the FA. Discussions have also been undertaken about character areas to help address the conflict of differing activities. Two community newsletters have also been produced and the most recent can be seen at here:  
[https://issuu.com/wdcprintroom/docs/j22350\\_november\\_st\\_marys\\_land\\_a4\\_4p](https://issuu.com/wdcprintroom/docs/j22350_november_st_marys_land_a4_4p).
- 3.4 **Appendix 1** sets out all the Master Plan proposals; their current status and the next steps where that is appropriate over the next few years. Table 1 sets out the financial proposals which sits alongside Appendix 1. Map 1 illustrates the respective location of each proposal.
- 3.5 In addition, the Executive considered a report in late November 2017 in respect of the hours of flying for model aircraft. A risk assessment and a noise assessment have been undertaken. The ecological work was commissioned but was found to be inconclusive and so the work has had to be re commissioned over a longer survey period. The report back to the Executive will not now happen until that work has been progressed.
- 3.6 In January 2019, the Executive considered a request from the Friends of St Mary's Lands for the Council to submit an application for Centenary Field status. The report concluded that only one part of the area merited an application – the Northern Enclosure on the basis that there appeared to be a link with a former building, Hill House which had been used as a hospital for WW1 soldiers. However, further evidence has now come forward to demonstrate that Hill House and its garden were completely separate from the Northern Enclosure meaning that the Council will not be able to justify an application for this designation. However, the Northern Enclosure would still be suitable for the designation Green for Good and that is the proposal now put forward.

## 4. Policy Framework

### 4.1 Fit for the Future (FFF)

- 4.1.1 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. St Mary's Lands is one of

those Key projects. This report shows the way forward for implementing the next stage of one of the Council's Key projects.

- 4.1.2 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.

| <b>FFF Strands</b>  |  |   |
|---|--|---|
| <b>People</b>   | <b>Services</b>  | <b>Money</b>  |
| <b>External</b>   |  |   |
| <b>Health, Homes, Communities</b>   | <b>Green, Clean, Safe</b>  | <b>Infrastructure, Enterprise, Employment</b>   |
| <u>Intended outcomes:</u><br>Improved health for all<br>Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities   | <u>Intended outcomes:</u><br>Area has well looked after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and ASB | <u>Intended outcomes:</u><br>Dynamic and diverse local economy<br>Vibrant town centres<br>Improved performance/ productivity of local economy<br>Increased employment and income levels   |
| <b>Impacts of Proposal</b>  |  |   |
| The overall proposals will contribute toward improved health outcomes; impressive sport and cultural facilities and to a more cohesive and active community by way of improving the area and its facilities.                              | The overall proposals will improve an important open space and ensure that the adjoining local communities have access to decent open space.                                     | These overall proposals will have a very beneficial effect on the local economy in terms of attracting visitors to the town and by creating new jobs and so have positive impacts on the intended outcomes above.                     |
| <b>Internal</b>   |  |   |
| <b>Effective Staff</b>  | <b>Maintain or Improve Services</b>  | <b>Firm Financial Footing over the Longer Term</b>  |
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours | <u>Intended outcomes:</u><br>Focusing on our customers' needs<br>Continuously improve our processes<br>Increase the digital provision of services                                | <u>Intended outcomes:</u><br>Better return/use of our assets<br>Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money   |
| <b>Impacts of Proposal</b>  |  |   |
| Not applicable  | The proposal will improve the public experience of the Council's services in respect of open space, car parking and sporting provision   | The proposal will help to maximise the social and economic use of an existing asset and get a better return as the proposal has the potential to improve revenues as well as create a revenue generating opportunity for the Council. |

## 4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained below.

### Local Plan

4.2.1 The Council has an agreed a strategy statement "The future and sustainable prosperity for Warwick District" which amongst other things seeks to:

- Support the growth of the local economy; and
- Maintain and promote thriving town centres.

4.2.2 The Council has determined that a spatial masterplan should be developed for St Mary's Lands via public consultation as it recognised that it is an essential community amenity that needs to receive the necessary investment to enable its attractions and operations to prosper.

4.2.3 The Local Plan - Publication Draft has a specific proposed policy for St Mary's Lands as follows:

*"3.142 The Council will therefore work with the operators of the Racecourse to bring forward a Masterplan for the area which;*

- *ensures the ongoing vitality and viability of the Racecourse;*
- *protects and enhances the significance of the Listed Building and Conservation Area and their setting;*
- *retains the land for public recreation;*
- *protects and enhances biodiversity within the Racecourse as well as links to the open countryside and other areas; and*
- *restricts uses to those associated with visitor accommodation, recreation, leisure and horse racing"*

This requirement picks up the non-Local Plan overall strategy for St Mary's Lands adopted in 1998 and the regeneration master plan agreed in 2004 which have both been reviewed as part of this work.

4.2.4 The Local Plan was found sound by the Inspector who undertook the Examination in Public. The Local Plan, with modifications, was adopted by the Council on 20<sup>th</sup> September 2017. The Local Plan Main Modifications recommended by the Inspector included some changes to Policy CT7 in line with the consultation undertaken by the Council in 2016. The focus of the modifications is to clarify that the policy applies to the whole of St Mary's Lands, including the racecourse and to clarify the role of the Masterplan. The Masterplan proposals do not conflict with Policy CT7 as modified.

### St Mary's Lands Masterplan

4.2.5 The Masterplan was adopted by the Council in August 2017. It is based on 4 overriding themes of:

- Protecting St Mary's Lands for People and Nature

- Improving Access and Enjoyment for All
- Supporting the Local Economy
- Investing in the Future

4.2.6 The proposals set out in this report accord with the Masterplan themes above.

## 5. **Budgetary Framework**

- 5.1 The total cost to WDC of all the proposals over the 3 years is £817,000 attracting external investment of £371,000 in addition. **Table 1** illustrates the spend profile by project and year and lists the expected external contributions.
- 5.2 The Executive agreed a development programme in late 2017 to be funded and implemented on a year by year basis. The first year was in fact only a part year programme, i.e. only until end of March 2018. The second year for 2018/19 was agreed in April 2018. It is time to consider the programme for Year 3 and beyond as the Executive had previously agreed to consider the proposals for each year as part of the budget proposals for that financial year. The financial proposals are set out in Table 1 attached. However, principally because the consultation and design work on the footpath/cycleway and entrance improvements has taken longer than planned there is slippage proposed of funding from 2018/19 to 2019/20, also as set out in Table 1. The previous years' proposals were agreed to be funded from the Community Project Reserve and it is proposed that the 2019/20 proposals are similarly funded from that source.
- 5.3 These proposals will attract investment from other agencies of almost £400,000 making the overall package of proposals worth over £1 million from a community perspective.

## 6. **Risks**

- 6.1 Now that the Masterplan has been adopted and delivery is underway the risks in this project revolve around traditional ones of being on budget and on time and are managed by regularly reviewing each project line. **Appendix 1** highlights some of the individual risks for each element of the overall programme.
- 6.2 The new projects have the additional risks of needing appropriate statutory consents which may generate opposition from other quarters as well as the more usual one of estimating costs appropriately. The former is mitigated in part by the Working Party being an opportunity to air and resolve differences but also by continuing to consult with various groups on issues. The second by making sure the estimates are grounded in proper project scope and definition.

## 7. **Alternative Option(s) considered**

- 7.1 The only other option the Council has is not to note progress which would seem perverse. Similarly, not to agree for the elements of the masterplan to proceed would be a reputational risk for the Council given the efforts that have been made to engage local groups.
- 7.2 There could be options of which elements of the programme should be done when but as set out the programme is reasonably logical and takes account of

the limitations that the racing season might place on when some elements can be implemented.

- 7.3 The Council could decide not to make any application for any designation on the northern Enclosure and that option is available to it should it so choose.



# Appendix 1: St. Mary's Land – Delivery Plan Update as at February 2019

The table below summaries the key activities identified through the consultation process and agreed with the Working Party in Sept 2016.

| Ref. | Project   | Development Required   | Key Stakeholders and Consultation  | Approvals and Consents   | Risks  | Programme as at April 2018   | Present Position at Feb 2019  |
|------|---|--|--|--|--|--|---|
| 1.0  | <b>Completion of the Masterplan</b>   | <b>Completed work</b> <ul style="list-style-type: none"> <li>Masterplan issued and adopted</li> </ul>  |  |  |  | Complete   | Complete  |
| 2.0  | <b>Update the Management &amp; Maintenance Plan (MMP)</b><br><br>Including opportunities to increase site biodiversity. | <b>Completed work</b> <ul style="list-style-type: none"> <li>Meeting with WDC to agree the process and timetable for updating the MMP</li> </ul> <b>Required work</b> <ul style="list-style-type: none"> <li>Initial site meeting of key stakeholders</li> <li>Update ecological surveys</li> <li>Draft revisions</li> <li>Discuss with WDC and key stakeholders</li> <li>Issue final document with review and monitoring protocols</li> </ul> | <ul style="list-style-type: none"> <li>Warwick District Council</li> <li>FoSML</li> <li>Jockey Club</li> <li>Golf Centre</li> <li>Model Aircraft Flyers</li> <li>Wildlife and amenity groups incl. Warwickshire Wildlife Trust</li> </ul>            | <ul style="list-style-type: none"> <li>Non-statutory approval by the Working Party / "management group"</li> <li>Formal adoption by Warwick District Council.</li> </ul>   | <ul style="list-style-type: none"> <li>Lack of resources within WDC to commit to the process</li> <li>Funding</li> <li>Inability to resolve conflicts over the use of the green space, esp. increasing biodiversity alongside public access and events.</li> </ul> | <p>Funding to complete the MMP, secured: Plincke to draft with WDC and volunteer input.</p> <p>Further consultancy advice and small scale environmental projects that might arise: £20K WDC 50% and small grant sources 50%.</p> <p>£20,000<br/>£10,000 2018 – 19<br/>£10,000 2019 – 20<br/>External contributions £20,000 over 2 years.</p> | <p>Small scale environmental enhancements have been completed.</p> <p>Key to the success of the Management Plan is knowing where we want to be in 15 – 20 years' time, and then planning for this within the plan. Discussions have been on-going with the Working Party to agree the appropriate balance between free public access, wildlife interests and the interests of organisations such as the Racecourse and Golf Centre. Further ecological advice is being sought to help guide the process of setting a long term management strategy.</p> |
| 3.0  | <b>Cycle Way Connections (Sustrans National Cycle Route no 41):</b><br><br>Hampton Road to Bread and Meat Close         | <b>Completed work</b> <ul style="list-style-type: none"> <li>Coordination of precise route and means of demarcation</li> <li>Design development and costing of lighting, signage, and surfacing</li> </ul> <b>Required work</b> <ul style="list-style-type: none"> <li>Commissioning of implementation</li> <li>Management of works on the ground</li> </ul>   | <ul style="list-style-type: none"> <li>Jockey Club</li> <li>Warwickshire County Council</li> <li>Sustrans</li> <li>Warwick District Council</li> </ul>   | <ul style="list-style-type: none"> <li>Formal consent from Jockey Club to permissive use once the plans are agreed</li> <li>Sustrans License and designation process</li> <li>Potentially planning consent.</li> </ul> | <ul style="list-style-type: none"> <li>No formal agreement is reached with the Jockey Club</li> <li>Costs of surfacing and lighting exceeds budget</li> </ul>  | <p>Estimated total costs for lights solution with CCTV £388,000</p> <p>WCC £20,000<br/>Jockey Club £33,000<br/>WDC £335,000</p> <p>2018 – 19 £200,000<br/>2019 – 20 £135,000</p>   | <p>The Canter down section of works is complete.</p> <p>Planning application has been submitted following extensive discussions.</p> <p>The Programme aims to have the works completed in early summer 2019 and then launch park and stride campaign.</p>   |
| 04   | <b>Extension to Bread and Meat Close Car Park</b>   | <b>Completed work</b> <ul style="list-style-type: none"> <li>Develop outline design proposals</li> <li>Undertake a traffic safety audit</li> <li>Consultation on the proposals with residents of Bread &amp; Meat Close &amp; stakeholders</li> </ul> <b>Required work</b> <ul style="list-style-type: none"> <li>Finalise proposals</li> <li>Meet with residents</li> <li>Planning application</li> <li>Tender and construction</li> </ul>    | <ul style="list-style-type: none"> <li>Warwick District Council</li> <li>Residents of Bread &amp; Meat Close</li> <li>Jockey Club</li> <li>Hill Close Gardens</li> <li>Golf Centre</li> <li>Warwickshire County Council</li> <li>Sustrans</li> </ul> | <ul style="list-style-type: none"> <li>Planning consent is required</li> <li>Traffic Safety Audit has been completed</li> </ul>  | <ul style="list-style-type: none"> <li>Planning application process may result in a refusal</li> <li>Local residents' objections to the scheme</li> </ul>  | <p>Funding: WDC £90,000</p> <p>2018 – 19 £40,000<br/>2019 – 20 £50,000</p>   | As above  |

|           |  |  |  |  |  |   |   |
|-----------|--|--|--|--|--|---|---|
| <b>05</b> | <b>Main entrance improvements</b><br><br>Including uniform entrance signage, public realm improvements and replacement of unsightly buildings. | <b>Completed work</b> <ul style="list-style-type: none"> <li>• Replace turnstile buildings</li> <li>• Public realm enhancement</li> <li>• New tree planting</li> </ul> <b>Required works</b> <ul style="list-style-type: none"> <li>• Public realm and signage enhancement works WDC land</li> </ul>   | <ul style="list-style-type: none"> <li>• Jockey Club</li> <li>• Warwick District Council (Conservation &amp; planning)</li> <li>• Residents of Bread &amp; Meat Close</li> <li>• Warwickshire County Council (Highways)</li> </ul> | <ul style="list-style-type: none"> <li>• Planning and Conservation Area consent secured.</li> </ul>  |  | WDC £50,000<br><br>2018 – 19 £50,000  | As above  |
| <b>06</b> | <b>Improvements to Hill Close Gardens frontage</b>   | <b>Completed works</b> <ul style="list-style-type: none"> <li>• Meeting on site to agree design approach</li> <li>• Draw up outline proposals: vegetation clearance, management</li> <li>• Consultation between WDC and HCG on proposals</li> <li>• Initial vegetation clearance</li> </ul> <b>Required work</b> <ul style="list-style-type: none"> <li>• entrance paving improvements</li> </ul>  | <ul style="list-style-type: none"> <li>• Hill Close Gardens</li> <li>• Warwick District Council</li> </ul>   | <ul style="list-style-type: none"> <li>• 211 Notice for tree removals granted.</li> </ul>  |  | WDC, £5,000, potential HLF funding £100,000+.<br><br>2019 – 20 £5,000   | HLF funding has been awarded.                           |
| <b>07</b> | <b>Footpath and Signage Improvements</b><br><br>Phase 1: Hampton Road / Gog Brook<br>Phase 2: Wider site area                                  | <b>Completed works</b> <ul style="list-style-type: none"> <li>• Gog Brook foot path link</li> <li>• Realigned fencing, Saltisford end</li> </ul> <b>Required works</b> <ul style="list-style-type: none"> <li>• Undertake an assessment of other access and secondary signage improvements as part of the MMP review</li> <li>• Review opportunity for more comprehensive improvements linked to the re-surfacing of the inner-track.</li> </ul> | <ul style="list-style-type: none"> <li>• Warwick District Council</li> <li>• FoSML</li> <li>• Jockey Club</li> <li>• Golf Centre</li> <li>• Existing site users</li> </ul>   | <ul style="list-style-type: none"> <li>• May require signage and/or Planning / Conservation Area Consent</li> <li>• Forestry Commission approval for any works in Jubilee Woods</li> </ul> | <ul style="list-style-type: none"> <li>• Extent of phase 2 desirable works far exceeds budgets available</li> <li>• Conflict of access 'rights' between various users</li> </ul> | Signage and interpretation £22,000<br>Footpath improvements (combined with inner service track re-surfacing)<br><br>Total £180,000 of which Jockey Club contribution £138,000.<br><br>WDC contribution £42,000<br>2018 – 19 £42,000 | Improvements to the inner perimeter track are complete. |
| <b>08</b> | <b>Benches and Bins</b>  | <b>Completed work</b> <ul style="list-style-type: none"> <li>• FoSML consultation project to mark-up preferred locations</li> <li>• Undertake a review of site furniture as part of the MMP update</li> </ul> <b>Required work</b> <ul style="list-style-type: none"> <li>• Tender and installation</li> </ul>   | <ul style="list-style-type: none"> <li>• FoSML</li> <li>• Warwick District Council</li> </ul>  | None envisaged   | <ul style="list-style-type: none"> <li>• New FoSML committee objecting to previously agreed locations</li> </ul>   | WDC £12,000.<br><br>2019 – 20 £12,000   | Programmed for the coming financial year.               |

|    |  |   |   |   |   |   |  |
|----|--|---|---|---|---|---|--|
| 09 | <b>Hampton Road Attenuation Pond / Flood Mitigation Measures</b> | <b>Required work</b> <ul style="list-style-type: none"> <li>Ecological assessment of the pool</li> <li>Undertake an assessment of condition of all flood mitigation measures and prepare recommendations for on-going management</li> <li>Silt tests for contamination</li> <li>Establish need for de-silting work</li> <li>Commission the works and implementation.</li> </ul> | <ul style="list-style-type: none"> <li>Warwick District Council</li> <li>Warwickshire County Council</li> <li>Environment Agency</li> </ul>   | Dependent on the outcomes of the silt testing whether an Environment Agency license is required.  | <ul style="list-style-type: none"> <li>Hydrocarbon from adjacent road or fertilizers from surrounding field catchment leading to sufficient contamination to be considered harmful to human health to spread silt locally</li> <li>That the ecological value restricts the ability to de-silt the pond</li> </ul> | <p>Estimated costs £35,000, WDC is the authority responsible for maintaining flood scheme.</p> <p>2019 – 20 £35,000</p>   | Programmed for the coming financial year.  |
| 10 | <b>Reservoir Enhancement, Jubilee Wood</b>                       | <b>Required work</b> <ul style="list-style-type: none"> <li>Develop options as part of the MMP review</li> </ul> <p>Agree preferred option with key stakeholders</p>  | <ul style="list-style-type: none"> <li>Jockey Club</li> <li>Warwick District Council</li> <li>Warwick &amp; District Angling Association</li> <li>Warwickshire Wildlife Trust</li> <li>FoSML</li> </ul> | Potential Environment Agency for fish stocks and health checks. Potentially Forestry Commission consent for any works affecting the woodland. | <ul style="list-style-type: none"> <li>Health &amp; Safety assessment required in opening up the area to public access</li> </ul>   | <p>A variety of grant sources exist for funding pond improvement works including Countryside Stewardship. WDC match funding £5,000.</p> <p>2020 – 21 £5,000</p> | Programmed for 2020/21 financial year.   |
| 11 | <b>Jubilee Wood Improvements</b>                                 | <b>Required work</b> <ul style="list-style-type: none"> <li>Develop as part of the MMP review</li> <li>Consider opportunities for improved footpath / cycle way access to station</li> </ul>  | <ul style="list-style-type: none"> <li>Warwick District Council</li> <li>FoSML</li> <li>Warwickshire Wildlife Trust</li> <li>Forestry Commission</li> </ul>   | Forestry Commission consent for any works proposed.   | <ul style="list-style-type: none"> <li>Ecological sensitivity</li> <li>Public safety of footpath / cycle path in this location</li> </ul>   | <p>Potential small grant aid schemes WDC £5,000</p> <p>2020 – 21 £5,000</p>   | Programmed for 2020/21 financial year.   |
| 12 | <b>Increase Caravan Club Capacity</b>                            | <b>Completed work</b> <ul style="list-style-type: none"> <li>Evaluate the existing site capacity to establish the potential increase available</li> </ul> <b>Required work</b> <ul style="list-style-type: none"> <li>Review the possibility of a motorhome / overspill caravan park on non-race days adjacent to the stables (former car park area 1)</li> </ul>               | <ul style="list-style-type: none"> <li>Jockey Club</li> <li>Caravan Club</li> <li>Warwick District Council</li> </ul>   | Planning consent may be required for the changes to the existing site and overspill use of the stables parking                                | <ul style="list-style-type: none"> <li>Planning to be confirmed</li> </ul>  | No WDC contribution required.   | Discussions still taking place on what and how improvements may be funded. Will be subject to a separate report in 2019/20 financial year. |

|    |  |  |   |   |  |   |  |
|----|--|--|---|---|--|---|--|
| 13 | <b>Re-surfacing of Gravel Long Stay Parking Bays</b> | <b>Required work</b> <ul style="list-style-type: none"> <li>• Update design layouts</li> <li>• Consult on flood risk / attenuation</li> <li>• Investigate park and ride options</li> <li>• Integration with the Town Centre Parking Strategy</li> <li>• Pricing the work</li> <li>• Tender and construction</li> </ul> | <ul style="list-style-type: none"> <li>• Warwick District Council</li> <li>• Jockey Club</li> <li>• RCW</li> </ul>                                | Possible planning permission required<br><br>Environment Agency permission for surface water attenuation and discharge may be required. | <ul style="list-style-type: none"> <li>• Ability to secure funding if the hotel does not progress</li> <li>• Storm water attenuation may increase costs</li> </ul> | WDC linked to wider town centre parking strategy  | To be considered in 2019/20 as part of wider parking plan for Warwick town.  |
| 14 | <b>MUGA at Racing Club Warwick (RCW)</b>             | <b>Required work</b> <ul style="list-style-type: none"> <li>• Confirmation of funding</li> </ul> Tendering and construction  | <ul style="list-style-type: none"> <li>• RCW</li> </ul>   | Planning permission and Environment Agency Flood Risk Assessment.   | <ul style="list-style-type: none"> <li>• Funding and planning</li> </ul>   | Overall cost £80,000<br><br>2018/19 WDC £70,000<br><br>RCW contribution £10,000                           | Works complete.  |
| 15 | <b>RCW Club House refurbishment</b>                  | <b>Required work</b><br>Various minor works required to keep in operation and to enhance community space within the building.  | <ul style="list-style-type: none"> <li>• RCW</li> <li>• Warwick District Council</li> </ul>   | Potentially planning permission depending on the option selected.   | <ul style="list-style-type: none"> <li>• Impact upon membership and income in the short – medium term</li> </ul>   | Loan arrangement agreed. Subsequent improvements would be via a RUCIS Grant application.                  | Works complete.  |
| 16 | <b>Play Area adjacent to RCW</b>                     | <b>Required work</b> <ul style="list-style-type: none"> <li>• Develop design brief</li> <li>• Seek tenders from playground contractors</li> <li>• Appoint and install</li> </ul> Review toilet access with RCW   | <ul style="list-style-type: none"> <li>• Warwick District Council play team</li> <li>• FoSML</li> <li>• Local residents</li> <li>• RCW</li> </ul> | TBC   | <ul style="list-style-type: none"> <li>• Insufficient funding</li> </ul>   | Warwick District Council financial year £60,000<br>Other funding sources £25,000<br><br>2020 – 21 £60,000 | Position and design of area to be reviewed this coming financial year; programmed to be done the following financial year. |

|    |   |   |   |  |  |   |  |
|----|---|---|---|--|--|---|--|
| 17 | <b>Corp of Drums Building Refurbishment</b>                   | <p><b>Completed work</b></p> <ul style="list-style-type: none"> <li>Main buildings work phase</li> </ul> <p><b>Required work</b></p> <ul style="list-style-type: none"> <li>Final building improvements</li> </ul>  | <ul style="list-style-type: none"> <li>Corp of Drums</li> <li>Warwick District Council</li> </ul>   | <ul style="list-style-type: none"> <li>Building Control</li> </ul>                                       | <ul style="list-style-type: none"> <li>Failure to attract grant funding</li> </ul>   | Loan arrangement of £25k proposed.  | <p>Loan agreement completed and part drawdown. Works programmed to be under very soon. Substantial other improvements have been made.</p> <p>Hall: :</p> <p>Phase 1 - New insulated ceiling, new low energy lighting – Now Complete</p> <p>Phase 2 - Fit new flooring which has already been purchased, skirting boards and paint- now complete</p> <p>Two other phases have started:</p> <p>Phase 3 - Re-wire whole of Small Hall and install new power points, additional radiators &amp; emergency lighting – Radiators have been fitted and the emergency lighting; have still to rewire some new sockets in and some new caballing so this will be requested at a later date.</p> <p>Phase 5 - A brand new WCOD website will be built to promote the building and band activities – This phase has started but will request draw down once completed.</p> |
| 18 | <b>Golf Driving Range Improvements, including car parking</b> | <p><b>Required work</b></p> <ul style="list-style-type: none"> <li>Develop a sustainable business strategy</li> <li>Undertake feasibility appraisal for modification of existing structure or complete replacement</li> <li>Develop preferred solution</li> <li>Planning permission</li> <li>Detailed design and tendering</li> <li>Construction</li> </ul> | <ul style="list-style-type: none"> <li>Warwick Golf Centre</li> <li>Warwick District Council</li> <li>Working Party Members</li> </ul>                          | <ul style="list-style-type: none"> <li>Planning Permission</li> <li>Conservation Area Consent</li> </ul> | <ul style="list-style-type: none"> <li>Capital funding</li> <li>Planning &amp; Ecology</li> <li>Business continuity and revenue targets being met</li> </ul> | Warwick Golf Centre Potential to link to a wider project scope to attract external funding. | Discussions still taking place on what and how improvements may be funded. Will be subject to a separate report in 2019/20 financial year.   |
| 19 | <b>Golf Centre Club House Replacement</b>                     | <p><b>Required work</b></p> <ul style="list-style-type: none"> <li>Develop a sustainable business strategy</li> <li>Undertake feasibility appraisal for modification of existing structure or complete replacement</li> <li>Develop preferred solution</li> <li>Planning permission</li> <li>Detailed design and tendering</li> <li>Construction</li> </ul> | <ul style="list-style-type: none"> <li>Warwick Golf Centre</li> <li>Warwick District Council</li> <li>Working Party Members</li> <li>Warwick Society</li> </ul> | <ul style="list-style-type: none"> <li>Planning Permission</li> <li>Conservation Area Consent</li> </ul> | <ul style="list-style-type: none"> <li>Capital funding</li> <li>Planning</li> <li>Business continuity and revenue targets being met</li> </ul>               | Warwick Golf Centre Potential to link to a wider project scope to attract external funding. | As above.  |

|    |   |  |  |  |   |  |  |
|----|---|--|--|--|---|--|--|
| 20 | <b>Access to Public Toilets</b>           | <b>Required work</b> <ul style="list-style-type: none"> <li>Minor building works to the Golf Centre to form disabled toilet and access</li> <li>Signage</li> <li>Discussions with RCW over toilet access from proposed new play area</li> </ul>  | <ul style="list-style-type: none"> <li>Warwick District Council</li> <li>Warwick Golf Centre</li> <li>RCW</li> </ul>   | TBC  | <ul style="list-style-type: none"> <li>Failure to find a solution will not meet consultation outcomes</li> </ul>  | Golf Centre to undertake works to toilets. RCW to do works to toilets as part of clubhouse alterations.        | Works to toilets in Golf Centre complete. RCW toilet works to be completed.  |
| 21 | <b>Improve Drainage to Playing Fields</b> | <b>Required work</b> <ul style="list-style-type: none"> <li>Complete feasibility report into options for pitch drainage</li> <li>Agree attenuation and discharge with the Environment Agency</li> <li>Cost the options and seek potential funding</li> <li>Tender and implement</li> </ul>   | <ul style="list-style-type: none"> <li>Warwick District Council</li> <li>RCW</li> <li>Environment Agency</li> </ul>  | <ul style="list-style-type: none"> <li>Potentially Environment Agency depending on means of land drainage</li> </ul>   | <ul style="list-style-type: none"> <li>Potential disruption to the racecourse to connect to a means of draining the pitches</li> <li>Limited options available due to high water table</li> <li>Environment Agency objection</li> </ul> | Match funding from WDC of £15,000 towards the estimated £30,000 costs.<br><br>2020 – 21 £15,000                | Programmed to be done in the financial year 2020/21.   |
| 22 | <b>Potential Hotel Location</b>           | <b>Completed work</b> <ul style="list-style-type: none"> <li>Commission a hotel room availability and need / capacity survey</li> <li>Commission a technical viability on the proposed site</li> <li>Outline design and massing studies</li> </ul> <b>Required work</b> <ul style="list-style-type: none"> <li>Undertake planning and highways discussions</li> <li>Undertake a flood risk assessment</li> <li>Review outcomes with Working Party</li> <li>Pre-planning application</li> </ul> | <ul style="list-style-type: none"> <li>WDC</li> <li>Jockey Club</li> <li>Working Party</li> <li>WCC / WTC</li> <li>Warwick Town Council</li> <li>Environment Agency</li> <li>Hampton Road residents</li> <li>Chamber of Trade</li> <li>Tourism &amp; Visitor development</li> <li>Warwick Society</li> </ul> | <ul style="list-style-type: none"> <li>Planning Permission and visual impact assessment</li> <li>Flood Risk assessment</li> <li>Conservation Area Consent</li> <li>Jockey Club consent.</li> </ul> | <ul style="list-style-type: none"> <li>Public objection and planning</li> <li>Potential high costs in early feasibility work that may prove abortive</li> <li>Dependency upon the Jockey Club</li> </ul>                                | Flood risk assessment £10,000 and pre-application costs £12,000<br><br>2018 – 19 £10,000.<br>2019 – 20 £12,000 | Initial massing studies have been completed.<br><br>Flood risk work being tendered. Pre app work will then take place. A further detailed report on feasibility will come forward in 2019/20 financial year. |





- 1 Not used
- 2 Not used
- 3 New 'permissive' cycle link, including low-level lighting
- 4 Increased short-stay parking/ extension to Bread and Meat Close car park
- 5.1 Comprehensive Race Course entrance improvements - works completed February 2018
- 5.2 Completion of entrance landscaping and new signage
- 6 Improvements to Hill Close Gardens frontage
- 7.1 Gog Brook path - works completed December 2017
- 7.2 Existing emergency vehicle route resurfaced with tarmac & laid to width of 3.5m - works completed July 2018
- 7.3 Improved footpath linkages & waymarking
- 8 Replacement bins as part of new site wide furniture strategy
- 9 Flood alleviation management and de-silting works
- 10 Enhance existing reservoir
- 11 Jubilee Wood improvements including future footpath/ cycle link way access to Warwick Parkway
- 12a Expansion of Caravan Club (62 pitches)
- 12b
- 13 Existing gravel car park resurfaced with tarmac to increase provision
- 14 Multi-Use Games Area (MUGA) at RCW
- 15 Racing Club Warwick (RCW) F.C. & creation of community hub
- 16 Play area adjacent to RCW
- 17 Corps of Drums - improved facilities
- 18 Golf Driving Range improvements including car parking
- 19 Golf Clubhouse replacement
- 20 Access to public toilets
- 21
- 22 Potential location for a hotel


- Flying zone
- Landing strip
- Footpaths
- Shared footpath / cyclepath



Proposed Expenditure Profile for St Mary's Lands

| Project No. & Description                     | 18-19<br>£ | Slippage to 19/20 | 19-20<br>£ | 20-21<br>£ | WDC Total<br>£ | Other Total<br>£ | Total<br>£ |
|---|------------|-------------------|------------|------------|----------------|------------------|------------|
| 1 Completion of Masterplan                    | 0          |                   | 0          | 0          | 0              | 0                | 0          |
| 2 Maintenance & Mgt. Plan                     | 10,000     |                   | 10,000     | 0          | 20,000         | 20,000           | 40,000     |
| 3 Cycle Way Connection                        | 200,000    | 150,000           | 135,000    | 0          | 335,000        | 53,000           | 388,000    |
| 4 Extension to Bread & Meat Close car park    | 40,000     | 40,000            | 50,000     | 0          | 90,000         | 0                | 90,000     |
| 5 Main Entrance Improvements                  | 50,000     | 50,000            | 0          | 0          | 50,000         | 0                | 50,000     |
| 6 Improvements to Hill Close Gardens Frontage | 0          |                   | 5,000      | 0          | 5,000          | 100,000          | 105,000    |
| 7 Footpath and Signage Improvements           | 42,000     |                   | 0          | 0          | 42,000         | 138,000          | 180,000    |
| 8 Benches and Bins                            | 0          |                   | 12,000     | 0          | 12,000         | 0                | 12,000     |
| 9 Flood Attenuation Measures                  | 0          |                   | 0          | 35,000     | 35,000         | 0                | 35,000     |
| 10 Reservoir Enhancement                      | 0          |                   | 0          | 5,000      | 5,000          | 5,000            | 10,000     |
| 11 Jubilee Wood Improvements                  | 0          |                   | 0          | 5,000      | 5,000          | 5,000            | 10,000     |
| 12 Increase Caravan Club Capacity             | 0          |                   | 0          | 0          | 0              | 0                | 0          |
| 13 Re Surfacing of Gravel Parking Bays        | 0          |                   | 0          | 0          | 0              | 0                | 0          |
| 14 MUGA at RCW                                | 70,000     |                   | 0          | 0          | 70,000         | 10,000           | 80,000     |
| 15 RCW Clubhouse Refurbishments               | 0          |                   | 0          | 0          | 0              | 0                | 0          |
| 16 Play Area Adjacent to RCW                  | 0          |                   | 0          | 60,000     | 60,000         | 25,000           | 85,000     |
| 17 Corps of Drums Building Refurbishment      | 25,000     |                   | 0          | 0          | 25,000         | 0                | 25,000     |
| 18 Golf Driving Range Improvements            | 0          |                   | 0          | 0          | 0 tba          |                  | 0          |
| 19 Golf Centre Club House Improvements        | 0          |                   | 0          | 0          | 0 tba          |                  | 0          |
| 20 Access to Public Toilets                   | 0          |                   | 0          |            | 0 tba          |                  | 0          |
| 21 Improve Drainage to Playing Fields         | 0          |                   | 0          | 15,000     | 15,000         | 15,000           | 30,000     |
| 22 Potential Hotel Location                   | 10,000     | 10,000            | 12,000     | 0          | 22,000         | 0                | 22,000     |
| Sub Total                                     | 447,000    | 250,000           | 224,000    | #####      | 791,000        | 371,000          | #####      |
| Procurement of Plincke                        | 33,000     |                   | 33,000     | 0          |                |                  | 66,000     |
| Park & Stride Promotion                       | 5,000      | 5,000             |            |            |                |                  | 10,000     |
| Information                                   | 5,000      |                   |            |            |                |                  | 5,000      |
| Brought Forward for 17/18                     | -50,000    |                   |            |            |                |                  | -50,000    |
| <b>Total</b>                                  |            |                   |            | #####      | 1,072,000      | 371,000          | #####      |
| <b>Total</b>                                  | 440,000    | 255,000           | 257,000    | #####      | 1,072,000      | 371,000          | #####      |
| Linen St Contingency Works                    | 42,000     |                   |            |            |                |                  |            |



|   |             |  |     |
|---|-------------|--|-----|
|  <b>EXECUTIVE Feb 2019</b>   |             | <b>Agenda Item No.</b><br><h1>10</h1>  |     |
| <b>Title</b>  |             | Local Development Scheme (LDS)   |     |
| <b>For further information about this report please contact</b>   |             | David Butler<br>Business Manager, Policy & Delivery<br>Development Services<br><br>01926 456017<br>David.butler@warwickdc.gov.uk |     |
| <b>Wards of the District directly affected</b>  |             | All  |     |
| <b>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?</b> |             | No   |     |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   |             | Executive, 07 March 2018, Item 11  |     |
| <b>Background Papers</b>  |             |  |     |
| <b>Contrary to the policy framework:</b>  |             |  | No  |
| <b>Contrary to the budgetary framework:</b>   |             |  | No  |
| <b>Key Decision?</b>  |             |  | Yes |
| <b>Included within the Forward Plan? (If yes include reference number)</b>  |             |  | Yes |
| <b>Equality Impact Assessment Undertaken</b>  |             |  |     |
| <b>Officer/Councillor Approval</b>  |             |  |     |
| <b>Officer Approval</b>   | <b>Date</b> | <b>Name</b>  |     |
| Chief Executive/Deputy Chief Executive  | 03/01/19    | Bill Hunt  |     |
| Head of Service   | 03/01/19    | Dave Barber  |     |
| CMT   | 03/01/19    | Chris Elliott/Bill Hunt/Andy Jones   |     |
| Section 151 Officer   | 03/01/19    | Mike Snow  |     |
| Monitoring Officer  | 03/01/19    | Andy Jones   |     |
| Finance   | 03/01/19    | Mike Snow  |     |
| Portfolio Holder(s)   |             | Cllr Alan Rhead  |     |
| <b>Consultation &amp; Community Engagement</b>  |             |  |     |
|   |             |  |     |
| <b>Final Decision?</b>  |             |  | Yes |
| <b>Suggested next steps (if not final decision please set out below)</b>  |             |  |     |

## 1. **Summary**

- 1.1 This report seeks approval for a refreshed Local Development Scheme (LDS). The LDS sets out the work of the Planning Policy team over the next 3 years in terms of the production of planning documents, is a requirement of the Planning and Compulsory Purchase Act 2004 and is updated annually.

## 2. **Recommendations**

- 2.1 That Executive notes the content of the LDS (Appendix 1) and agrees to adopt the LDS and its proposals for delivery of planning documents over the forthcoming 3 years.
- 2.2 That Executive notes the Authority's Monitoring Report (AMR) was published on the Council's website in the autumn and can be found at [www.warwickdc.gov.uk/amr1718](http://www.warwickdc.gov.uk/amr1718)

## 3. **Reasons for the Recommendations**

- 3.1 The adoption and publication of a Local Development Scheme is a statutory requirement of the Planning and Compulsory Purchase Act 2004, which lays out the coverage and duration of the document required. This includes a provision for an annual review of the Scheme to ensure it remains relevant and up-to-date.
- 3.2 The Warwick District Local Plan (2011–2029) was adopted in September 2017, and as such a revision of the LDS is required to detail the Development Plan Documents (DPD) and Supplementary Planning Documents (SPDs) that are required to support the Local Plan and add further detail for applicants and decision makers.
- 3.3 Much of the programme of work is driven by commitments within the recently adopted Local Plan. As well as these commitments, additional work will arise in response to either local planning issues or changes in national legislature. Where possible these are factored into the Scheme, and a refreshed LDS is produced annually to reflect progress made and any new areas of policy being worked on.
- 3.4 The 2017/18 LDS was adopted by Executive in March 2017. It detailed seven SPDs to be adopted during the financial year. During the course of 2017/18 so far; three SPDs have been adopted, one has completed public consultation with a further three currently undergoing public consultation. Due to the restrictions of purdah it is likely that at least one of the outstanding SPDs will not be adopted prior to the summer of 2019.
- 3.5 Members should note that there have been alterations made to the timing of certain documents included in the LDS. The Canalside DPD has been put back to begin its consultation in the autumn of 2019 to allow for the necessary analysis to take place in the context of the recently adopted Canal Conservation Area. Also, the Affordable Housing SPD has been put back to begin its consultation in Q3 2019 to allow for further work to be done on housing need assessments in light of the recent standard methodology consultations.

- 3.6 Two new documents have been added to the LDS. Firstly, a SPD for the South of Coventry that will articulate the delivery requirements of the vision for the growth and development of the area, as per Policy DS20 and Appendix B of the Local Plan. Secondly a Development Design Framework SPD that responds to the revised NPPF's greater emphasis on quality design as well as the best practice encapsulated in Building For Life 12.
- 3.7 There is also a new work stream in the LDS to review the evidence base and policy context of the Plan, in line with Policy DS19 of the Plan. Once this work has been completed we will be able to update members with whether any further work is required.
- 3.8 There is also a statutory requirement for an Authority's Monitoring Report (AMR) to be published at least annually. The Town and Country Planning (Local Planning) (England) Regulations 2012 lays out the required content of the AMR. As agreed by Executive in March 2018, the AMR was published on the WDC website in the autumn of 2018.

#### **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.

| <b>FFF Strands</b>  |  |  |
|---|--|--|
| <b>People</b>   | <b>Services</b>  | <b>Money</b>   |
| <b>External</b>   |  |  |
| <b>Health, Homes, Communities</b>   | <b>Green, Clean, Safe</b>  | <b>Infrastructure, Enterprise, Employment</b>  |
| <u>Intended outcomes:</u><br>Improved health for all<br>Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities | <u>Intended outcomes:</u><br>Area has well looked after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and Anti-Social Behaviour (ASB) | <u>Intended outcomes:</u><br>Dynamic and diverse local economy<br>Vibrant town centres<br>Improved performance/productivity of local economy<br>Increased employment and income levels |
| <b>Impacts of Proposal</b>  |  |  |
| Will help co-ordinate the delivery of the strategic   | Will help co-ordinate the delivery of the strategic  | Will help co-ordinate the delivery of the strategic  |

|   |   |   |
|---|---|---|
| aims of the Local Plan through the provision Planning Policy Documents  | aims of the Local Plan through the provision Planning Policy Documents  | aims of the Local Plan through the provision Planning Policy Documents  |
| <b>Internal</b>   |   |   |
| <b>Effective Staff</b>  | <b>Maintain or Improve Services</b>   | <b>Firm Financial Footing over the Longer Term</b>  |
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours | <u>Intended outcomes:</u><br>Focusing on our customers' needs<br>Continuously improve our processes<br>Increase the digital provision of services   | <u>Intended outcomes:</u><br>Better return/use of our assets<br>Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money |
| <b>Impacts of Proposal</b>  |   |   |
| By coordinating the delivery of a variety of Planning Policy documents staff are able to programme work for maximum efficiency and effectiveness.   | By coordinating the delivery of a variety of Planning Policy documents staff are able to programme work for maximum efficiency and effectiveness, giving greater guidance to applicants and Case Officers | None  |

## 4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies. The Local Plan is one of the key strategies, cutting across many of the FFF strands. The LDS details the delivery of commitments made within the Local Plan.

## 5. Budgetary Framework

- 5.1 There are no costs directly incurred as a result of the approval LDS as the work will take place within the current staffing and budgetary frameworks.

## 6. Risks

- 6.1 There are no specific risks associated with approving the LDS.

## 7. Alternative Option(s) considered

- 7.1 The Council could choose not to adopt this Local Development Scheme, and instead suggest a different range of priorities for the identified documents. However, the attached LDS has been developed to bring forward the right documents as swiftly and efficiently as possible. Therefore, this option has been discounted. The preparation and maintenance of a LDS is a requirement of the Planning and Compulsory Purchase Act 2004.

## **8. Background**

- 8.1 The Warwick District Local Plan (2011-2029) was adopted in September 2017. This comprehensive Plan sets out the required additional planning documents which form the basis of the Local Development Scheme.
- 8.2 The production and maintenance of a LDS is a requirement of the Planning and Compulsory Purchase Act 2004 and has in the past few years principally focussed on the adoption of the Local Plan. Now that this has been achieved, the focus of the LDS turns to Development Plans and Supplementary Planning Documents.
- 8.3 Commencement of a full Local Plan review is not current included within the LDS as there is not yet sufficient clarity about the timing of this. The Local Plan (Policy DS19) commits the Council to a "undertake a review of national policy, the regional context, updates to the evidence base and monitoring data before 31 March 2021 to assess whether a full or partial review of the plan is required", and this review work has been programmed in. Further, the revised NPPF that came into force in July 2018 commits Local Planning Authorities to review their Local Plans every 5 years. The current Local Plan was adopted in September 2017, meaning that a full plan review will need to take place by September 2022.

# **Warwick District Council**

## **Local Development Scheme February 2019**

## What is a Local Development Scheme?

- 1.1 This Local Development Scheme (LDS) has been prepared to give the local community and all interested parties information on:
- the **current planning policies** that are being used for deciding applications within Warwick District; and,
  - the **programme for reviewing these policies**.
- 1.2 The Council is required to produce a LDS under the terms of the Planning & Compulsory Purchase Act 2004. The LDS is a three-year programme of work and is reviewed regularly.
- 1.3 The Government is committed to seeing LDS's implemented and in particular to ensure the milestones set out are achieved. The Council will ensure that these targets are met through good project management and annual monitoring.

## Warwick District's Local Development Scheme

- 1.4 Development Services within the Council has prepared this LDS. The overall project manager is the Head of Development Services. Day to day management of the LDS will be by Business Manager, Policy & Delivery. In producing this LDS, the Council is committed to the following:
- **to make the LDS as clear as possible to understand; and,**
  - **to publish the LDS on the Council's web site.**
- 1.5 There are a number of commitments within the Local Plan (2011-2029) to review and/or update a variety of Development Planning Documents (DPD) and Supplementary Planning Documents (SPD), and these are detailed in Appendix 1. These commitments are due over the life of the Plan, and therefore the LDS needs to prioritise which to bring forward first, along with bringing forward documents that arise through other need. The following documents were produced over the course of 2017/18.

| Title                                    | Details   | Target               | Delivery             |
|--|---|----------------------|----------------------|
| Residential Design Guide SPD             | Sets out design standards for residential developments of all sizes throughout the District (note that this may be supplemented by major site-specific design guidance) | Adoption Q3 2018     | Adopted Q3 2018      |
| Parking Standards SPD                    | Sets out parking standards for residential, commercial and other developments   | Adoption Q3 2018     | Adopted Q3 2018      |
| Air Quality SPD                          | A sub-regionally produced SPD that will set out the requirements with relation to Air Quality issues  | Adoption Q4 2018     | Adopted Q1 2019      |
| East of Kenilworth Development Brief SPD | Site-specific development guidance for the major housing site allocations on the East of Kenilworth   | Consultation Q4 2018 | Consultation Q4 2018 |
| Purpose Built Student Accommodation SPD  | Sets out the relevant policies for the development of purpose built student accommodation in the District   | Consultation Q4 2018 | Consultation Q1 2019 |

|                           |  |                      |                      |
|---------------------------|--|----------------------|----------------------|
| Public Open Space SPD     | Sets out the requirements for the provision of public open space within developments   | Consultation Q4 2018 | Consultation Q1 2019 |
| Custom and Self-build SPD | Sets out guidance for the provision of self build and custom build plots and how the authority intends to ensure the meeting of the required volume of plots | Consultation Q4 2018 | Consultation Q1 2019 |

The priorities over the next 3 years (i.e.2019-2021) are:

| <b>Title</b>                            | <b>Details</b>   | <b>Delivery</b>  |
|---|--|------------------|
| Canalside DPD                           | Identify areas for regeneration and areas for protection and to set out a framework for development, working in harmony with the adopted Canal Conservation Area   | Adoption Q2 2020 |
| Leamington Town Centre Area Action Plan | Sets out the planning framework for Leamington Town Centre including identifying areas for changes of use where appropriate. (It should be noted that following the appointment of a regeneration partner to bring forward proposals for a Creative Quarter in Leamington town centre, a draft “masterplan” for the area has been produced. This has been subject to public consultation but has yet to be finally approved by the Council. The Council will review the relationship between this “masterplan” and an Area Action Plan. Furthermore, Leamington Town Council are advanced in the process of preparing a Neighbourhood Plan. These two documents may render the production of an AAP unnecessary, hence the unknown date of delivery for the AAP. | tbc              |
| Affordable Housing SPD                  | Details the requirements to meet the affordable housing needs, including housing and tenancy mixes   | Adoption Q4 2019 |
| South of Coventry SPD                   | Sets out the design requirements and spatial relationships of the developments South of Coventry   | Adoption Q4 2019 |
| East of Whitnash Development Brief SPD  | Site-specific development guidance for the major housing site allocation on the East of Whitnash   | Adoption Q3 2019 |
| Development Design Framework SPD        | Guidance that sets out developer design requirements, integrating the Buildings For Life 12 process, for design review   | Adoption Q4 2019 |
| Sustainable Buildings SPD               | Sets out further detail on suitable adaption methods in order to plan for climate change   | Adoption Q4 2020 |



|                                       |   |                  |
|---------------------------------------|---|------------------|
| Health Impacts SPD                    | Sets out the requirements needed to ensure that the health impacts of developments are suitably and effectively mitigated | Adoption Q3 2020 |
| Gypsy & Traveller Site Allocation DPD | Identifies sites to provide for housing needs of Gypsy and Traveller Community  | Adoption Q4 2021 |

The anticipated delivery plan for each of these priorities can be found at the end of this document

## Existing Plans

- 2.1 This section provides an overview of the planning documents that cover Warwick District at the present time, including those prepared by other planning authorities.

## Adopted Plans

- 2.2 The Warwick District Local Plan 2011-2029 was adopted by Warwick District Council in 2017 and is the principle document guiding planning decisions in the District.
- 2.3 Policy DS19 of the Local Plan commits the Council to “a comprehensive review of national policy, the regional context, updates to the evidence base and monitoring data before 31<sup>st</sup> March 2021 to assess whether a full or partial review of the Plan is required”. Therefore, the review work is programmed into the following work schedule, although the conclusion of that work cannot yet be predicted.
- 2.4 Warwickshire County Council is responsible for producing minerals and waste plans. These are specific topic-based Development Plan Documents (DPD) that relate to minerals extraction and dealing with waste development including the use of land for landfill and incineration. More information about these can be found at <https://www.warwickshire.gov.uk/mwds>.

## Neighbourhood Plans

- 2.4 Neighbourhood Plans are brought forward by local Qualifying Bodies, often Town and Parish Councils. These Plans add further local emphasis to the strategic policies of the adopted Local Plan. Following an independent Examination, Neighbourhood Plans undergo a local referendum to gauge public support. If supported the plan is ‘made’ and is used alongside the Local Plan and other relevant DPD/SPDs in determining planning applications. An up-to-date record of ‘made’ Neighbourhood Plans is maintained on our website [\[weblink\]](#).

## Authority’s Monitoring Report (AMR)

- 2.5 The Council is required to monitor both the implementation of the LDS and the extent to which its planning policies are being implemented. For the purposes of this report, the policies of the adopted Warwick District Local Plan (2011-2029) are monitored.

- 2.6 It should be noted that the AMR is not a Local Development Document (LDD) and therefore is not included within the following workplans. The AMR will, however, be included within the LDF and be published on our website.

## Political Management of the Local Development Framework

- 2.7 The Council's decision making arrangements are as follows.

| <b><i>Document</i></b>                | <b><i>To include</i></b>  | <b><i>To be approved by</i></b>                       |
|---------------------------------------|---|---|
| All Development Planning Documents    | Local Plan and all other DPDs that are subject to full public examination as required by the Act.         | Full Council following a recommendation by Executive. |
| Statement of Community Involvement    |   | Executive   |
| Local Development Scheme              |   | Executive   |
| Supplementary Planning Documents      | Supplementary guidance, development briefs and other documents identified in this and future LDSs as SPD. | Executive   |
| Annual Monitoring Report              |   | Published on website                                  |
| Custom and Self-build Progress Report |   | Published on website                                  |

## Contact details

- 2.8 For more information about any of the matters raised in this Local Development Scheme please contact:-
- Policy & Delivery Team,  
Development Services  
Warwick District Council  
PO Box 2178, Riverside House  
Milverton Hill,  
Royal Leamington Spa  
CV32 5QH  
Tel: 01926 456017  
Email: [planningpolicy@warwickdc.gov.uk](mailto:planningpolicy@warwickdc.gov.uk)
- 2.9 This document, together with all other Local Development Documents produced by Warwick District Council will be made available on the [Council's website](#).

## Local Development Document commitments

The commitments made within the Local Plan 2011-2029 form the basis of this table, with additional documents added as such requirements develop.

| Document Title                                       | Status | Role and contents   | Coverage  | Proposed Timetable       |
|--|--------|---|---|--------------------------|
| <b>1. Leamington Town Centre Area Action Plan</b>    | DPD    | Sets out the planning framework for Leamington Town Centre including identifying areas for changes of use where appropriate   | Leamington Town Centre                              | tbc                      |
| <b>2. Canalside Development Plan</b>                 | DPD    | Identify areas for regeneration and areas for protection and to set out a framework for development   | The District's canal network and immediate environs | Adoption – Q2 2020       |
| <b>3. Gypsy and Traveller Site Allocation Plan</b>   | DPD    | Identifies sites to provide for housing needs of Gypsy and Traveller Community  | District-wide                                       | Adoption – Q4 2021       |
| <b>4. Parking Standards</b>                          | SPD    | Sets out parking standards for residential, commercial and other developments   | District-wide                                       | <b>Adopted – Q3 2018</b> |
| <b>5. Residential Design Guide</b>                   | SPD    | Sets out design standards for residential developments of all sizes throughout the District (note that this may be supplemented by major site-specific design guidance) | District-wide                                       | <b>Adopted – Q3 2018</b> |
| <b>6. Affordable Housing</b>                         | SPD    | Details the requirements to meet the affordable housing needs, including housing and tenancy mixes  | District-wide                                       | Adoption – Q3 2019       |
| <b>7. Sustainable Buildings</b>                      | SPD    | Sets out further detail on suitable adaption methods in order to plan for climate change  | District-wide                                       | Adoption – Q4 2020       |
| <b>8. Public Open Space</b>                          | SPD    | Sets out the requirements for the provision of public open space within developments  | District-wide                                       | Adoption – Q2 2019       |
| <b>9. Health Impacts</b>                             | SPD    | Sets out the requirements needed to ensure that the health impacts of developments are suitably and effectively mitigated   | District-wide                                       | Adoption – Q3 2020       |
| <b>10. Custom &amp; Self-build</b>                   | SPD    | Sets out guidance for the provision of self-build and custom build plots and how the authority intends to ensure the meeting of the required volume of plots            | District-wide                                       | Adoption – Q2 2019       |
| <b>11. East of Kenilworth Development Brief</b>      | SPD    | Site-specific development guidance for the major housing sites on the East of Kenilworth  | East of Kenilworth                                  | Adoption – Q1 2019       |
| <b>12. Purpose Build Student Accommodation</b>       | SPD    | Sets out the relevant policies for the development of purpose built student accommodation in the District   | District-wide                                       | Adoption – Q2 2019       |
| <b>13. Whitnash East Development Brief</b>           | SPD    | Site-specific development guidance for the major housing sites in Whitnash East   | Whitnash East                                       | Adoption - Q3 2019       |
| <b>14. Air Quality (Coventry &amp; Warwickshire)</b> | SPD    | Joint-working SPD covering the sub-region that will set out the requirements relating to Air Quality  | District-wide                                       | <b>Adopted – Q1 2019</b> |
| <b>15. South of Coventry</b>                         | SPD    | Sets out the design requirements and spatial relationships of the developments South of Coventry  | South of Coventry                                   | Adoption - Q4 2019       |

| Document Title                          | Status | Role and contents  | Coverage      | Proposed Timetable |
|---|--------|--|---------------|--------------------|
| <b>16. Development Design Framework</b> | SPD    | Guidance that sets out development design requirements, integrating the Buildings For Life 12 process, for design review | District-wide | Adoption - Q4 2019 |

## Delivery Plan

| Year                                     | 2019 |   |   |   | 2020 |   |   |   | 2021 |   |   |   |
|--|------|---|---|---|------|---|---|---|------|---|---|---|
| Quarter                                  | 1    | 2 | 3 | 4 | 1    | 2 | 3 | 4 | 1    | 2 | 3 | 4 |
| Canalside DPD                            |      |   | C | S |      | A |   |   |      |   |   |   |
| Affordable Housing SPD                   |      |   | C | A |      |   |   |   |      |   |   |   |
| Custom & Self-build SPD                  | C    | A |   |   |      |   |   |   |      |   |   |   |
| East of Kenilworth Development Brief SPD | A    |   |   |   |      |   |   |   |      |   |   |   |
| Purpose Built Student Accommodation SPD  | C    | A |   |   |      |   |   |   |      |   |   |   |
| Public Open Space SPD                    | C    | A |   |   |      |   |   |   |      |   |   |   |
| East of Whitnash Development Brief SPD   |      | C | A |   |      |   |   |   |      |   |   |   |
| South of Coventry SPD                    |      |   | C | A |      |   |   |   |      |   |   |   |
| Development Design Framework SPD         |      |   | C | A |      |   |   |   |      |   |   |   |
| Health Impacts SPD                       |      |   |   |   |      | C | A |   |      |   |   |   |
| Sustainable Buildings SPD                |      |   |   |   |      |   | C | A |      |   |   |   |
| Gypsy & Traveller DPD                    |      |   |   |   |      |   |   |   | C    | S |   | A |
| DS19 Evidence base Review                |      |   |   |   |      |   |   |   |      |   |   |   |

### Key

Quarters

1 = January – March

3 = July – September

2 = April – June

4 = October – December

Production


Publication



C = Consultation

S = Submission

A = Adoption

|   |  |                                     |
|---|--|-------------------------------------|
|  <b>Executive Committee</b><br><b>February 2019</b>  |  | <b>Agenda Item No.</b><br><b>11</b> |
| <b>Title</b>  | Business Case for Extension of the Avon Navigation Scheme from Stratford (Alveston) to Warwick |                                     |
| <b>For further information about this report please contact</b>   | Chris Elliott<br>01926 456003<br>chris.elliott@warwickdc.gov.uk                                |                                     |
| <b>Wards of the District directly affected</b>  | Emscote, Myton and Heathcote, and Budbrooke  |                                     |
| <b>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?</b> | No   |                                     |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   | 28 <sup>th</sup> June 2017 minute number 23;<br>1 <sup>st</sup> November 2017 minute number 68 |                                     |
| <b>Background Papers</b>  | Not applicable   |                                     |

|  |                            |
|--|----------------------------|
| <b>Contrary to the policy framework:</b>                                   | No                         |
| <b>Contrary to the budgetary framework:</b>                                | No                         |
| <b>Key Decision?</b>   | No                         |
| <b>Included within the Forward Plan? (If yes include reference number)</b> | No                         |
| <b>Equality Impact Assessment Undertaken</b>                               | No (If No state why below) |
| Not needed at this stage.  |                            |

| Officer/Councillor Approval  |          |  |
|--|----------|--|
| Officer Approval   | Date     | Name                                   |
| Chief Executive  | 21.01.19 | Chris Elliott                          |
| Head of Service  | 21.01.19 | Dave Barber                            |
| CMT  | 21.01.19 | Chris Elliott, Andrew Jones, Bill Hunt |
| Section 151 Officer  | 21.01.19 | Mike Snow                              |
| Monitoring Officer   | 21.01.19 | Andrew Jones                           |
| Finance  | 21.01.19 | Mike Snow                              |
| Portfolio Holder(s)  | 21.01.19 | Noel Butler (Business)                 |
| Consultation & Community Engagement                                    |          |  |
| If the project progresses then detailed consultation will be required. |          |  |
| Final Decision?  |          | Yes                                    |
| Suggested next steps (if not final decision please set out below)      |          |  |

## 1. **Summary**

- 1.1 This report considers the outcome of the high-level assessment of the environmental and the socio-economic impacts of a scheme to extend the Avon Navigation Scheme from Stratford (Alveston) to Warwick.

## 2. **Recommendation**

- 2.1 That the study setting out a high-level assessment of environmental and the socio-economic impacts of the proposal to extend the Avon Navigation Scheme from Stratford (Alveston) to Warwick is noted.
- 2.2 That the Council works in partnership with Stratford District Council to promote and improve footpath/cycleway access along the River Avon corridor between Warwick and Stratford.

## 3. **Reasons for the Recommendation**

- 3.1 At its meeting on 28<sup>th</sup> June 2017 the Executive agreed to the request from the Avon Navigation Trust (ANT) for support to look further at the principle of the proposal for the extension of existing navigation on the River Avon from Alveston, north of Stratford to the Grand Union Canal at Warwick.
- 3.2 In November 2017 the Executive agreed to make a contribution towards a study covering a high-level assessment of the environmental and of the socio-economic impacts to demonstrate if there is a realistic business case. This was estimated to cost, including a contingency, £45,000. It was agreed that the cost be split 3 equal ways between ANT, Stratford District Council (SDC) and this Council. This would mean that this Council would have to pay £15,000. This was funded from the Community Project Reserve. SDC offered to undertake the procurement exercise. The work was tendered and Peter Brett Associates (PBA) was appointed to undertake the work.
- 3.4 The final reports from PBA can be seen [at the following link](#). The key points emerging are set out in Section 8 of this report. In summary, the economic case for the scheme is not so overwhelming given the expected capital costs and the significant environmental issues that would require further work to ensure they could be addressed adequately.
- 3.5 However, the proposal within the report that has merit is to work in partnership with SDC for improved public access along the river corridor between Stratford and Warwick. Here the respective costs are lower, the economic benefits more significant and the environmental consequence much less. If this could be developed along with improvements already discussed by the Executive in a report in November 2018 then it has the potential to create a significant asset for community use as well as a significant "green" tourism opportunity for the sub region.

## 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.

| <b>FFF Strands</b>   |  |   |
|--|--|---|
| <b>People</b>  | <b>Services</b>  | <b>Money</b>  |
| <b>External</b>  |  |   |
| <b>Health, Homes, Communities</b>  | <b>Green, Clean, Safe</b>  | <b>Infrastructure, Enterprise, Employment</b>   |
| <u>Intended outcomes:</u><br>Improved health for all<br>Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities  | <u>Intended outcomes:</u><br>Area has well looked after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and ASB | <u>Intended outcomes:</u><br>Dynamic and diverse local economy<br>Vibrant town centres<br>Improved performance/ productivity of local economy<br>Increased employment and income levels |
| <b>Impacts of Proposal</b>   |  |   |
| The proposal to extend the Avon Navigation has the potential to impact positively on a range of these intended outcomes above but there are also some dis-benefits. However, promotion of greater public access to the river corridor has significant social and economic potential at a much lower cost and greater ease of implementation. |  |   |
| <b>Internal</b>  |  |   |
| <b>Effective Staff</b>   | <b>Maintain or Improve Services</b>  | <b>Firm Financial Footing over the Longer Term</b>  |
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours  | <u>Intended outcomes:</u><br>Focusing on our customers’ needs<br>Continuously improve our processes<br>Increase the digital provision of services                                | <u>Intended outcomes:</u><br>Better return/use of our assets<br>Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money |
| <b>Impacts of Proposal</b>   |  |   |
| Not applicable.  |  |   |

## 4.2 Supporting Strategies

- 4.2.1 Each strand of the FFF Strategy has several supporting strategies but none are directly relevant to this potential project.
- 4.2.2 However, the proposal to develop a proposal to enable greater public access along the river corridor between Stratford and Warwick links well with the proposal to create a new riverside public park at Edmondscote and to extend the use of the old railway line to Rugby east of the Fosse Way as reported to the Executive in November 2018. This could provide a continuous off road



footpath/cycling link from Rugby to Leamington; Leamington to Warwick; and, from Warwick to Stratford creating great potential for local community use and a significant opportunity to develop a new but “green” tourism attraction for the sub region.

#### **4.3 Changes to Existing Policies**

There is no change to existing policies.

#### **4.4 Impact Assessments**

At this stage, no work has been undertaken but if the joint working proposal progresses then further work would be needed especially for disabled access.

### **5. Budgetary Framework**

5.1 At this stage the report does not generate any new budgetary impact.

### **6. Risks**

6.1 At this stage of the process there are no real risks as the Council is not committing itself to anything other than to undertake some joint work at some point in time in the future.

### **7. Alternative Option(s) considered**

7.1 The Executive could decide not to proceed in any way at all yet the evidence collected does suggest that an improved public access to the river corridor could have a potential beneficial economic impact but a low environmental one.

7.2 The Executive could decide to continue with the Avon Navigation Scheme but there is not sufficient economic evidence to justify that course of action and so it is not recommended.

### **8. Background**

#### **Socioeconomic Study**

##### **8.1 Introduction**

8.1.1 The study examines the potential socioeconomic and environmental effects of the proposed ANS between Warwick and Alveston Weir. It investigates the relationship between an established navigation and the policy and programme responses it may stimulate.

8.1.2 The study describes the infrastructure and other improvements to establish the ANS. It reviews the socioeconomic context of the area to gain an understanding of the local economy. It sets out the policy context and summarises the consultations which have taken place with a variety of stakeholders and this has helped inform the understanding of the anticipated social and economic effects which a proposed navigation scheme would have.

8.1.3 To complement the study a high level environmental review has also been carried out. This review assesses the likely effects on the surrounding landscape, visual amenity, heritage assets, ecology, water quality and hydrology.

- 8.1.4 The Proposal will allow for navigation beyond the existing navigable length of the river by powered craft including narrow and wide beam boats. The ANS therefore refers to opening up navigation from beyond Alveston to Warwick and onto the Grand Union Canal. Likewise, it would allow for boats travelling through the Grand Union Canal to access the River Avon via the Edmondscote aqueduct. The scheme itself extends approximately 14 miles and would likely consist of some 13 locks dependant on the route options, with around four of these locks positioned as a flight to reach the Grand Union Canal. The development of the navigation scheme would allow the formation of the South Warwickshire Ring.
- 8.1.5 The navigation has been considered as four separate reaches which is consistent with a previous report undertaken by Halcrow in 2013 commissioned by ANT. Each of these reaches is described in the report.
- 8.1.6 The socioeconomic indicators surrounding the ANS are analysed in the report, using data from WDC and SDC, within a 1 mile radius from the River Avon. The analysis comments on tourism, water based activities, geography, demographics, economic labour market, housing and health & wellbeing.
- 8.1.7 In relation to tourism growth the study comments that the ANS would help attract additional visitors in the form of boat users and scope for increased public access to the river.
- 8.1.8 The assessment does not consider the uplift in land or property values in the vicinity of the river but comments that waterway development elsewhere in the UK has shown an increase in the value of surrounding land or properties.

## 8.2 ***Consultation***

- 8.2.1 The consultees were selected and agreed by the steering group and covered 41 businesses, community organisations, residents associations, clubs, Parish Councils, SDC and WDC.
- 8.2.2 The report provides a detailed analysis of consultation feedback identifying areas of support, concerns, possible mitigation and implications for the ANS design and delivery.
- 8.2.3 In summary, two consultees saw the ANS as a positive development but 95% of those consulted had concerns about the scheme. However, the report sets out potential mitigations, particularly to address concerns raised by Warwick Castle, Charlecote House and Charlecote Mill. The report also recognises that through careful design of the navigation the concerns raised by stakeholders can be mitigated and/or managed.

## 8.3 ***High Level Environmental Review***

- 8.3.1 The High Level Environmental Review report supports and informs the socioeconomic assessment. A summary of the main points arising from the review is incorporated in the ANS study. The environmental review includes an analysis and implications for ANS design and delivery on the landscape, heritage, ecology, water quality and hydrology.

#### 8.4 ***Economic impact***

- 8.4.1 The total economic impact shows that the active travel construction would generate a local area uplift of £0.19 million in additional GVA (Gross Value Added) to the local economy whilst marinas construction would generate an additional local area uplift of £0.96 million.
- 8.4.2 The longer term operational impacts show an increase in the number of day and overnight trips by 3% and 6% respectively, supporting up to 161 net tourism jobs in the local area. This would stimulate £3.9 million in GVA to the local economy.

#### 8.5 ***Total costs***

- 8.5.1 The study sets out a schedule of costs for each element of the ANS. In total the cost would be between £27.7 million and £29.6 million to deliver depending on the route chosen. It is estimated that the construction would support up to 138 additional short term jobs and related GVA of up to £3.9 million. Additional active travel and associated infrastructure (active travel element, including optimism bias, equates to £2.09 million, construction of Marinas £7.31 million) has the potential of extending the benefit to the wider population.



[www.landuse.co.uk](http://www.landuse.co.uk)

# Upper Avon Navigation Project

## High Level Environmental Assessment

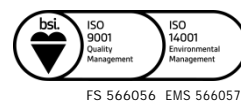
Prepared by LUC in association with Peter Brett Associates  
May 2018



Planning & EIA  
Design  
Landscape Planning  
Landscape Management  
Ecology  
GIS & Visualisation

LUC BRISTOL  
12<sup>th</sup> Floor Colston Tower  
Colston Street Bristol  
BS1 4XE  
T +44 (0)117 929 1997  
[bristol@landuse.co.uk](mailto:bristol@landuse.co.uk)

Offices also in:  
Edinburgh  
Glasgow  
Lancaster  
London  
Manchester



Land Use Consultants Ltd  
Registered in England  
Registered number: 2549296  
Registered Office:  
43 Chalton Street  
London NW1 1JD  
LUC uses 100% recycled paper

**Project Title:** Upper Avon Navigation

**Client:** Stratford on Avon District Council

| Version | Date       | Version Details | Prepared by   | Checked by  | Approved by |
|---------|------------|-----------------|---------------|-------------|-------------|
| 1.0     | 30/05/2018 | Initial Draft   | Stuart Langer | Sarah Young | Sarah Young |

## Contributors

Melissa Conway

Stephanie Crewe

David Green

Paul Macrae

Steven Orr

Michelle Statton

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# 1 Introduction

# 1 Introduction

## Introduction and Summary

- 1.1 This report provides a high level environmental assessment of proposals to establish navigation on the River Avon between Stratford-upon-Avon and Warwick, including an assessment of potential impacts upon landscape and visual amenity, the historic environment and ecological receptors.
- 1.2 This report supports and informs a socio-economic assessment of the project which has been undertaken by Peter Brett Associates. Both this report and the socio-economic report have been produced under the same commission, to Stratford-on-Avon District Council, who are working in partnership with Warwick District Council and the Avon Navigation Trust to assess the viability of the proposals.

## The Proposed Scheme

### Demand for the scheme

- 1.3 Holidays remain the main reason for international visits to the UK, accounting for 13.9 million visits, a rise of 2.1% compared with 2014<sup>1</sup>. The impact on the UK economy is significant with earnings from overseas visitors reaching a record level of spending of £22.1 billion – an increase of £0.2 billion (1.0%) over 2014.
- 1.4 Documented evidence<sup>2</sup> shows that whilst a small number of visitors enjoy the canal holiday experience in England, this sector is not widely known as part of an international tourism offer, and this is a strong 'niche' market to attract and capture.
- 1.5 The popular tourist towns of Stratford upon Avon and Warwick are both connected to the River Avon and the Midlands canal system and are well-placed to capitalise on the tourism and enterprise opportunities that waterways can offer. Many visitors and local people already undertake longer canal-based barge and boating holidays either from Stratford or Warwick, or from other wharves on the Warwickshire Ring which includes Birmingham, Stratford, Coventry and Grand Union Canals.
- 1.6 With new infrastructure commitment, partnership working and investment there is the potential to develop the 'South Warwickshire Ring' as a new circuit on the Midland river and canal network, enabling shorter 2-3 day circular canal trips between Warwick and Stratford as well as day adventures - and extending to longer barging holidays on the Warwickshire Ring. If realised, this project would promote both historic towns as a new hub for waterways tourism. It should ensure longer stays in South Warwickshire boosting visitor numbers and the local tourist economy.

### Extent of the Navigation Proposals

- 1.7 Over 250 years ago, navigation was possible from Tewkesbury to the outskirts of Warwick along the Avon<sup>3</sup>. The renovation of the 46 miles of the Lower Avon allowing navigation between Tewkesbury and Stratford was completed 44 years ago.
- 1.8 The remaining 12 miles of the upstream section of the Avon from Alveston Weir to Warwick remains unnavigable. This stretch has been identified by the Association of Inland Navigation Authorities (AINA) as 'one of the few missing broad inland navigation links' between the estuary of the Severn and other major English estuaries (Mersey, Humber, Thames, Wash).

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<sup>1</sup> Travel Trends 2015 - Office for National Statistics

<sup>2</sup> Canal and River Trust 2015

<sup>3</sup> Daniel Defoe and others reported navigation nearly to Warwick in the 1700s



- 1.9 The proposals seek to link up the navigable section of the Avon (which currently terminates at Alveston Weir) with the Grand Union Canal, which flows through Warwick near the confluence of the Avon with the River Leam.

### **Description of proposals**

- 1.10 The proposals are to restore navigation to the Upper Avon, specifically between Alveston Weir and the Grand Union Canal in Warwick, which crosses over the Avon on a viaduct, in the vicinity of the confluence of the Avon and River Leam.
- 1.11 The location of the specific infrastructure elements are not certain at present, as this will be refined through further project engineering and detailed environmental assessments. However, the assessed indicative infrastructure elements, and their latest-defined locations, are set out below. For ease of reference the river is divided into separate 'reaches'. The following section provides a description of the project elements, and should be read in conjunction with the scheme details plan presented in **Appendix 1**.

#### *Reach 1: Tiddington to Charlecote Park*

- New lock at bend in the river at Tiddington.
- New lock to bypass Alveston Weir.

#### *Reach 2: Charlecote Park to north of Wasperton*

- New lock at either end of Charlecote Mill.

#### *Reach 3: North of Wasperton to Warwick Castle*

- Two options at Barford:
  - Option A is to create a new section of canal, which would follow the route of the A429. This would require two new locks to be provided.
  - Option B is to utilise the existing river loop, the Sherbourne Loop, which will require the provision of four new locks.
- New lock in Barford north of Avon Close.
- New lock at the outskirts of Warwick to the east of Temple Grove.

#### *Reach 4: Warwick Castle to the Grand Union Canal*

- New lock in Warwick at Warwick Castle.
- New series of locks or other lifting mechanism at the confluence of the Avon and River Leam to connect to the Grand Union Canal (details unknown at present).

## About this report

- 1.12 The purpose of this report is to provide a high level assessment of the potential impacts of the Upper Avon Navigation Scheme on the local environment.
- 1.13 It is important to note that this is not a full Environmental Impact Assessment (EIA): Environmental Statement. It is envisaged that screening as to whether an EIA would be required will take place at a later stage in the development of the proposals.

### Methodology of Assessment

- 1.14 There are several existing assessments and reports for the project which have been reviewed to inform the preparation of this report. These include:
- Engineering Technical Study (Halcrow 2013) - A detailed study which sets out the works required to restore the bridges, locks, weirs, sluices, channel construction and repairs' needed for the river navigation.
  - River Overview (Roger Clay for Avon Navigation Trust 2017) - An overview of the current state of the river above Stratford, describing the major navigable reaches and the shallows to be passed with historic navigation features.
  - Avon Navigation Trust 'Upper Avon Extension' Brochure (Avon Navigation 2002) which forms historical background.
- 1.15 A drive over field survey was also undertaken by historic environment and landscape specialists on Wednesday 9<sup>th</sup> May 2018 in order to provide a fuller understanding of the proposals and their impacts.
- 1.16 In addition, a broad range of geographic information system (GIS) datasets were obtained from Natural England, Historic England, Ordnance Survey, the Environment Agency, Stratford-on-Avon and Warwick District Councils and Warwickshire County Council in May 2018, which provided context to the scheme details.
- 1.17 More specific details about the methodologies utilised are included in the individual topic based chapters, which are set out below.

### Structure of this Report

- 1.18 This report contains high level environmental assessment of the following topics and is structured as follows:
- Chapter 2: Landscape and Visual Amenity
- Chapter 3: Historic Environment
- Chapter 4: Ecological Receptors
- 1.19 Chapter 5: Summary and Next steps

## **2 Landscape and Visual Amenity**

## 2 Landscape and Visual Amenity

### Introduction

- 2.1 This chapter considers the potential effects on landscape and visual amenity arising from the Upper Avon Navigation Project between Stratford-upon-Avon and the Grand Union Canal in Warwick (herein referred to as the 'Proposed Project').
- 2.2 The report defines the existing or 'baseline' landscape character and visual context of the study area for the Proposed Development. The nature of likely effects at the construction and operational stages are then outlined. Following this, the chapter also identifies potential mitigation and next steps.

### Scope of Assessment Undertaken to Date

- 2.3 This preliminary report summarises the following considerations relating to the Proposed Project and wider study area:
- extent of the assessment study area;
  - sources of relevant landscape and visual information;
  - potential landscape and visual receptors; and
  - nature of possible landscape and visual effects.

### Study Area

- 2.4 The valley of the River Avon which contains the Proposed Project runs broadly south westwards from the urban setting of Warwick in the north. The narrow river channel crosses the M40 corridor and meanders through a landscape exhibiting a largely rural character. Low-lying arable land use bordered by hedgerow field boundary treatments typifies the wider study area. The River Avon itself passes through a number of small settlements located on the wider valley floodplain before reaching the north easterly edge of Stratford-upon-Avon.
- 2.5 The *Guidelines for Landscape and Visual Impact Assessment – Third Edition* (2013) (GLVIA3) suggest that the study area of assessment should cover the geographical area from which the development will potentially be visible and that this should be proportionate in scale. Based on an initial analysis of potential effects on landscape and visual amenity coupled with professional judgement, the study area of the Proposed Project has been defined as a 1.0 km buffer zone along the river corridor.

### Desk Based Research and Data Sources

- 2.6 Landscape characterisation encompassing the study area has been published at national, county and district levels and has informed the preliminary assessment.
- The landscape character at a national level is described in National Character Area (NCA) profiles defined by Natural England. The broad landscape character of the study area is identified as *NCA 106: Severn and Avon Vales*. The boundary of this NCA also abuts *NCA 96: Dunsmore and Feldon* parallel the route of the A429 at the eastern extent of the study area.
  - The *Warwickshire Landscapes Project* (1993) forms a county-wide study and derives a classification of distinct Regional Character Areas (RCAs) subdivided into Landscape Character Types (LCTs).
  - The *Warwickshire Historic Landscape Characterisation (HLC) Project* (2010) provides an overview of Warwickshire's historic environment and defines discrete parcels of individual

historic landscape character. The assessment identifies twelve HLC Broad Types within Warwickshire which are further refined into 124 HLC Sub-Types.

- The *Stratford-on-Avon District Design Guide* (2001) identifies five main character areas (further refined into sub-areas) within Stratford-on-Avon District with the aim of providing design guidance to prospective planning applicants.
- Warwick District Council has published the *Landscape Character Assessment for Land South of Warwick and Leamington (2014)* to evaluate specific land parcels as part of the Green Belt review process.

- 2.7 Landscape and visual character within the study area is considered further in the Existing Conditions section below.

### Field Survey

- 2.8 A Chartered Member of the Landscape Institute (CMLI) undertook a site survey on 9th May 2018 to supplement the desktop baseline review of the existing landscape and visual amenity. The site walkover was carried out in good visibility, although private land was not accessed (including the grounds of Charlecote Park managed by the National Trust, and Warwick Castle).
- 2.9 As the site visit was conducted during the summer, a summary of visual effects over four seasons or during a wide range of light and weather conditions was not possible. If a decision is taken to progress the project towards a planning application, further consideration would need to be given to the seasonal variation in effects, in accordance with GLVIA3 guidance.

## Existing Conditions

### Landscape character

- 2.10 On a national scale the site falls largely within *NCA 106: Severn and Avon Vales*. This NCA is characterised by a low-lying agricultural vale interspersed with settlements centred on the river corridors of the River Severn and River Avon. The landscape is generally open although the extent of hedgerow trees and parkland provides a well wooded impression. The northern extent of the site is accommodated within *NCA 97: Arden* which encompasses land lying between the River Tame and the River Avon in Warwickshire.
- 2.11 The *Warwickshire Landscapes Project (1993)* divides the landscape of the county into seven RCAs, defined as distinct landscape regions that convey a sense of unity. The site itself lies within the *Avon Valley RCA* and forms an agricultural region associated with the river floodplain, with close links to historic market towns and nucleated villages. Stretching in a broadly south westerly direction, the valley separates Arden from the planned enclosure landscapes of Feldon and the Cotswolds. The course of the River Avon to the north of Barford forms the western boundary of *Feldon RCA*. Characterised by large geometric field boundaries, this area also forms a lowland agricultural region.
- 2.12 The published assessment further refines RCAs into LCTs. Four LCTs have been identified within the *Avon Valley RCA* which contains the site. Of these four LCTs, the site lies predominantly within *River Meadowlands LCT* where meandering river corridors with associated floodplains and steep sided wooded valleys predominate. The management strategy for this area identifies the need to conserve and enhance the special character and continuity of river landscapes. The following characteristic features are identified:
- *narrow river corridor defined by flat alluvial flood plains;*
  - *prominent, steeply sloping, often wooded river bluffs;*
  - *grazing meadows, often with patches of wet grassland;*
  - *diverse river channels with meanders, islands, steep banks and much marginal vegetation;*
  - *fringing alders and scrub;*
  - *curvilinear hedgerows and ditches along the boundary of the flood plain.*

- 2.13 The wider study area also encompasses sections of the *Vale Farmlands LCT*, forming a broad clay vale at the foot of the Cotswold escarpment. In addition, the broad flat terraces to the west of the channel of the River Avon are defined as *Terrace Farmlands LCT* in virtue of the geometric field patterns, arable land use and horticultural buildings. Restoration of the agricultural hedged character of the landscape as well as strengthening of primary linear features are identified as the overall management strategies concerning these LCTs. Land contained within the settlements of Stratford-upon-Avon and Warwick are defined as 'urban' and therefore not included within the scope of this published study.
- 2.14 The *Stratford-on-Avon District Design Guide* (2001) aims to further supplement the character area information published within the *Warwickshire Landscapes Project* (1993). Five main character areas are defined within Stratford-upon-Avon District with the site and wider study area accommodated within landscape described as the *Avon and Stour Valleys*; refined further into the *Upper Avon* and *Avon Ridgelands Sub-Areas*. The character descriptions of these areas are centred on the river valley of the Avon. The *Upper Avon Sub-Area* is largely defined by the narrow river corridor and flat floodplains which contrast with the steeper edges and rolling landform of the *Avon Ridgelands Sub-Area*.
- 2.15 Published landscape character assessments are unavailable at the District level in Warwick. However, a *Landscape Character Assessment Addendum for Land South of Warwick* was published in 2014 in order to inform and supplement previous studies used as evidence in the LDF process. The document includes a land parcel immediately west of the River Avon at Longbridge which lies within the wider study area. The published assessment concludes that "*protection of the River Avon corridor and the river environment must be given high priority*" with the potential for enhancement of landscape assets and green infrastructure.
- 2.16 Published in 2010, the *Warwickshire Historic Landscape Characterisation Project* divides the county into 12 Broad Types to provide an overview of the historic environment and inform management as well as future development decisions. Land defined as *Fieldsapes* forms the predominant HLC Broad Type within the study area and incorporates land identified as being used for agriculture. The document also provides a comparison of mapped LCTs contained within the *Warwickshire Landscapes Project* (1993) with the historic characterisation output. It is concluded that the HLC is largely consistent with the summary text of the *River Meadowlands LCT* which encompasses the site.

### Landscape designations

- 2.17 The site does not lie within any area designated in terms of a specific national statutory landscape designation such as National Park or Area of Outstanding Natural Beauty (AONB).
- 2.18 Policy CS.12 of *Stratford-on-Avon Core Strategy* (2011-2031) defines western sections of the study area as *Arden Special Landscape Area (SLA)* in recognition of its distinctive landscape quality. The *Arden SLA* designation encompasses land lying to the west of the study area, immediately bordering the River Avon at both Barford and Wasperton. Published on behalf of Stratford-on-Avon District Council, the *Stratford-on-Avon District Special Landscape Area Study* (2012) identifies the contribution of water related landscapes within the area as a key justification for the SLA. The document also evaluates localised natural landscape sensitivity areas. With the exception of an area of *moderate natural sensitivity* forming the undulating landform between the Sherbourne Loop section of the river channel and the A439, land lying within the extent of the study area is identified as low sensitivity.
- 2.19 Policy CS.10 within the *Stratford-on-Avon Core Strategy* (2011-2031) and Policy DS 18 within the *Warwick District Local Plan* (2011-2029) identify land stretching along the transport corridor of the A439 within the study area as *Green Belt*. However, the designation does not encompass the site itself. Green Belt is a planning designation that seeks to maintain openness between settlements, rather than an indication of landscape quality.
- 2.20 Conservation Areas, whilst not specific landscape designations, reflect landscape and architectural quality and are relevant to development proposals which may impact upon them. The study area encompasses conservation areas located within the administrative areas of both Warwick District Council and Stratford-upon-Avon District Council. The river itself flows north to south west through a number of these conservation areas, including an extensive area of green space

forming Castle Park within the Warwick Conservation Area. Warwick Castle and its setting is also designated as a Grade I designated Registered Park and Garden.

- 2.21 Charlecote and Hampton Lucy Conservation Area includes a meandering section of the River Avon, the historic house and parkland of Charlecote House as well as the village centres of Charlecote and Hampton Lucy respectively. The site dissects Charlecote Park, which is also covered by a Registered Park and Garden designation (Grade II\*). The character of the river frontage is described as a feature within the Barford Conservation Area Appraisal, with *Important Views* available on the northern boundary where the designation abuts the southernmost extent of Sherbourne Conservation Area at Barford Bridge. The study area of the assessment also incorporates Wasperton Conservation Area which comprises predominantly residential land use lying east of the transport corridor of the A429. The River Avon forms the northern boundary of the Alveston Conservation Area, located approximately 3.0 km north east from the centre of Stratford-upon-Avon.

### Views and visual amenity

- 2.22 Settlement within the study area is dominated by the urban centre of Warwick which comprises the historic centre of the town as well as a mixture of retail, commercial and residential land uses. A nucleated settlement pattern typifies the landscape of the wider study area, characterised by villages broadly following the meandering channel of the River Avon. The rural villages of Sherbourne, Wasperton, Charlecote, Hampton Lucy and Alveston are all accessed by a network of minor roads, divided by sparsely populated agricultural land. The village of Barford is bounded to the north by the River Avon and to the west by the carriageway of the A429. Isolated farmsteads are also located in an interspersed pattern within the low lying landscape. The flat low lying nature of the topography often results in the heightened visual presence of settlements in the wider landscape, although these are screened somewhat by the proliferation of vegetation.
- 2.23 The M40 infrastructure corridor crosses the study area broadly east to west. The A429 and A46 road networks converge at Junction 15 of the M40, located to the south west of Warwick. The centre of Warwick itself is also characterised by a network of road corridors associated with the urban context. The routes of the A46 and the A439 run broadly north east to south west towards Stratford-upon-Avon. A network of minor roads cross the agricultural context and connect the villages and farmsteads scattered across the landscape. The route of the Grand Union canal lies broadly perpendicular to the channel of the River Avon and approximately 225 m south of the river's confluence with the River Leam. The study area is devoid of rail corridors.
- 2.24 A network of Public Rights of Way (PRoW) and long distance footpaths cross the landscape of the study area. Shakespeare's Avon Way lies within the wider floodplain of the River Avon, largely following the course of existing PRoWs and minor roads. The route runs within close proximity of the River Avon to the north west of Alveston, through the settlement of Hampton Lucy and northwards crossing the corridors of the A439 and the M40. The Centenary Way forms the towpath of the River Avon eastwards from Castle Bridge in Warwick. This route follows the river channel before joining the Grand Union Canal Walk and Shakespeare's Avon Way at the Emscote Aqueduct. Public Footpath SD126 lies approximately 150m of the River Avon and affords public access through land defined as Charlecote Park.

### Potential Effects on Landscape and Visual Amenity

- 2.25 **Tables 2.1 and 2.2** summarise the potential landscape and visual effects that will arise from the operational scheme as well as the construction works required to create the Proposed Project.

**Table 2.1: Potential effects on landscape character during construction and operation**

| Issue/ or receptor   | Potential effects   |
|--|---|
| <p><i>National Character Area (NCA) 106: Severn and Avon Vales</i></p> <p><b>(Reaches 1-4)</b></p> | <p>The scale of the Proposed Project in comparison with the geographical extent of the NCA renders it of low susceptibility to the temporary addition of construction works or the operational scheme.</p>  |
| <p><i>River Meadowlands Landscape Character Type (LCT)</i></p> <p><b>(Reaches 1-4)</b></p>         | <p><b>Construction phase:</b> Construction activity will represent an incongruous activity in the context of the agricultural land use which is characteristic of this LCT, albeit temporary and reversible. The introduction of construction machinery to construct locks and other point features will increase the perceived urbanisation of the existing landscape, accentuated by removal of existing vegetation. However, the construction effects will be short term and localised given the scale of this LCT.</p> <p><b>Operational phase:</b> The well wooded nature of the valley floor has the capacity to accommodate the linear form of the operational scheme with limited changes to both landscape patterns and land use.</p>  |
| <p>River Avon and immediate surrounding area</p> <p><b>(Reaches 1-4)</b></p>                       | <p><b>Construction phase:</b> Earth moving machinery and construction activity will form temporary incongruous features within the study area, resulting in indirect changes in landscape character. Engineering works required to construct the cutting and lock arrangement broadly parallel to the A429 corridor will also result in the disturbance of agricultural land at the construction phase.</p> <p><b>Operational phase:</b> Once operational, boat traffic will form a constituent element of the landscape. However, boats will operate at low speeds and are characteristic of a watercourse.</p>  |
| <p>Site</p> <p><b>(Reaches 1-4)</b></p>  | <p><b>Construction phase:</b> Engineering works are largely confined to the river channel itself and immediate context which reduces potential landscape effects. The temporary nature of these works limits the scale and significance of landscape and visual effects.</p> <p><b>Operational phase:</b> The site is generally not well defined within the wider landscape of the Study Area, obscured by a combination of its low lying location and intervening vegetation associated with the river corridor. The operational scheme will involve changes to the existing landscape fabric and loss of agricultural land at the proposed cutting and lock arrangement parallel the A429. However, this loss of farmland is insufficient to alter the pattern of land use, forms only a small proportion of the overall site and is located within a setting influenced by the proximity of the A429 highway corridor.</p> |



**Table 2.2: Potential effects on visual amenity during construction and operation**

| Issue/ or receptor  | Potential effects   |
|---|---|
| <p>Residential properties in Warwick (e.g. Pickard Street)<br/><b>(Reach 4)</b></p> | <p><b>Construction phase:</b> Construction activity and localised tree removal works on the left (southern) bank of the river will also be visible at this location.</p> <p><b>Operational phase:</b> The operational stage will be largely confined to the river channel itself at this location (<b>Photo 2.2</b>) where through traffic along the water course will become a feature of the landscape.</p>  <p><b>Photo 2.2: View looking south from Pickard Street, Warwick</b></p>             |
| <p>Users of various local PRoW<br/><b>(Reaches 1-4)</b></p>                         | <p><b>Construction phase:</b> Activity associated with lock construction will be prominent in the foreground of <b>Photo 2.3</b>. The operational scheme will also be visible but not incongruous given the existing baseline view of the watercourse.</p> <p><b>Operational phase:</b> The nature of the topography restricts direct views of the low lying valley floor from PRoW which cross the agricultural landscape. The extent of vegetation within the valley also prevents the site from forming a defined linear route within the landscape from many of these routes.</p> |
| Issue/ or receptor  | Potential effects   |
|   |  <p><b>Photo 2.3: View looking north east from Public Footpath SB52, Alveston</b></p>   |

|   |  |
|---|--|
| <p>Users of Shakespeare's Avon Way<br/>(<b>Reaches 1-4</b>)</p>                 | <p><b>Construction phase:</b> Localised tree felling works and machinery associated with construction of the lock in the left hand frame of the view will be potentially visible from the elevated vantage point is available from the route of the Shakespeare's Avon Way at Alveston.</p> <p><b>Operational phase:</b> Direct views to the operational scheme will be limited due to intervening planting on the valley floor (<b>Photo 2.4</b>).</p>  <p><b>Photo 2.4.: View looking south from Shakespeare's Avon Way, north of Alveston</b></p> |
| <p>Users of Centenary Way to the east of Castle Bridge<br/>(<b>Reach 4</b>)</p> | <p><b>Construction phase:</b> Construction works at this location will be largely confined to the river corridor, with the exception of the area adjacent the Emscote Aqueduct.</p> <p><b>Operational phase:</b> Views towards the operational scheme will be filtered by the extent of intervening vegetation parallel the River Avon (<b>Photo 2.5</b>). This tree cover should not be significantly affected by the works in the construction or operational phases.</p>  |
| <p><b>Issue/ or receptor</b></p>  | <p><b>Potential effects</b></p>  |
|   |  <p><b>Photo 2.5: View looking east looking towards Emscote Aqueduct</b></p>   |



| <p>Transient receptors on the A429 and A439<br/><b>(Reaches 1-3)</b></p> | <p><b>Construction phase:</b> Vehicular movements of earth moving machinery and potential visibility of construction compounds will be available from the corridor of the A429 in the construction phase (<b>Photo 2.6</b>). However, views towards the site from users of these transport corridors are transient in nature and are moving largely perpendicular to the direction of the view.</p> <p><b>Operational phase:</b> In the operational phase, views of the locks will be visible in close proximity. However, views towards the watercourse will be somewhat restricted due to the shallow cutting. These features will not be incongruous given the rural setting.</p>  <p><b>Photo 2.6: View looking west from the A429</b></p> |
|--|--|
| <p>Transient receptors on minor roads<br/><b>(Reaches 1-4)</b></p>       | <p><b>Construction phase:</b> <b>Photo 2.7</b> affords a locally elevated vantage point but views to the valley floor views are restricted due to the extent of intervening vegetation. Construction of locks within the Sherbourne Loop (option B) will be partially visible from this location as a result of localised tree clearance.</p> <p><b>Operational phase:</b> Visibility of the River Avon within the wider landscape is limited and locks at the operational stage have been assessed as only perceptible from localised viewpoints within the study area.</p>   |
| Issue/ or receptor   | Potential effects  |
|  |  <p><b>Photo 2.7: View looking east from Fulbrook Lane</b></p>   |

## Potential Mitigation / Enhancement

- 2.26 Due to the nature of the existing river corridor, the Proposed Project will involve the removal of vegetation along the watercourse to facilitate construction. It will be important to minimise removal of vegetation and trees, particularly as this bankside vegetation contributes to the character of the wider landscape. The overall strategy outlined for the *Avon Valley RCA* within the *Warwickshire Landscapes Project (1993)* recommends that the special character of the river landscapes require conservation and enhancement. Landscape mitigation proposals should therefore aim to retain and/or reinstate the pattern of riverside trees which form a distinctive feature of the River Avon floodplain.
- 2.27 Landscape mitigation objectives for the Proposed Project should include:
- Avoidance of loss of existing vegetation adjacent and near to the River Avon
  - Integrate the Proposed Project into the landscape post construction through appropriate replication of characteristic landscape elements such as riverside trees, strong hedgerow patterns, arable farmland and riparian vegetation;
  - Enhance the experience of users of the Proposed Project through creation of a high quality environment.
  - Use of sensitive materials and finishes to scheme infrastructure such as locks, particularly in locations within conservation areas or which form the setting to conservation areas and listed buildings.
- 2.28 Although the recommended landscape mitigation is unlikely to fully screen the development from all potential viewpoints, it will be important to design in mitigation to reduce effects on landscape character and visual amenity. Even if measures are taken to integrate the development into the landscape, it is likely to create a permanent contribution to landscape character.

## Next Steps

- 2.29 A preliminary review of the baseline information suggests that a planning application for the project will, most likely, need to be supported by an environmental impact assessment; subject to the result of a screening exercise by the determining authority (likely to be authorities). An assessment for an Environmental Impact Assessment would need to be undertaken using GLVIA3. This should include an assessment of potential receptors outlined previously as well as any representative viewpoints that might be required following consultation with Stratford-on-Avon District Council, Warwick District Council and Warwickshire County Council.

# **3 Historic Environment**

## 3 Historic Environment

### Introduction

- 3.1 This chapter comprises a high-level assessment of the potential effects of the Upper Avon Navigation project on the Historic Environment, including both above and below ground assets. The assessment has been undertaken in line with Historic England's *Conservation Principles* (2008) and *The Setting of Heritage Assets* (2<sup>nd</sup> Ed. 2017).
- 3.2 The chapter is accompanied by **Historic Environment Asset Plans**, shown in **Appendix 3** which map the historic environment assets identified and discussed, as well as gazetteers, in **Appendix 2** which include details of the assets identified with each reach of the proposed scheme.

### Scope of Assessment Undertaken to Date

#### Study Area

- 3.3 For the purposes of the assessment, the study area for all designated and non-designated assets was defined as 500m (in each direction) around the extent of the proposed scheme, including the potential new canal cutting and the connection to the Grand Union Canal.

#### Desk Based Research and Data Sources

- 3.4 The following data sources have informed the assessment:
- The Historic England National Heritage List, and supporting spatial data, for information on designated heritage assets.
  - Stratford-on-Avon District Council and Warwick District Council were directly contacted, and their websites also interrogated, for information on locally-designated assets<sup>4</sup>.
  - The Warwickshire County Council Historic Environment Record (HER) for information on designated and undesignated heritage assets and previous archaeological work.
  - The National Trust Heritage Records on-line website was also reviewed for information relating to Charlecote Park<sup>5</sup>, from which heritage assets within the course of the river have been added to the baseline.
- 3.5 Additional literature and websites utilised are set out near the end of this chapter.
- 3.6 Given the high-level character of this assessment no historical maps, historical aerial imagery, LiDAR data have been reviewed.

#### Field visit

- 3.7 A targeted project 'drive-over' was undertaken on May 8<sup>th</sup> by a member of LUC's Historic Environment Team. The visit was undertaken to better contextualise the proposed Upper Avon Navigation Scheme and its effects on those assets, and their settings, most likely to be affected.
- 3.8 The visit was undertaken in good weather conditions but access was restricted in some parts of the project area. An additional, more comprehensive, site survey may indicate the presence of assets not identified herein and/or the absence of assets identified by desk-based research. It may also alter our understanding of the extent, condition and setting of some assets.

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<sup>4</sup> Locally listed building information was only available from Stratford-upon-Avon District Council.

<sup>5</sup> A request for digital was made to the National Trust, but the results were not available prior to the time of writing. Instead the interactive map available at <https://heritagerecords.nationaltrust.org.uk/map> was interrogated on 11 May 2018.

- 3.9 A full photographic record of those assets visited was made during the site drive-over and appropriate Photos are included in the section on Existing Conditions below.

### Consultation

- 1.10 Peter Brett Associates (PBA) undertook a stakeholder meeting with Historic England and National Trust on 12th April 2018. Historic England advised that online sources alone would be an insufficient basis for assessment and that Warwickshire County Council should be contacted in order to ensure that all relevant Historic Environment data was captured.

## Existing Conditions

- 1.11 **Table 3.1:** Summary of heritage assets within study area below summarises the total number of designated assets and non-designated HER assets within the study area and potentially affected by each of the four proposed scheme reaches. Further information on the assets identified can be found in **Appendix 2**.

**Table 3.1: Summary of heritage assets within study area**

| Asset Type                                    | Reach 1    | Reach 2    | Reach 3    | Reach 4    | Total*      |
|---|------------|------------|------------|------------|-------------|
| <b>Scheduled Monuments</b>                    | 3          | 2          | 6          | 5          | <b>16</b>   |
| <b>Registered Parks and Gardens</b>           | 1          | 1          | 1          | 4          | <b>5</b>    |
| <b>Listed Buildings</b>                       | 14         | 45         | 54         | 285        | <b>398</b>  |
| <b>Conservation Areas</b>                     | 2          | 1          | 3          | 2          | <b>7</b>    |
| <b>Significant Buildings (Locally Listed)</b> | 42         | N/A        | N/A        | N/A        | <b>42</b>   |
| <b>Non-designated Assets</b>                  | 52         | 94         | 130        | 294        | <b>552</b>  |
| <b>Total (per reach)</b>                      | <b>114</b> | <b>143</b> | <b>194</b> | <b>590</b> | <b>1025</b> |

\* The total number of assets in the left column is not the sum of the assets in each reach as some assets extend between two reaches.

### Designated assets

- 3.10 The following section of the report draws out the key designated assets within the study area with the potential to be effected by the project proposals.
- 3.11 Of the 16 Scheduled Monuments within the study area, the majority are set back from the river and should not be directly impacted by the project proposals. There are two exceptions to this. The first is the remains of Warwick Castle Old Bridge (1005772), a medieval bridge which survives in three sections and was the main route into Warwick until 1788, after which it was enhanced as a picturesque feature (depicted in **Photo 3.1** below).





Photo 3.1: View of the Scheduled and Grade II\* Listed remains of the Old Castle Bridge at Warwick Castle from the garden of the Grade II Listed Mill Cottage (facing southwest)



Photo 3.2: View of the Grade I Listed Warwick Castle and the Grade II\* Listed Warwick Castle Mill from the garden of the Grade II Listed Mill Cottage (facing southwest)

- 3.12 As **Photo 3.1** illustrates, the asset represents a significant presence in the river channel. Although partially collapsed, the extant arches and cutwaters are likely to pose a challenge to navigation. The second exception is Castle Bridge (1002987), which was built as a replacement for Warwick Castle Old Bridge in 1788-93, to designs by David and Robert Saunders.
- 3.13 Both of these bridges now form an important element of the designed landscape of Warwick Castle and its park, and are listed in addition to being scheduled. They form part of a larger group of listed structures within the nationally important Grade I Registered Park and Garden, Warwick Castle (1000386), with the potential to be affected by the scheme as a result of either (or both) change to their functional or designed relationship with the river. **Photo 3.2** above illustrates the visual and functional relationship between the river corridor, the Castle Mill and the castle behind.



The character of the river currently makes an important contribution to the setting of the individual assets, and the significance of the wider designed landscape.

- 3.14 A second group of listed buildings with the potential to be affected by the scheme lie within Charlecote Park, a Grade II\* Registered Park and Garden (1001187) featuring a 16<sup>th</sup> century deer park and later formal gardens and pleasure gardens (See **Photo 3.3**). In the mid-18<sup>th</sup> century the park was remodelled in the fashionable, naturalistic 'Picturesque' style by the internationally important landscape and garden designer - Lancelot 'Capability' Brown. In total, there are 17 Listed buildings in Charlecote Park, of which three – the Grade I listed Charlecote Hall (1381799; Photo 3.3 below), the West Terrace wall and steps (1381806; Photo 3.4 below) and the cascade at the mouth of the River Dene (1381810) - share a functional or designed relationship with the River Avon, and as such have the potential to be affected by the project proposals (See **Photo 3.4**).



Photo 3.3: Grade I Listed Charlecote Hall (facing north)



Photo 3.4: View from Charlecote Hall towards the Grade II Listed Terrace and Croquet Lawn (facing southwest)

- 3.15 Other listed buildings lie along the edge of the River Avon, but few of these have a relationship with the river that will, in heritage terms, be affected by the project proposals. The two Registered Parks and Gardens already mentioned – Warwick Castle (1000386) and Charlecote Park (1001187) – are the only ones that the River Avon passes through and are, as such, liable to effects from the project proposals. Both of these Registered Parks and Gardens also lie within larger Conservation Areas, which have the potential to be affected in terms of character and setting.
- 3.16 Other Conservation Areas with the potential to be affected include Alveston. The former is primarily rural in character with a setting of open fields and parks and numerous mature trees and hedges. The River Avon has been influential in the development of Alveston, as there were historically a number of river crossing points and watermills within the village. However, the modern connection with the river is not as strong with the only public access to the river presently being via Swiffen bank, an area of low lying ground adjacent to the old Ferry landing (Stratford-On-Avon District Council 1992, 7).
- 3.17 Barford Conservation Area may also potentially be affected. This large village of diverse historic properties includes a significant open area along the river, towards which there are important views from Bridge Street, the northern boundary of the Conservation Area, and through the wooded approach from Barford Hill (Warwick District Council N.D., 4-5).

### Non-designated Assets

- 3.18 The non-designated assets include a wide range of finds and monuments dating from the prehistoric to present. These reflect the fact that, beyond the flood plain, the river valley would have been an attractive area to settle providing water, food, transport, and, during the industrial period, power, primarily for water mills (photo 3.5 below).



Photo 3.5: Extant watermill weir at Alveston (facing southeast)

### Potential Effects on Historic Environment

- 3.19 The potential effects of the proposed scheme have been subject to high-level assessment on a reach-by-reach basis, the results of which are presented in **Table 3.4** to **Table 3.7** below.
- 3.20 Based on the current project proposals there is the potential for effects on historic environment assets as a result of intrusive groundworks relating to the construction of locks, a possible new canal cutting (option A), and either boat lifting device or series of locks to connect with the Grand Union Canal. The setting of historic environment assets



may also possibly be affected by the construction of this new infrastructure, as well as by river traffic during operation of the river.

- 3.21 The scheme is also likely to require dredging to increase the depth of the river in certain locations. Such activity has the potential to disturb and remove riverine/alluvial deposits which may contain significant archaeological and paleoenvironmental remains.
- 3.22 Access for construction vehicles and construction compounds could also potentially affect historic environment assets by temporarily affecting their setting or by causing permanent physical change.

### Risk of harm

- 3.23 As a strategic level assessment, informed by desk-based sources and a site visit has been undertaken, potential effects on heritage assets is described as 'risk of harm'. The level of detail currently available on the scheme does not facilitate a more detailed understanding of the potential effects – nor the mitigation measures available to reduce the potential for harm.

### Asset importance

- 3.24 The importance of assets is described on a scale as follows:

**Table 3.4: importance of heritage assets**

| Importance | Example  |
|------------|--|
| High       | <p>Statutory designations:</p> <ul style="list-style-type: none"> <li>Scheduled Monument</li> <li>Listed Buildings<sup>6</sup></li> <li>Conservation Areas<sup>7</sup></li> </ul> <p>Non-statutory national designations:</p> <ul style="list-style-type: none"> <li>World Heritage Sites (none present)</li> <li>Registered Parks and Gardens</li> <li>Registered Battlefields</li> </ul> <p>Non-designated assets of archaeological interest that can be shown to meet the tests of national significance required for Scheduled Monuments<sup>8</sup></p> |
| Medium     | <p>Assets of regional / more than local importance, for example:</p> <ul style="list-style-type: none"> <li>assets that are locally/regionally uncommon</li> <li>assets that are locally/regionally distinctive, but that do not meet the tests of national significance</li> </ul>  |
| Low        | Assets of local importance   |
| Negligible | Not considered to be a heritage asset for the purposes of NPPF: either little to no expression of heritage values and significance, or where asset location is unconfirmed.  |

- 3.25 Assets may straddle categories where there is uncertainty regarding their importance (for example 'Low-Medium' for archaeological assets that may be of regional importance, but insufficient information is available from desk-based research to provide a more detailed understanding of their significance).

<sup>6</sup> All grades of Listed Building are treated as assets of 'High' importance. Legislation makes no distinction between grades, therefore all are considered to be of 'special architectural or historical importance'. Differing levels of significance, as reflected in grading, may be moderated through an understanding of assets' sensitivity to change for the purposes of impact assessment.

<sup>7</sup> While designated by local planning authorities, Conservation Areas are statutory designations confirmed by Ministers and are afforded significant legal protection

<sup>8</sup> In line with Paragraph 139 of the National Planning Policy Framework

### Risk of harm

3.26 Risk of harm to heritage assets is defined using the following scales:

**Table 3.5: Risk rating scale**

| Risk               | Definition   |
|--------------------|--|
| <b>High</b>        | Asset is of <b>high or medium significance</b> and the risk is likely to be of such a scale that the significance of the heritage asset would likely be <b>substantially harmed</b> .  |
| <b>Medium-high</b> | Asset is of <b>high or medium significance</b> and the risk is likely to be of such a scale that the significance of the asset would be harmed; while this would be less than substantial harm for the purposes of NPPF it would still represent a significant change.   |
| <b>Medium</b>      | Asset is of <b>low significance</b> and the risk will be of such a scale that the significance of the asset would be <b>substantially harmed</b> .<br>OR<br>Asset is of <b>high or medium significance</b> and the risk is likely to be of such a scale that the significance of the asset would be harmed, but not substantially. (This would constitute the lower end of less than substantial harm for the purposes of NPPF.) |
| <b>Low-medium</b>  | Asset is of <b>low significance</b> but the scale of the impact will be of such a scale that the significance of the asset would be harmed but not substantially.  |
| <b>Low</b>         | Asset is of high, medium or low significance and the potential risk is likely to be of such a minimal scale that, although a change will be legible, the <b>significance of the asset will not be harmed</b> .   |
| <b>Negligible</b>  | Asset is of high, medium or low significance and the potential risk is minimal; change is unlikely to be legible.<br>OR<br>Asset of negligible heritage value and significance.  |

3.27 The level of risk identified may straddle categories where there is some uncertainty. This is based on appropriate professional judgement.

### Assumptions

3.28 There is little detail associated with the scheme proposals at present. A number of assumptions have therefore been made to support a strategic assessment of the likely risks to heritage assets.

- Infrastructure is assumed to be of broadly typical, modern design and of scale equivalent to that provided in similar situations – no bespoke design has been assumed.
- No assumptions have been made regarding the design, extent or risks arising from the proposed boat lift due to the breadth of possible design and construction approaches.
- Where suitable options for mitigation are available, residual risk ratings assume that this has been successfully applied. At the level of detail currently available, there is no guarantee that the measures suggested will be either applicable or effective at detailed design stage.

### Reach 1: Tiddington to Charlecote Park

3.29 Infrastructure associated with this reach comprises the construction of Tiddington and the other by Alveston weir.

**Table 3.4: Reach 1, Assets potentially affected, risk of harm and opportunities for mitigation**

| Historic Environment Receptor(s)        | Importance     | Potential for effects   | Risk of harm | Opportunities for avoidance / mitigation   | Potential residual risk of harm   |
|---|----------------|---|--------------|--|---|
| Possible Site of Dodda's Ford (MWA8636) | Low-negligible | Construction of the second lock along this reach may result in physical change to any potential remains associated with this medieval crossing point.   | Medium       | Further desk-based research, and possibly field evaluation, would likely be required to clarify the potential for archaeological remains and, if present, the potential impact to them.      | Uncertain – understanding of effect contingent on field investigation         |
| Alveston Mill (MWA1038)                 | Low            | Construction of the second lock along this reach may result in physical change to the mill weir which remains extant.<br><br>Any intrusive groundworks associated with the construction may also result in physical change to any potential buried remains relating to the demolished mill structure. | Medium       | further desk-based research, and possibly field evaluation, would likely be required to clarify the potential and value of archaeological remains present, and the potential impact to them. | Uncertain/negligible if avoidance is possible;<br><br>Uncertain/medium if not |
| Alveston Medieval Settlement (MWA9136)  | Low            | Construction works may result in physical change to archaeological remains associated with the settlement.  | Low          | Further desk-based research, and possibly field evaluation, would likely be required to clarify the potential for archaeological remains and, if present, the potential impact to them.      | Uncertain/low   |
| Possible Site of Dodda's Ford (MWA952)  | Low-negligible | Construction works may result in physical change to any potential remains associated with this medieval crossing point.   | Medium       | Further desk-based research, and possibly field evaluation, would likely be required to clarify the potential for archaeological remains and, if present, the potential impact to them.      | Uncertain – understanding of effect contingent on field investigation         |

## Reach 2: Charlecote Park to north of Wasperton

3.30 Infrastructure associated with this reach includes a lock.

**Table 3.5: Reach 2, Assets potentially affected, risk of harm and opportunities for mitigation**

| Historic Environment Receptor(s)  | Importance | Potential Effects   | Risk of harm | Opportunities for avoidance / mitigation  | Potential residual risk of harm  |
|---|------------|---|--------------|---|--|
| Charlecote Park - Grade II* Registered Park and Garden containing 17 Grade I – II Listed buildings, as well as multiple non-designated assets | High       | <p>Charlecote Park comprises a 16<sup>th</sup> century deer park and 17<sup>th</sup> century formal gardens landscaped in the mid-18<sup>th</sup> century by Lancelot Brown, with 19<sup>th</sup> century formal gardens and pleasure grounds. The park surrounds the 16<sup>th</sup> century Charlecote Hall (Grade I Listed Building - 1381799/ MNA152910), which was remodelled in the early and mid-19<sup>th</sup> century, as well as an array of listed structures associated with the estate. The park is currently in the ownership of the National Trust.</p> <p>The construction of the lock would also potentially affect the setting of the park. In contrast, the proposed lock is located in an area of agricultural land meaning that its effect is unlikely to have a significant effect on the setting of the park.</p> <p>In the case of either option, the operation of the proposed canal would also introduce river traffic into designed views to and from Charlecote Hall and its immediate environs. In addition to affecting the setting of the park, this would also affect the setting of the Grade I Listed Charlecote Hall and the Grade II Listed Terrace Wall and Steps to West Terrace and Croquet Lawn.</p> | Medium-High  | <p>The proposed escorted navigation option entails more engineering works in the environs of the park and the designated assets contained within it than the normal navigation would and, as such, is likely to have a greater effect both physically to the park and to any non-designated assets within the area of planned works.</p> <p>Either option will affect the parks setting and that of other assets within it.</p> <p>A full heritage statement/ desk-based study should be undertaken to understand the contribution of the affected area to the significance of the Registered Park and Garden.</p> <p>Mitigation / avoidance by design should be prioritised – placing new infrastructure outside the RPG boundary.</p> | <p>Uncertain / medium</p> <p>Placing of engineering works within the RPG will likely give rise to some harm to an asset of the highest significance.</p> <p>The introduction of navigation will inevitably result in change to the character of the park, and the setting of assets therein.</p> |

| Historic Environment Receptor(s)   | Importance | Potential Effects   | Risk of harm       | Opportunities for avoidance / mitigation  | Potential residual risk of harm  |
|--|------------|---|--------------------|---|--|
| Avonside - Grade II Listed Building (1382117)  | High       | The construction of the lock has the potential to affect the setting of this 18 <sup>th</sup> century house and school, which sits directly adjacent to the River Avon and may have designed views of it from its garden. While this would represent a degree of change to the assets' setting, the significance of the assets is unlikely to be affected to any meaningful extent.   | Low-negligible     | Mitigation by design to avoid physical change to the curtilage of the Listed Building, as well as potential setting change.   | Low-negligible   |
| Bridge over River Avon - Grade II Listed Building (1382105)  | High       | There is the potential for physical change to this asset should it be necessary to provide clearance under the bridge. During operation of the canal there is also the potential for the bridge to sustain damage as a result of collision with river traffic. Installation of suitable collision protection may also affect the asset's heritage significance.<br><br>Listed building consent would be required in either instance.  | Uncertain / medium | Measures will be required to provide suitable protection for the bridge; these would require Listed Building Consent and would need to be accompanied by a heritage statement.<br><br>(It is unlikely that works to increase air draft would be granted listed building consent, as this would likely result in significant harm to the asset)<br><br>Collision protection devices could also result in a degree of setting change to the asset; this would be strongly dependent on placement and design | Uncertain / medium   |
| Charlecote Mill (that part in Charlecote) - Grade II Listed Building (1381813); Charlecote Mill (that part in Hampton Lucy) - Grade II* Listed Building (1382109); Charlecote Mill House - Grade II Listed Building (1381814); and Post Medieval to Industrial mill pond (MWA1153) | High       | These assets share a functional and historical relationship with the river, which the construction of the lock may physically change. Changes in water level or flow rates could affect both the functioning and relationships of assets to the river – giving rise to harm and potentially setting change<br><br>The construction of the lock would also affect the setting of these assets.<br><br>Any engineering works relating to this asset or historic fabric within their curtilage (that would potentially be covered by curtilage listing) would require Listed Building Consent. | Medium - high      | Mitigation by design to avoid effects on asset function, and minimise any reduction in the legibility of the on the historical and functional relationship of these assets to the River Avon.<br><br>A full heritage statement/ desk-based study should be undertaken.  | Low/negligible – if functional effects mitigated by design<br><br>Uncertain/Medium-high if not |

| Historic Environment Receptor(s)            | Importance | Potential Effects   | Risk of harm | Opportunities for avoidance / mitigation   | Potential residual risk of harm |
|---|------------|---|--------------|--|---------------------------------|
| Charlecote & Hampton Lucy Conservation Area | High       | Construction of the lock would result in physical change to the character and appearance of the Conservation Area that may also affect its setting. | Medium       | Mitigation by design – placement of lock outside Conservation Area should be prioritised to avoid/minimise harm. | Uncertain/Medium                |



### Reach 3: North of Wasperton to Warwick Castle

- 3.31 Infrastructure associated with the reach comprises four locks along the existing course of the river at Barford, alternatively it is proposed that a new canal cutting with two locks be constructed parallel to the A429.

**Table 3.6: Reach 3, Assets potentially affected, risk of harm and opportunities for mitigation**

| Historic Environment Receptor(s)  | Importance | Potential Effects   | Risk of harm              | Opportunities for avoidance / mitigation  | Potential residual risk of harm |
|---|------------|---|---------------------------|---|---------------------------------|
| Late Bronze age to Romano-British settlement at Grove Field Farm (MWA12727) | Low-medium | There is potential for the first lock on the River Avon to truncate/ remove remains associated with this asset.                         | <b>Uncertain</b>          | Further investigation would be required to clarify the potential for archaeological remains. If present, field evaluation and mitigation by record may be necessary.                  | Uncertain                       |
| Site of Fulbrook Deserted Medieval Settlement (MWA834)                      | Low        | There is the potential for the construction of the third lock on the River Avon to truncate/ remove remains associated with this asset. | <b>Uncertain</b>          | Further investigation would be required to clarify the potential for archaeological remains and their extent. If present, field evaluation and mitigation by record may be necessary. | Uncertain                       |
| Site of Possible Barrow (MWA7287)   | Low        | Construction of the new canal cutting would result in the truncation/ removal of remains associated with this asset.                    | <b>Uncertain</b>          | Further investigation would be required to clarify the potential for archaeological remains and their extent. If present, field evaluation and mitigation by record may be necessary. | Uncertain                       |
| Barford Medieval Settlement (MWA4621)                                       | Low        | The new canal cutting would remove any remains associated with this asset within its footprint.   | <b>Uncertain</b>          | Further investigation would be required to clarify the potential for archaeological remains and their extent. If present, field evaluation and mitigation by record may be necessary. | Uncertain                       |
| Undated crop mark settlement, Barford (MWA7282)                             | Low        | The new canal cutting would remove any remains associated with this asset within its footprint.   | <b>Uncertain / medium</b> | Further investigation would be required to clarify the potential for archaeological remains and their extent. If present, field evaluation and mitigation by record may be necessary. | <b>Uncertain / medium</b>       |

| Historic Environment Receptor(s)   | Importance | Potential Effects  | Risk of harm                   | Opportunities for avoidance / mitigation   | Potential residual risk of harm |
|--|------------|--|--------------------------------|--|---------------------------------|
|  | Low        |  |                                | As asset is directly on the route of the new canal cutting, it is likely that complete avoidance would not be an option.   |                                 |
| Battery (MWA8012)  |            | Construction of a lock has the potential to result in physical change to this asset.   | <b>Uncertain / low</b>         | Further investigation would be required to clarify the potential for archaeological remains and their extent. If present, field evaluation and mitigation by record may be necessary.  | Low                             |
| <p>Late Mesolithic flint (MWA12886)</p> <p>Late Neolithic/Bronze Age flints (MWA12887)</p> <p>Findspot - Prehistoric flint scatter (MWA7308)</p> <p>Late Bronze Age/Early Iron Age Pit (MWA12888)</p> <p>Area of Middle-Late Iron Age Pits and L-shaped ditch (MWA12891)</p> <p>Area of Middle-Late Iron Age Pits and Postholes (MWA12885)</p> <p>Late Iron Age/Romano British activity (MWA701)</p> <p>A series of Romano-British gullies (MWA12893) and (MWA12889)</p> <p>Romano-British Pit (MWA12892)</p> <p>Anglo-Saxon</p> | Medium     | During excavation of the Barford By-pass (A429) evidence for activity dating from the prehistoric to Anglo-Saxon periods was found. There is a high potential for further remains to be present with the area of the new canal cutting, the construction of which would result in their truncation/ removal. | <b>Uncertain / Medium-High</b> | <p>Further investigation would be required to clarify the potential for further archaeological remains and their extent. If present, field evaluation and mitigation by record may be necessary.</p> <p>As asset is directly on the route of the new canal cutting, it is likely that complete avoidance would not be an option.</p> | Uncertain / Medium-High         |

| Historic Environment Receptor(s)                                   | Importance | Potential Effects  | Risk of harm | Opportunities for avoidance / mitigation  | Potential residual risk of harm                                     |
|--|------------|--|--------------|---|---|
| Occupation (MWA10256)  |            |  |              |   |   |
| Barford Bridge – Grade II Listed Building II (1319939)             | High       | <p>During operation of the route there is the potential for the bridge to sustain damage as a result of collision with river traffic.</p> <p>Installation of appropriate collision protection could give rise to harm through both alteration of historic fabric and setting change, depending on location and design.</p> <p>(As an 18<sup>th</sup> century river crossing, the bridge may not have sufficient air draft to allow passage of normal canal traffic.)</p> | Medium       | <p>Measures will be required to provide suitable protection for the bridge; these would require Listed Building Consent, which would need to be accompanied by a heritage statement.</p> <p>Careful investigation of air draft / navigable channels should be conducted.</p> <p>(Should air draft of the bridge prove insufficient to facilitate normal navigation, works to increase clearance would likely give rise to substantial harm to the asset. This would represent a high level of risk to the project.)</p> | Medium<br>(High where additional clearance for navigation required) |
| Leaffield Bridge – Grade II Listed Building II (1035509/ MWA20219) | High       | <p>During operation of the canal there is the potential for the bridge to sustain damage as a result of collision with river traffic.</p> <p>Installation of any collision protection / channel marker devices would also require listed building consent (if affixed to the fabric of the asset), and could change the fabric or setting of the asset.</p>  | Low          | <p>The single span design of the bridge, with the arch springing directly from the waterline, means that the navigable air draft will be in the centre of the channel – therefore collision with the fabric of the bridge will be unlikely if the navigable channel is delineated by in-channel markers (e.g. posts). Similarly, works to the structure should not be required, and should – in any case – be avoided.</p>  | Low-negligible  |

| Historic Environment Receptor(s)   | Importance | Potential Effects  | Risk of harm | Opportunities for avoidance / mitigation  | Potential residual risk of harm   |
|--|------------|--|--------------|---|---|
| Warwick Castle – Grade I Registered Park and Garden (1000386/ MWA6956) containing 10 Grade I – II Listed Buildings and 3 Scheduled Monuments | High       | <p>A mid-18<sup>th</sup> century park and pleasure grounds landscaped by Lancelot Brown, with late 18<sup>th</sup> century picturesque additions, together with mid-19<sup>th</sup> century gardens designed by Robert Marnock and an early 20<sup>th</sup> century garden by Harold Peto. The park contains a number of designated assets and is of very high (national) importance.</p> <p>Installation of a lock within the RPG boundary may result in physical change, through the introduction of modern built infrastructure out of character with the park, and potentially with resultant changes to river morphology.</p> | Medium-high  | Installation of the lock is likely to give rise to some level of harm due to both the introduction of potentially incongruous infrastructure, changes to the river channel and attendant hydrological changes – all of which could change the character and physical appearance of the affected section of RPG. | <p>(Low with mitigation by design)</p> <p>Medium-high for lock, due to potential for change in character (may be reduced dependent on precise location and design – but hydrological effects and widening / formalisation of channel likely to be key source of character change)</p> |
| Warwick Conservation Area  | High       | Installation of a lock within the CA boundary may result in physical change, through the introduction of modern built infrastructure out of character with the park, and potentially with resultant changes to river morphology.   | Medium-high  | Installation of the lock is likely to give rise to some level of harm due to both the introduction of potentially incongruous infrastructure, changes to the river channel and attendant hydrological changes – all of which could change the character and physical appearance of the affected section of RPG. | Medium-high for lock, due to potential for change in character (may be reduced dependent on precise location and design – but hydrological effects and widening / formalisation of channel likely to be key source of character change)   |

#### Reach 4: Warwick Castle to the Grand Union Canal

- 3.32 Infrastructure associated with the reach comprises a lock and a connection with the Grand Union Canal, either by a boat lifting device or series of locks.

**Table 3.7: Reach 4, Assets potentially affected, risk of harm and opportunities for mitigation**

| Historic Environment Receptor(s)   | Importance | Potential Effects  | Risk of harm | Opportunities for avoidance / mitigation   | Potential residual risk of harm  |
|--|------------|--|--------------|--|--|
| Warwick Castle – Grade I Registered Park and Garden (1000386/ MWA6956) containing 10 Grade I – II Listed Buildings and 3 Scheduled Monuments | High       | <p>Warwick Castle Old Bridge presents a significant challenge to navigation as its remains occupy much of the channel, with little space to manoeuvre between the extant cutwaters and arches to reach the side channel where the proposed lock will be located. Any engineering works relating to the Old Bridge (e.g. collision protection) would require Scheduled Monument Consent – although it should be noted that this would be unlikely to be granted for works resulting in adverse effects to the asset.</p> <p>Warwick Castle Bridge is a single-span structure and should provide sufficient air draft to allow navigation – although channel markers may be required to reduce the risk of collision with the abutments or lower sections of the arch.</p> <p>Introduction of locks, in this reach and at the northern end of Reach 3 (to deal with the change in river level at the castle mill weir), would result in the introduction of potentially incongruous infrastructure and hydrological effects that are likely to change the existing character and appearance of the affected section of RPG. As this is directly adjacent to both the Scheduled Old Castle and Grade I listed castle, along with the Scheduled remains of Old Castle Bridge and the Grade II* Castle Mill, the potential for significant setting change to assets of the highest importance is extensive.</p> <p>Operation of the scheme would introduce to river traffic to this area raising the possibility for the two bridges to sustain damage as a result of collision with river traffic. As a result of the potential physical change, and the introduction of river traffic through the operation of the scheme, there would be change to the setting of the Registered Park and Garden and a number of the designated assets within it which have designed views to and from the River Avon.</p> | High         | <p>Mitigation by design to minimise impact upon the character and designed setting of the Warwick Park RPG, and the designated assets within it, especially the Old and New Castles and Bridges, should be prioritised – although it should be noted that a degree of harm is inevitable given the scale and extent of works required.</p> <p>Collision protection measures for Warwick Castle Bridge should be in-channel markers, and not affixed to the historic fabric to avoid adverse effects. There may, however, be limited setting change.</p> <p>The affected area may also be of high archaeological potential, given its proximity to the castle and centres of medieval activity.</p> <p>A full heritage impact assessment would need to be undertaken to evaluate the physical and setting impacts to the park and the designated and non-designated assets within it.</p> | High<br>Even with careful design and mitigation, the significance of the assets involved and the complexity of their interacting histories and setting dictates a strongly precautionary approach. |

| Historic Environment Receptor(s)                                      | Importance | Potential Effects   | Risk of harm | Opportunities for avoidance / mitigation   | Potential residual risk of harm |
|---|------------|---|--------------|--|---------------------------------|
|   |            | <p>The assets which would experience setting change include:</p> <ul style="list-style-type: none"> <li>- The Grade I Listed Building, Warwick Castle (1364805), which has designed views to and from the river, gardens, and bridges.</li> <li>- The remains of Warwick Castle Old Bridge which are a Scheduled Monument and Grade II* Listed Building (1005772/ 1035499), which features in designed views to and from Warwick Castle and Castle Bridge.</li> <li>- The Grade II* Listed Building and Scheduled Monument (1002987/ 1184083) Castle Bridge, which has designed views to and from the castle, river, and gardens.</li> </ul> <p>This change may be significant.</p> |              |  |                                 |
| Mill Cottage And 55, Mill Street – Grade II Listed Building (1035428) | High       | Part of the remains of the Grade II* Listed and Scheduled Warwick Castle Old Bridge (1005772/ 1035499) extend into the garden of this asset. Any engineering works associated with the Old Bridge may result in setting change that could potentially affect the designed views of the garden which take in Warwick Castle and its immediate environs.  | Medium       | <p>Mitigation by design and evaluation of to what extent potential setting change would impact the heritage significance of the asset.</p> <p>Given the need for a level of engineering works in this area to facilitate the scheme makes a level of harm to the setting of the asset likely</p> | Medium                          |

## Potential Mitigation

- 3.33 Mitigation measures for each reach are set out against each asset likely to be affected by the scheme, in **Tables 3.4-3.7** above.
- 3.34 Given the potential for physical and setting change to a range of historic environment assets mitigation by design should be undertaken where possible. Comprehensive historic environment assessment should therefore play an active role in the scheme feasibility and design process to avoid risks to both the project and important heritage assets.
- 3.35 Any dredging or channel alteration activity would require further assessment, such as review of existing borehole data (if any) and potentially evaluation/ mitigation - such as a programme of geoarchaeological investigation. Further mitigation in the form of a finds protocol may also be required.
- 3.36 Potential effects from construction vehicle access and compounds may in the first place be mitigated by design; firstly, by avoiding areas in which there are known historic environment assets, and secondly, by limiting intrusive groundworks. Where this is not practicable, it may be necessary to cordon off any above ground features and to use matting to prevent damage to buried remains from heavy vehicular movement.

## Next Steps

- 3.37 The next step would be to undertake a full desk-based assessment of the project area in accordance with guidance provided by the Chartered Institute for Archaeologists' (CIfA) Code of Conduct (2014a) and Standard and Guidance for Historic Environment Desk-Based Assessment (2017), as well as with reference to Historic England's Conservation Principles (2008), Historic Environment Good Practice Advice in Planning Note 3: The Setting of Heritage Assets (2017), and Historic Environment Good Practice Advice in Planning Note 2: Managing Significance in Decision-Taking in the Historic Environment (2015).
- 3.38 By considering a full range of data sources and undertaking a detailed walkover survey of any areas requiring engineering works, the desk-based assessment would identify, map, and assess the significance of all designated and non-designated heritage assets that are present within a defined study area, and determine the potential for the presence of unknown archaeological remains within areas where any ground intrusive works are proposed. As such, it would provide the evidence base to understand potential effects on heritage assets and to inform decisions in relation to the requirement for further evaluation (e.g. geophysical survey, trial trenching, archaeological watching brief, geoarchaeological investigations, historic building recording, etc.) as well as avoiding, minimising and/or mitigating the impact of the proposed project.
- 3.39 Given the density of known archaeological assets in some areas along the proposed scheme it should be anticipated that further evaluation and/ or mitigation will be required in a number of areas. This would need to be undertaken by qualified Historic Environment professionals in accordance with a Written Scheme of Investigation approved by the Warwickshire County Council. Early consultation with the Council is advised to determine whether further evaluation would be necessary ahead of the proposed works, or could be secured by a planning condition.
- 3.40 Continuing consultation with Historic England and the National Trust, especially in relation to embedded mitigation, will also be necessary as the most important assets to be impacted – Warwick Castle and Charlecote Park – are in their care and ownership. Historic England will also need to be consulted in relation to any potential impacts on to Grade II\* and I Listed Buildings elsewhere along the scheme. At present no other impacts are anticipated to Scheduled Monuments beyond those within Warwick Castle.

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## Websites

Google Earth Pro

The National Heritage List for England: <https://historicengland.org.uk/listing/the-list/> [accessed 11.05.2018]

The National Trust Heritage Records: <https://heritagerecords.nationaltrust.org.uk/map> [accessed 11.05.2018]

Warwick District Council website: <https://www.warwickdc.gov.uk> [accessed 11.05.2018]

Stratford-upon-Avon District Council website: <https://www.stratford.gov.uk/> [accessed 11.05.2018]



# 4 Ecological Receptors

## 4 Ecological Receptors

### Introduction

- 4.1 This chapter considers the potential ecological impacts of the Upper Avon Navigation Project in order to inform project feasibility and potential next steps. It sets out an assessment of ecological designations, habitats and notable species surrounding the area of the project, and a high level assessment of the potential effects of the project on these. Following this, the chapter also identifies potential mitigation and next steps.

### Scope of Assessment Undertaken to Date

- 4.2 This desk based assessment has utilised information provided by Stratford-on-Avon and Warwick District Councils, and Warwickshire County Council, in order to assess the potential ecological effects of making the upper section of the River Avon navigable (between Alveston Weir and the Grand Union Canal in Warwick). This chapter provides an update to the Halcrow Report of 2013, which also considered some of the high level ecological implications of the project.

### Study Area

- 4.3 This report focusses on the direct impacts of construction of the project and operational effects within the area immediately surrounding the project, although some effects which may occur further afield are also identified. The study area has been defined as 1km from the proposed scheme in all directions. Due to the limited scope of this study as a 'high level' review, the wider potential ecological effects for example due to pollution, silt, sediment disturbance, spread of invasive species and the migratory / commuting behaviour of many of the species utilising the River Avon, its tributaries and the Grand Union Canal for habitat, foraging or territory have not been assessed.

### Desk Based Research and Data Sources

- 4.4 This report was based on a desk based assessment only. The key reports and websites reviewed include:
- Catchment Data Explorer - Environment Agency – interrogated May 2018<sup>9</sup>.
  - Halcrow Report 'Feasibility Study for the Avon Extension' (version 3) – CH2M - July 2013.
  - Warwick District Habitat Assessment - Habitat Biodiversity Audit Partnership for Warwickshire, Coventry and Solihull - 2008<sup>10</sup>.
  - Stratford on Avon District Ecological and Geological Assessment - Habitat Biodiversity Audit & Warwickshire Biological Records Centre – 2009/2010<sup>11</sup>.
  - Warwickshire, Coventry and Solihull - Green Infrastructure Interactive Map – Warwickshire County Council – Interrogated May 2018<sup>12</sup>.
  - MAGIC Map - Natural England – Interrogated May 2018<sup>13</sup>.

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<sup>9</sup> <http://environment.data.gov.uk/catchment-planning/OperationalCatchment/3020/Summary>

<sup>10</sup> [https://www.warwickdc.gov.uk/download/downloads/id/2422/b03\\_-\\_warwick\\_district\\_habitat\\_assessment\\_-\\_august-october\\_2008.pdf](https://www.warwickdc.gov.uk/download/downloads/id/2422/b03_-_warwick_district_habitat_assessment_-_august-october_2008.pdf)

<sup>11</sup> <https://www.stratford.gov.uk/doc/205850/name/ED4102%20Ecological%20and%20Geological%20Assessment%20of%20Main%20Settlements%202009%2010.pdf>

<sup>12</sup> <http://maps.warwickshire.gov.uk/greeninfrastructure/>

<sup>13</sup> <http://www.natureonthemap.naturalengland.org.uk/MagicMap.aspx>

- Flood Map for Land Use Planning – HM Government – Interrogated May 2018<sup>14</sup>

4.5 In addition, the following GIS datasets were obtained and used in this assessment. Where relevant, the source of the dataset is indicated.

- Ancient Woodland Inventory (Natural England).
- Development Allocations (Stratford on Avon District Council).
- Local Wildlife Sites (Stratford on Avon District Council and Warwickshire County Council).
- Local Nature Reserves (Natural England).
- National Nature Reserves (Natural England).
- National Forest Inventory (Forestry Commission).
- Priority Habitat Inventory (Natural England).
- Sites of Special Scientific Interest (Natural England).
- Special Areas of Conservation (Natural England).
- Special Protection Areas (Natural England).
- Ramsar Sites (Natural England).
- RSPB Reserves (RSPB).
- Tree Preservation Orders (Stratford on Avon District Council).

## Existing Conditions

### Statutory designations

4.6 In terms of statutory designated sites, there are no internationally designated sites within 1km of the scheme. In addition, there is only one nationally designated site within 1km of the scheme, which is Coten End Quarry SSSI. This is approximately 485m to the north of the River Avon, in Warwick. This former sandstone quarry is designated due to the importance of fossilised remains found within the ground strata. Given the reason for the designation (fossils), the elevational change and distance, it is considered unlikely that this SSSI will be significantly affected by the proposals. As set out above other statutorily designated areas over 1km away from the project may also be affected by the proposals, but these are outside of the scope of this assessment.

### Non-statutory designations

4.7 A number of non-statutory locally designated sites have been identified within 1km of the project area, reflecting the local importance of the River Avon. In particular the River Avon and its tributaries are designated as a Linear Local Wildlife Site (LWS).

### Habitats

4.8 Habitats along the river are varied, and are set out in greater detail on a reach by reach basis below.

### Notable species

4.9 The River acts as an important wildlife corridor and supports a variety of flora and fauna including protected species. As set out above, the river itself is designated as a local wildlife site and is known for its role in supporting species of bat (including Daubenton's, noctule, common and soprano pipistrelle), otter, water vole, white-clawed crayfish and eels. In addition the river is

<sup>14</sup> <https://flood-map-for-planning.service.gov.uk/confirm-location?easting=419535.084&northing=255333.11&placeOrPostcode=stratford%20upon%20avon>

known for supporting migratory / commutable species including badger, barn owl, grass snake, common frog and common lizard and breeding warblers, which have been recorded nearby<sup>15</sup>.

### **Reach 1: Tiddington to Charlecote Park**

#### *Non statutory designations within 1km of the scheme*

- 4.10 The Tributary of River Avon Potential Local Wildlife Site is adjacent to the River and feeds into it. This contains trees which are protected by a tree preservation order.
- 4.11 The Hatton Rock Potential Local Wildlife Site is also located adjacent to the river, and at its eastern end, slightly intersects with a larger section of ancient woodland, which extends to Stratford Road.
- 4.12 Alveston Oldchurch Yard deferred Local Wildlife Site is located to the north of Alveston, approximately 330m from the River Avon.

#### *Habitat adjacent to the River Avon*

- 4.13 The area immediately adjacent to the river tends to consist of tall ruderal habitat, dense and scattered scrub. Slightly further from the river edge (in normal flow conditions) and linking to this are numerous hedgerows, broad leaved woodland and tree lines which form a network throughout the wider semi-improved neutral grassland, improved grassland and arable land.
- 4.14 There are also pockets of deciduous woodland, some of which is identified as ancient woodland.
- 4.15 The grassland and arable areas adjacent to the River Avon are prone to flooding and is known to provide important habitat for reptiles and invertebrates.
- 4.16 The river itself at this point includes a faster flowing route and a slower flowing section of meanders, with weirs also creating changes to the water flow and likely sedimentation levels.

### **Reach 2: Charlecote Park to north of Wasperton**

#### *Non statutory designations within 1km of the scheme*

- 4.17 Charlecote Park Potential Local Wildlife Site is located adjacent and surrounding the River Avon for the downstream portion of this reach. This consists predominantly of good quality semi-improved grassland with abundant *Lolium perenne* and frequent *Cynosurus cristatus*; *Poa pratensis* and occasional *Agrostis tenuis*. There are also scattered trees including oak; ash; poplar; horse chestnut; sweet chestnut; lime; beech as well as many exotics.
- 4.18 A tree preservation order also applies in Hampton Lucy protecting several local trees.
- 4.19 The River Dene Potential Local Wildlife Site follows the River Dene which forms a tributary to the Avon. This is an important green corridor which provides habitat for protected species including bats, otter, water vole and toad. The River Dene flows onto the Avon over a weir.
- 4.20 The Charlecote Gravel Pits and Thelsford Brook Potential Local Wildlife Site is approximately 250m to the east of the River Avon. This features oak and ash with beech; pine and occasional sycamore; willow and horse chestnut. This brook drains into the River Avon.
- 4.21 The Hampton Lucy Escarpment Potential Local Wildlife Site is adjacent to the River Avon. Combined with the Wasperton Manor Farm Potential Local Wildlife Site, the River Avon is surrounded on either side by these two sites for approximately 2km. These sites contain coastal floodplain and grazing marsh.
- 4.22 The Hampton Gorse Potential Local wildlife Site is located approximately 600m from the River Avon.

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<sup>15</sup> Stratford on Avon District Ecological and Geological Assessment - Habitat Biodiversity Audit & Warwickshire Biological Records Centre – 2009/2010  
<https://www.stratford.gov.uk/doc/205850/name/ED4102%20Ecological%20and%20Geological%20Assessment%20of%20Main%20Settlements%202009%2010.pdf>

- 4.23 Copdock Hill Local Wildlife Site contains short and tall grassland, tall herb vegetation, dense scrub and scattered mature trees. The main reason for designation is the species rich calcicolous grassland. This is approximately 60m from the river.

*Habitat adjacent to the River Avon*

- 4.24 As set out in the descriptions of the non-statutory designations above, typical habitats surrounding the river in this section include semi-improved grassland, and grazing marsh which is prone to flooding. There are also numerous mature trees lining the river, areas of mature woodland, and due to the developed locations some residential gardens. Further away from the river arable land is the dominant land use.
- 4.25 The river environment through this reach includes two weirs and a section of meanders bypassing Charlecote Mill.

**Reach 3: North of Wasperton to Warwick Castle**

- 4.26 Within this reach there are two main options for the scheme, including either the provision of a new canal section to the west of the A429 at Barford, or utilising the existing river bend, the Sherbourne Loop.

*Non statutory designations within 1km of the scheme*

- 4.27 Hampton Woods Local Wildlife Site contains ancient woodland and grazing marsh, and provides habitat for a number of protected species. This links directly to the River Avon.
- 4.28 Spinney, North Brook Spinney, Roman Moat and Woodland on Coplow Hill Potential Local Wildlife Sites are all located near to the River Avon, are not linked by watercourses and are all at least 120m from the river.
- 4.29 Sherbourne Brook, South Court Farm Potential Wildlife Sites lie very close and adjacent to the River Avon.
- 4.30 Alderham Pastures Local Wildlife Site also runs adjacent to the River Avon.
- 4.31 The New Waters and Nursery Wood Local Wildlife Sites contain reedbeds and lakes which drain into the River Avon. The Turnbills Garden Potential Local Wildlife Site flows into the aforementioned reedbeds / lakes. It is notable that these lakes are dammed, with the drain into the River Avon unlikely to be affected by river height.
- 4.32 At Barford there are a number of trees protected by tree preservation order which lie directly adjacent to the southern side of the river Avon. The Warwick Castle Park is also protected by a tree preservation order.

*Habitat adjacent to the River Avon*

- 4.33 Habitats adjacent to the river within this reach include coastal and floodplain grazing marsh, mature deciduous woodland and good quality semi-improved grassland. As the river runs through Barford, there are numerous residential gardens and allotments backing onto the River in this reach. As set out above, reed beds are present at the New Waters and Nursery Wood Local Wildlife Sites, which drain into the river. As per the other reaches described above, arable land comprises much of the area further away from the river.
- 4.34 The river itself includes several weirs and loops.

**Reach 4: Warwick Castle to the Grand Union Canal**

- 4.35 As this reach includes the part of the River that flows through Warwick, the area is more urban in character.

*Non statutory designations within 1km of the scheme*

- 4.36 The Warwick Racecourse Local Wildlife Site and Potential Local Wildlife Site are approximately 700m to the northwest of the river.
- 4.37 Potential Wildlife Sites of Foundary Wood, the Grand Union Canal, Sand Dunes adjacent to Railway and River Leam are all located within close proximity of the River Avon. The proposals

include significant engineering to connect the project with the Grand Union canal (which is a local wildlife site itself), which provides habitat for water voles, bats, otters and badgers.

#### *Habitat adjacent to the River Avon*

- 4.38 Due to the urbanised context surrounding the river through Warwick, there are numerous residential gardens and developments which back onto the river through this reach. The water edge is lined with a mixture of mature trees, scrubland and vegetated banks. There are numerous paths along the water's edge throughout Warwick.
- 4.39 There are pockets of deciduous woodland and coastal floodplain grazing marsh present further back from the water's edge where not developed.
- 4.40 The river includes several weirs and structures, such as bridge supports, most notably the grade II\*listed bridge remains at Warwick Castle.

#### **Wider Geographical Extent**

- 4.41 Whilst the scope of this assessment is limited to a geographical area of 1km around the section of the Upper Avon which is to be affected by the scheme, it is important to take into account that the river is a linear feature which discharges water downstream. It also provides habitat for commuting and migrating species. Due to this role, effects from the project could arise downstream and further upstream.
- 4.42 In particular, the Lench Meadows Local Wildlife Site, which is located within Stratford-upon-Avon, approximately 1.3km downstream from the proposed lock which is furthest downstream.
- 4.43 In this context, it is important to note that the River Avon is part of the River Severn Basin, and therefore flows into this. At its estuary the River Severn is designated for its international and national importance. Specifically, the River Severn, at its estuary is designated as a Special Area of Conservation, Special Protection Area, Ramsar site and Site of Special Scientific Interest. In relation to this, the whole of the project area, plus a much larger area is identified as an Impact Risk Zone by Natural England, which helps to identify any projects which may affect these designations.

#### **Water Quality**

- 4.44 Assessment of the water quality information for the wider River Avon and tributaries identifies that these are of either moderate, poor or bad ecological status. None of these are of good status. The principal reasons for this include agricultural and land management practices, urban and transport and water industry<sup>16</sup>. In 2013 the ecological status of the River was at moderate status, with the worst scoring elements being moderate for invertebrates (biology) and poor for phosphates (physio-chemistry).

### Potential Effects on Ecological Receptors

- 4.45 Taking account of the findings of the work undertaken to date, whilst adopting a precautionary approach at this preliminary stage, the potential effects associated with the construction and operational stages of the proposed project are set out in the tables below.

#### **Potential effects on ecological receptors during construction**

- 4.46 At this stage, Effects are likely to arise from a number of factors associated with the construction of the project. There are likely to be physical impacts to the river and river bed, including the removal of trees and vegetation in the area immediately surrounding the river, impacts associated with the use of plant and machinery, light pollution when undertaking work in dark hours or securing compounds. These have been taken into account in the following table.

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<sup>16</sup> Catchment data explorer <http://environment.data.gov.uk/catchment-planning/OperationalCatchment/3020/Summary>

**Table 4.1: Potential effects on ecological receptors during construction**

| Issue/ or receptor                              | Potential effects  |
|---|--|
| <b>General impacts</b>                          |  |
| Aquatic (including amphibian) habitat / species | <p>Dredging of the river is likely to stir up sediment and potentially pollutants which lie within these sediments. This may result in reduced water quality, creating a poorer habitat for the species living in the river. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Noise and vibration from the use of machinery, vehicles and general disturbance as a result of increased activity along and within the river may affect species within the watercourse. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Changes to existing weirs and the construction of locks is likely to affect the speed and quantity of water flow at various locations along the route of the river. This may, for example affect sediment volumes along different sections of the river and water clarity. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>The physical barriers that may result from construction of the locks may limit the ability of wildlife to commute / migrate along the river. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Oils, fuels and other contaminants from the use of machinery may contaminate the watercourse. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Released dust from the construction activity on the land may result in contamination of the watercourse, reducing water quality. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> |
| Terrestrial habitat / species                   | <p>Physical loss of vegetation or changes to habitat composition may result in loss of roosting and foraging habitat. This may be a <b>significant issue</b> due to the scale of the project and amount of mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Changes to species composition within the river, as a result of construction effects may affect food sources with potential effects on the species that depend on this. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Noise, disturbance and lighting associated with the construction of the development may affect sensitive species particularly by reducing the area in which they can forage for food or territory. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Oils, fuels and other contaminants from the use of machinery may contaminate the surrounding area. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Released dust from the construction activity on the land may result in contamination of the watercourse, reducing water quality. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p>  |

| Issue/ or receptor  | Potential effects  |
|---|--|
|   | compensation measures which would be required.   |
| <b>Reach 1</b>  |  |
| Loss of specific habitats                                   | Physical loss of Deciduous woodland to construct the second lock in reach 1.   |
| <b>Reach 2</b>  |  |
| Loss of specific habitats                                   | Physical loss of good quality semi-improved natural grassland at Hampton Lucy from construction of lock.<br><br>Physical loss of coastal and floodplain grazing marsh habitat particularly at Wasperton Manor Farm potential Local Wildlife Site.  |
| <b>Reach 3</b>  |  |
| Option A (utilising the existing Sherbourne loop)           |  |
| Loss of specific habitats                                   | Physical loss of coastal and floodplain grazing marsh habitat due to construction of first lock.<br><br>Physical loss of deciduous woodland habitat due to construction of second lock.  |
| Option B (provide a new canalised section adjacent to A429) |  |
| Loss of specific habitats                                   | Potential loss of coastal and floodplain grazing marsh habitat due to construction of first lock (depending on extent of area required for works).<br><br>Physical loss of coastal and floodplain grazing marsh habitat due to construction of lock in Barford.  |
| <b>Reach 4</b>  |  |
| Disturbance to designated ecological sites                  | Disturbance to Potential Wildlife Sites of Foundary Wood, the Grand Union Canal, Sand Dunes adjacent to railway.   |
| Loss of specific habitats                                   | Physical loss of trees in relation to new lock opposite Warwick Castle.  |
| <b>Downstream / water quality</b>                           |  |
| Reduced Water Quality in designated areas                   | In addition to potential impacts on water quality in the River Avon in the immediate vicinity of the scheme, it is possible that sediment and pollutants could be released from the dredging and construction of locks and flow downstream. This would have the potential to affect the remainder of the River Avon Local Wildlife Site, the Lench Meadows Local Wildlife site and the designations in the Severn Estuary. This may be a <b>significant issue</b> due to the sensitivity of the receptors involved. Cumulative impacts with other activities on the River Avon, and in the wider Severn Basin, will need to be assessed. |

### Potential effects on ecological receptors during operation

- 4.47 Potential impacts that may result once the Upper Avon becomes navigable and is used on a daily basis by boats will mainly result in disturbance from noise and activity and traffic. There may also be secondary effects from other activities related to the new use of the river, such as tourist facilities and local businesses. Specific effects from the operational phase of the project are identified in the table below.



**Table 4.2: Potential effects on ecological receptors during operation**

| Issue/ or receptor                               | Potential effects   |
|--|---|
| <b>General impacts</b>                           |   |
| Aquatic (including amphibian) habitats / species | <p>Potential impacts include increased mixing of sediment with the water stream, increased pollution from oils, fuels, anti-fouling paints and waste from activities associated with the navigation of the river. These all have the potential to detrimentally affect the quality of water and the environment for aquatic species. This may be a <b>significant issue</b> due to the scale of the project and amount of mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Permanent changes to existing weirs and the construction of locks is likely to affect the speed and quantity of water flow at various locations along the route of the river. This may, for example amend sediment volumes along different sections of the river and water clarity, which in turn may affect fish spawning, invertebrate breeding and plant composition. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>The new structures may result in cutting off and preventing access to some parts of the river to some species, for example locks are physical barriers. This may be a <b>significant issue</b> due to the scale of the project and amount of mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>The connection of the Grand Union Canal may result in increased potential for migration of invasive species between the two watercourses. This may be a <b>significant issue</b> due to the scale of the project and amount of mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Positive effects may be achieved through design of measures to improve the watercourse for certain species, for example by altering the flow rate in some locations to improve conditions for invertebrates and junior fish species, and by improving the navigability for fish species upstream of existing weirs. Any positive impacts will need to be informed by further survey and assessment.</p> <p>Positive effects may also be achieved by enhancing the knowledge and understanding of human populations about the aquatic environment of the River Avon.</p> |
| Terrestrial habitats / species                   | <p>Physical loss of vegetation to provide space for the project infrastructure elements may also result in loss of roosts, foraging area and / or territory in the area. This may be a <b>significant issue</b> due to the scale of the project and amount of mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Changes to hydrology and flooding levels as a result of the project may affect the surrounding habitats (this is discussed in specific relation to designated sites below). This may be a <b>significant issue</b> due to the scale of the project and amount of mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Increased lighting and noise associated with the navigation of the river may result in a reduction of foraging area for sensitive species. This may be a <b>significant issue</b> due to the scale of the project and amount of mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Increased human activity from the increased access to the river, via navigation, may limit the ability of sensitive species to forage or commute through certain sections of the river. This may be a <b>significant issue</b> due to the scale of the project and amount of mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p>  |

| Issue/ or receptor   | Potential effects   |
|--|---|
|  | <p>Generation of waste, pollutants and contaminants from the navigation of the river may result in impacts to the surrounding terrestrial species. This may be a <b>significant issue</b> due to the scale of the project and amount of mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Permanent changes to species composition within the river, as a result of construction effects may affect food sources with potential effects on the species that depend on this. This may be a <b>significant issue</b> due to the scale of the project and mitigation required. Further survey will be required to provide evidence as to the significance of this issue, and any avoidance, mitigation and compensation measures which would be required.</p> <p>Positive effects may be achieved through design of measures to improve the area in which the project lies for certain species, for example by providing for increased habitat for local protected species. Any positive impacts will need to be informed by further survey and assessment.</p> <p>Positive effects may also be achieved by enhancing the knowledge and understanding of human populations about the environment surrounding the River Avon</p> |
| <b>Reach 1</b>   |   |
| Impact on designated sites   | Changes to the Tributary of River Avon and Hatton Rock Potential Local Wildlife Sites due to amended hydrology. This said, the Halcrow Report sets out that the water level in this area of the river will not be amended by the proposals, and if this is the case, such impact is expected to be negligible.  |
| Loss of specific habitats  | Permanent physical loss of Deciduous woodland to construct the second lock in reach 1.  |
| <b>Reach 2</b>   |   |
| Impact on designated sites   | Changes to the Charlecote Park, Hampton Lucy Escarpment Potential Local Wildlife Sites and Wasperton Manor Farm Potential Local Wildlife Site due to amended hydrology of the river. This said, the Halcrow Report sets out that the water level in the area of the river will not be amended by the proposals, in which case such impact is expected to be negligible.   |
| <b>Reach 3</b>   |   |
| Impact on designated sites   | Changes to the Hampton Wood & Alderham Pastures Local Wildlife Sites, Sherbourne Brook, South Court Farm Potential Wildlife Sites due to amended river hydrology. The Halcrow report sets out that water levels in this area would be increased and this may result in permanent physical loss of the habitat within these designated sites.  |
| <b>Option A (utilising the existing Sherbourne loop)</b>           |   |
| Loss of specific habitats  | <p>Permanent physical loss of coastal and floodplain grazing marsh habitat due to construction of first lock.</p> <p>Permanent physical loss of deciduous woodland habitat due to construction of second lock.</p>  |
| <b>Option B (provide a new canalised section adjacent to A429)</b> |   |
| Loss of specific habitats  | <p>Potential loss of coastal and floodplain grazing marsh habitat due to construction of most downstream lock (depending on extent of area required for works).</p> <p>Permanent physical loss of coastal and floodplain grazing marsh habitat due to construction of lock in Barford.</p>  |

| Issue/ or receptor                         | Potential effects   |
|--|---|
| <b>Reach 4</b>                             |   |
| Disturbance to designated ecological sites | Disturbance to Potential Wildlife Sites of Foundary Wood, the Grand Union Canal, and Sand Dunes adjacent to Railway as a result of the navigation of the river, in terms of noise, lighting and waste.  |
| Loss of specific habitats                  | Permanent physical loss of trees in relation to new lock opposite Warwick Castle. This may be a <b>significant issue</b> due to the scale of the loss here and potential importance of this habitat, although further survey will be required to understand the implications of this element of the proposals.  |
| <b>Downstream / water quality</b>          |   |
| Reduced Water Quality in designated areas  | In addition to potential impacts on water quality in the River Avon in the immediate vicinity of the scheme, it is possible that sediment and pollutants could be released from the navigation of the river and flow downstream. This would have the potential to affect the remainder of the River Avon Local Wildlife Site, the Lench Meadows Local Wildlife site and the designations in the Severn Estuary. This may be a <b>significant issue</b> due to the sensitivity of the receptors involved. Cumulative impacts with other activities on the River Avon, and in the wider Severn Basin, will need to be assessed. |

## Potential Opportunities for Avoidance, Mitigation, and Enhancement

- 4.48 In accordance with National Planning Policy Framework paragraph 109, Stratford-on-Avon Core Strategy policies CS.6 (Natural Environment) and CS.7 (Green Infrastructure), Warwick Local Plan policies NE2 (Protecting Designated Biodiversity and Geodiversity Assets), NE3 (Biodiversity) and NE4 (Landscape), developments are expected to safeguard and where possible provide net gains to biodiversity.
- 4.49 Habitats of relatively low ecological value adjacent to the river, such as improved grasslands, and those which are not designated or identified as priority habitat could provide opportunities for the creation of replacement and additional priority habitats and features in order to mitigate for potential ecological impacts. In particular, the Halcrow report identifies the following potential habitat improvements could be implemented:
- Re-instatement of backwater flow to achieve habitat improvement upstream of Alveston Weir and just upstream of Hampton Lucy – with potential benefits to the Hampton Lucy Escarpment and Wasperton Manor Farm Potential Local Wildlife Sites.
  - New lotic (river) habitat in new Barford Canalised section providing new habitat.
  - New wetland / marginal habitat to be created as a result of the new Barford Canalised section, which could in particular promote 'Reedbed' priority habitat. There are specific opportunities to extend the interest features of local wildlife sites at Sherbourne Brook (north of Barford) and Alderham Pastures (Longbridge).
  - Habitat creation / enhancement including river margin vegetation improvement, developing new bankside habitats such as woodland, planting and holt creation; mink control programme.
  - Enhancement of longitudinal connectivity as weirs and other obstacles bypassed by providing for upstream movement by aquatic species at new locks.
  - Construction of off-line fish refuges to reduce impacts from flood events on younger fish.

- 4.50 These elements of mitigation would need to be informed by further survey and assessment to determine whether they are appropriate and if there are any additional mitigation requirements. In addition to those in the Halcrow Report, it is likely that the following mitigations will also be required:
- A scheme of species monitoring to assess the impact of the completed scheme on the River Avon and connected environments once the scheme is operational.
  - Development of a Management Plan for the use of the waterway including specified behaviours and hours of navigation.
  - All mitigation proposals will need to be supported by further survey and consultations with stakeholders, for example the Avon Navigation Trust, Stratford on Avon and Warwick District Councils, Natural England, Environment Agency, Warwickshire Wildlife Trust, RSPB and the Canal and River Trust.
  - In addition to specific mitigation, biodiversity enhancement should be provided by the project. This will need to be informed by further assessment, but potentially, could include:
    - Additional priority habitat creation where this is feasible and will not negatively affect other priority habitats, designated sites or ancient woodland.
    - Potential to incorporate learning opportunities into the design of the development, to broaden the understanding of the significance of the ecology of the local area.

## Next Steps

- 4.51 In order to progress the development of the proposals further, the following next steps are recommended:
- An extended phase 1 habitat and walkover surveys of the entire area anticipated to be affected by the proposals should be undertaken to provide a more robust and in depth understanding of the likely ecological impacts and specific mitigation opportunities of the project.
  - At an appropriate time, when more detailed proposals have been developed, it is likely that further targeted surveys will be required for protected species, likely to include aquatic (including amphibian) invertebrates and fish, and terrestrial species. Any assessment of impacts and mitigation / enhancement proposals will need to be made in parallel with a detailed hydrogeomorphological assessment and flood risk assessment.
  - An assessment of river sediment to determine potential levels of contamination and composition.
  - Undertake Tree Surveys for all areas likely to be affected by the construction and operation of the project to assess potential impacts to trees and any mitigation, such as replanting, which may be required.
- 4.52 It is anticipated that if the decision is taken to progress with the proposals to a planning application, then an EIA screening and if necessary scoping exercise will be undertaken to determine the extent of any further survey / assessment, particularly to include wider reaching effects, outside the 1km buffer zone considered in this assessment.

## Limitations

- 4.53 No data was received in relation to recordings of protected or invasive species and therefore this assessment is not informed by specific data in respect of protected species, but does take account of protected species where listed in designation statements for local wildlife sites.
- 4.54 No fieldwork has been undertaken to inform this assessment and therefore there may be ecological issues visible on the ground that have not been taken into account in this report.
- 4.55 At this stage the project design details are still flexible and the potential impacts of the project may change as a result of changes to the scheme.

# 5 Summary and Next Steps

## 5 Summary and Next Steps

### Summary

- 5.1 This report considers the high level environmental impacts that are likely to arise as a result of the proposals for Upper Avon Navigation. A combination of desktop and site-survey based research has enabled the identification of the baseline, and key receptors along the route of the project. Following this, specific mitigation has been identified to help avoid impacts to the identified receptors, and provide for positive benefits, where these are considered likely to occur. A summary of the key potential impacts is set out below:

#### Landscape

- 5.2 Construction of the project will result in incongruous activity in the context of the agricultural land use which is characteristic of the project area. These will however be short term in nature and localised given the large scale of the landscape character type within which it sits.
- 5.3 The loss of trees and other vegetation in the area due to the project is likely to detract from the landscape character of the immediate surrounding area.
- 5.4 The inclusion of new elements of infrastructure will result in a permanent change to the visual amenity and landscape character.

#### Heritage

- 5.5 There is the potential for effects on historic environment assets as a result of intrusive groundworks relating to the construction of the locks, a possible new canal cutting (option A), and either boat lifting device or series of locks to connect with the Grand Union Canal. The setting of historic environment assets may also possibly be affected by the construction of this new infrastructure, as well as by river traffic during operation of the canal. Specifically, the proposals may have the most significant effects on Barford Conservation Area and Warwick Castle Grade I Registered Park and Garden.
- 5.6 The scheme is also likely to require dredging to increase the depth of the river in certain locations. Such activity has the potential to disturb and remove riverine/alluvial deposits which may contain significant archaeological and paleoenvironmental remains.
- 5.7 Access for construction vehicles and construction compounds could also potentially affect historic environment assets by temporarily affecting their setting or by causing permanent physical change.

#### Ecology

- 5.8 The proposals may result in changes to habitat and species composition within the River Avon, which may have further reaching effects in relation to other watercourses which the river is currently, and would be, connected to.
- 5.9 In addition, direct habitat loss as a result of the project infrastructure, such as locks and potential new canal sections, is likely to occur.
- 5.10 Further investigation is required to assess the impacts on notable species and statutory designations.

### Suggested Mitigation

- 5.11 The findings of the assessments suggest that key to reducing the impact on the surrounding receptors will be to design the scheme in a sensitive manner, taking account of the existing

character and assets surrounding the river. It is considered that the project will make a permanent contribution to the surrounding landscape and visual amenity. It is appropriate that sensitive designs and materials are used to help reduce the impact of the infrastructure elements such as locks.

- 5.12 Reducing the loss of, and recreation of, surrounding landscape features such as riverside trees, strong hedgerow patterns, arable farmland and riparian vegetation would help to reduce impacts. The re-creation and enhancement of these features is also likely to result in positive benefits for localised habitats and species.
- 5.13 Regards ecological receptors, habitats of relatively low ecological value adjacent to the river, such as improved grasslands, and those which are not designated or identified as priority habitat could provide opportunities for the creation of replacement and additional priority habitats and features in order to mitigate for potential ecological impacts. This would need to be informed by further survey and assessment.

## Next Steps

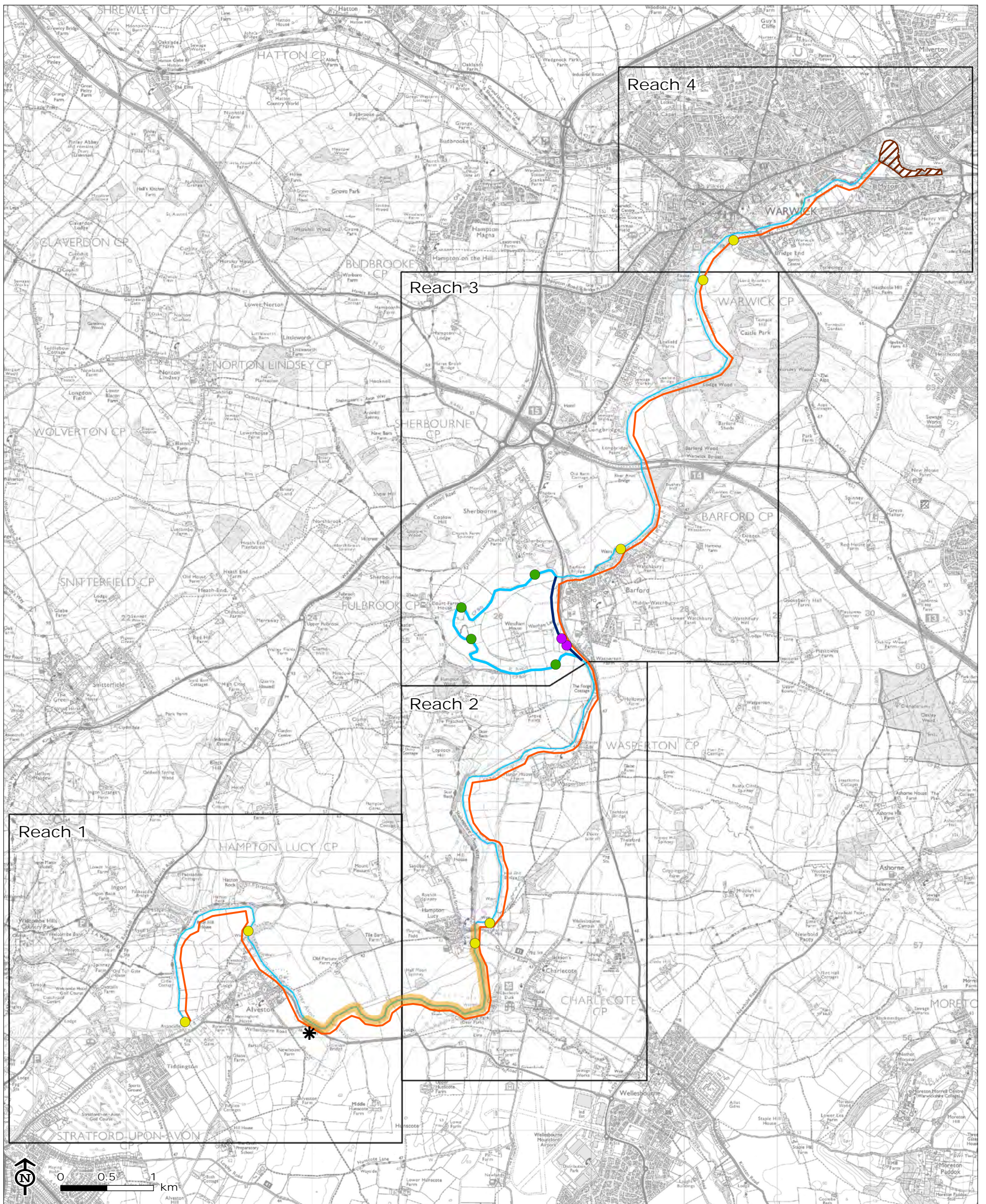
- 5.14 This high level review of baseline information and project impacts suggests that further investigation and assessment will be required as the designs of the project continue to develop. It is important that mitigation is designed into the project from an early stage, and this should be developed following further survey and assessment.
- 5.15 In particular it is important that further desk-based and walkover surveys are undertaken to more adequately refine potential mitigation and design of the proposals.
- 5.16 A planning application for the project will, most likely, need to be supported by an environmental impact assessment; subject to the result of a screening exercise by the determining authority(s) As such the survey work from hereon should focus on the significant effects likely to occur and be utilised to inform the scheme refinement.

# 6 Appendices



# Appendix 1: Scheme Details





Upper Avon Navigation Project

Scheme Details

- Option A Proposed Lock
- Option B Proposed Lock
- Proposed Lock
- Proposed Tow Path Route
- Option A Navigation- New Canal
- Option B Navigation- Existing River
- Link to Grand Union Canal
- River Avon
- Escorted Navigation Section
- Reaches

Map Scale @A3: 1:40,000



## Appendix 2: Gazetteer of Historic Environment Assets

4.73 Date ranges for the periods referred to in the gazetteer are detailed in Table 6:1 below.

**Table 6:1 – Date ranges**

| Period        | Date Range               |
|---------------|--------------------------|
| Palaolithic   | 1 million BC - 10,000 BC |
| Mesolithic    | 10,000 BC - 4,000 BC     |
| Neolithic     | 4,000 BC - 2,600 BC      |
| Bronze Age    | 2,600 BC - 800 BC        |
| Iron Age      | 800 BC - 42 AD           |
| Roman         | 800 BC - 42 AD           |
| Anglo-Saxon   | 800 BC - 42 AD           |
| Medieval      | 1066-1539                |
| Post-medieval | 1540-1750                |
| Industrial    | 1751-1913                |
| Modern        | 1914 - Present           |

4.74 Abbreviations used throughout the gazetteer are detailed in Table 6:2 below.

|     |                            |
|-----|----------------------------|
| CA  | Conservation Area          |
| LB  | Listed Building            |
| SM  | Scheduled Monument         |
| RPG | Registered Park and Garden |

### Gazetteer: Reach 1

| NHLE/<br>HER Ref    | Designation | Name  | Period                             | Easting | Northin<br>g |
|---------------------|-------------|---|------------------------------------|---------|--------------|
| MWA8198             | N/A         | Findspot - Prehistoric Flint Scatter  | Early Neolithic to Early Iron Age  | 422513  | 255597       |
| MWA8199             | N/A         | Possible Romano British or Earlier Field System                               | Early Neolithic to Romano-British  | 422512  | 255600       |
| MWA8200             | N/A         | Area of Ridge and Furrow, South of Main Street, Tiddington                    | Medieval                           | 422513  | 255600       |
| MWA4677             | N/A         | Cropmark, SE of Tiddington  | Late Bronze Age to Late Iron Age   | 422648  | 255613       |
| MWA4675             | N/A         | Possible Romano-British Trackway, Tiddington                                  | Romano-British                     | 422474  | 255693       |
| MWA4679             | N/A         | Site of Possible Ring Ditches 500m E of Tiddington                            | Early Neolithic to Late Bronze Age | 422756  | 255760       |
| MWA8509             | N/A         | Baraset House Villa Garden, Alveston  | Industrial                         | 423370  | 255760       |
| 1280518             | LB - II     | 1, New Street (See Details For Further Address Information)                   | Post-medieval                      | 422280  | 255844       |
| MWA9135             | N/A         | Tiddington Post Medieval Settlement   | Post-medieval                      | 422260  | 255854       |
| MWA12473            | N/A         | Iron Age Pit, Tiddington  | Iron-Age                           | 422430  | 255857       |
| MWA880              | N/A         | Neolithic or Bronze Age Possible Ring Ditch                                   | Early Neolithic to Late Bronze Age | 422945  | 255870       |
| 1187820             | LB - II     | 27 and 29, Main Road  | Post-medieval                      | 422303  | 255897       |
| MWA4678             | N/A         | Neolithic or Bronze Age Ring Ditch  | Early Neolithic to Early Iron Age  | 422478  | 255927       |
| MWA6307             | N/A         | Undated Crop Mark Enclosure   | Unknown                            | 424984  | 255935       |
| MWA20175            | N/A         | Littleham Bridge  | Post-medieval                      | 424378  | 255941       |
| MWA878              | N/A         | Crop Mark Enclosure 100m NE of Newhouse Farm                                  | Unknown                            | 424018  | 255983       |
| MWA8611             | N/A         | Tiddington House Grounds  | Industrial                         | 422432  | 256013       |
| MWA8612             | N/A         | Avon Cliffe, Tiddington   | Industrial                         | 422564  | 256055       |
| MWA8613             | N/A         | The Red House, Tiddington   | Industrial                         | 422732  | 256136       |
| 1187776             | LB - II     | Hemingford House  | Post-medieval                      | 423098  | 256215       |
| MWA8507             | N/A         | Hemingford House Villa Garden, Alveston                                       | Industrial                         | 423094  | 256225       |
| MWA30331            | N/A         | Iron Age Enclosure, Wellesbourne Road, Alveston                               | Iron Age                           | 423234  | 256265       |
| MWA8510             | N/A         | Avonmore Villa Garden, Alveston   | Industrial                         | 423456  | 256293       |
| MWA20395            | N/A         | Reported Crash Site of Wellington (HF632) East of Kissing Tree Lane, Alveston | Modern                             | 423732  | 256299       |
| 1204420             | LB - II     | Church of St James  | Post-medieval                      | 423192  | 256349       |
| 1001187/<br>MWA8541 | RPG - II*   | Charlecote Park   | Post-medieval - Present            | 425805  | 256357       |
| 1187757             | LB - II     | Kissing Tree House  | Post-medieval                      | 423441  | 256412       |
| N/A                 | CA          | Charlecote and Hampton Lucy   | -                                  | 425838  | 256440       |
| MWA8636             | N/A         | Dodda's Ford (Possible Site)  | Anglo-Saxon                        | 423777  | 256485       |
| N/A                 | CA          | Alveston Conservation Area  | -                                  | 423413  | 256513       |
| MWA8586             | N/A         | Parham Lodge, Alveston  | Industrial to Modern               | 423221  | 256515       |
| 1298517             | LB - II     | Barley Lodge  | Post-medieval                      | 423596  | 256527       |

| NHLE/<br>HER Ref               | Designation | Name  | Period                              | Easting | Northin<br>g |
|--------------------------------|-------------|---|-------------------------------------|---------|--------------|
| MWA9136                        | N/A         | Alveston Medieval Settlement  | Early medieval to Medieval          | 423375  | 256561       |
| 1204034                        | LB - II     | The Lodge and Attached Stable Block   | Post-medieval                       | 423497  | 256577       |
| MWA961                         | N/A         | Hatton on Avon Deserted Medieval Settlement   | Medieval                            | 424133  | 256589       |
| MWA7112                        | N/A         | The 18th-19th Century Landscaped Charlecote Park  | Industrial to Modern                | 425797  | 256590       |
| MWA8508                        | N/A         | Alveston Lodge Villa Garden, Alveston   | Industrial                          | 423116  | 256615       |
| 1298535/<br>MWA8508            | LB - II     | Alveston Lodge  | Post-medieval                       | 423148  | 256630       |
| MWA1054                        | N/A         | Site of Welcombe Ford to E of Cliffe Cottage  | Post-medieval                       | 422529  | 256636       |
| MWA9164                        | N/A         | Platform, Land Adj Alveston Old Church, Alveston  | Medieval                            | 423026  | 256644       |
| MWA879                         | N/A         | Undated Settlement 400m E of Old Tollgate House   | Early Iron Age to Romano-British    | 422140  | 256656       |
| 1204043                        | LB - II     | The Woodlands, Woodside   | Post-medieval                       | 423429  | 256658       |
| 1298537                        | LB - II     | The Old Rectory   | Post-medieval                       | 423109  | 256676       |
| 1298536                        | LB - II     | Headstone Approximately 11 Metres South of West End of Former Parish Church of St James | Post-medieval                       | 423082  | 256680       |
| 1187756                        | LB - II     | Two Headstones Approximately 14 Metres South West of Former Parish Church of St James   | Post-medieval                       | 423067  | 256681       |
| MWA1036                        | N/A         | Alveston Old Church   | Early medieval                      | 423068  | 256690       |
| 1187755                        | LB - II*    | Former Parish Church of St James  | Post-medieval                       | 423079  | 256696       |
| MWA1319                        | N/A         | Findspot - Roman Pottery  | Roman                               | 422300  | 256700       |
| MWA30076                       | N/A         | Probable Medieval Ridge and Furrow to the North and West of Alveston Old Church         | Medieval to Post-medieval           | 422903  | 256706       |
| MWA5157                        | N/A         | Undated Cropmark Complex, Hampton Lucy  | Unknown                             | 425080  | 256765       |
| MWA8511                        | N/A         | Alveston House Grounds, Alveston  | Post-medieval to Industrial         | 423345  | 256801       |
| 1187754/<br>MWA8527            | LB - II*    | Alveston House  | Post-medieval                       | 423289  | 256853       |
| MWA8527                        | N/A         | Alveston House  | Post-medieval                       | 423288  | 256857       |
| MWA1062                        | N/A         | Pond to North of Alveston House   | Industrial                          | 423310  | 256978       |
| 1005714/<br>MWA959/<br>MWA6266 | SM          | Enclosure N of Old Pasture Farm   | Roman                               | 424127  | 256987       |
| MWA1038                        | N/A         | Alveston Mill   | Early medieval to Modern            | 423281  | 257055       |
| MWA952                         | N/A         | Dodda's Ford (Possible Site)  | Early medieval                      | 423429  | 257161       |
| MWA4426                        | N/A         | Mesolithic to Bronze Age Flint Scatter  | Early Mesolithic to Late Bronze Age | 422500  | 257200       |
| MWA8591                        | N/A         | Ryon Hill House Grounds   | Industrial                          | 422472  | 257332       |
| MWA9600                        | N/A         | Ryon Hill House Grounds Burnt Mound   | Middle Bronze Age to Early Iron Age | 422720  | 257353       |
| MWA972                         | N/A         | Possible Fishponds Below Packsaddle Bridge  | Post-medieval to Industrial         | 422477  | 257407       |
| MWA956                         | N/A         | Probable Roman Settlement N of Hampton Lucy   | Romano-British                      | 425340  | 257527       |

| NHLE/<br>HER Ref   | Designation | Name   | Period                             | Easting               | Northin<br>g          |
|--------------------|-------------|--|------------------------------------|-----------------------|-----------------------|
| 1005726/<br>MWA954 | SM          | Settlement Site E of Hatton Rock Farm                                  | Iron Age - Roman                   | 423470                | 257536                |
| MWA6265            | N/A         | Prehistoric Pit Alignment  | Late Bronze Age to Late Iron Age   | 423283                | 257617                |
| MWA7894            | N/A         | Cropmark Complex West and North of Hatton Rock Farm                    | Late Prehistoric                   | 423132                | 257648                |
| 1005741            | SM          | Site of Building and Enclosure 500yds (460m) E of Hatton Rock Farm     | Unknown                            | 423815                | 257700                |
| MWA5156            | N/A         | Site of Poss Ring Ditch 500m E of Hatton Rock Farm                     | Early Neolithic to Late Bronze Age | 423675                | 257706                |
| MWA6292            | N/A         | Site of Early Medieval Church 500m E of Hatton Rock                    | Early medieval                     | 423716                | 257708                |
| MWA6075            | N/A         | Neolithic or Bronze Age Possible Ring Ditch                            | Early Neolithic to Late Bronze Age | 423724                | 257726                |
| MWA960             | N/A         | Site of High Status Anglo-Saxon Settlement 425m NE of Hatton Rock Farm | Anglo-Saxon                        | 423740                | 257736                |
| MWA964             | N/A         | Fishpond to E of Spring Cottages, Hampton Lucy                         | Medieval                           | 422744                | 257802                |
| MWA30025           | N/A         | Site of Alveston Ferry Crossing  | Industrial to Modern               | 423746<br>-<br>423713 | 256552<br>-<br>256531 |

## Gazetteer: Reach 2

| NHLE/<br>HER Ref         | Designation | Name  | Period                             | Easti<br>ng | Nort<br>hing |
|--------------------------|-------------|---|------------------------------------|-------------|--------------|
| MNA188373 /<br>MNA188373 | N/A         | Fording Point, Charlecote Park                              | Post-medieval                      | 45640       | 25640        |
| MWA20223                 | N/A         | Kingsmead Bridge  | Industrial to Modern               | 42588<br>0  | 25582<br>7   |
| MWA19363                 | N/A         | A Prehistoric Pit Circle Visible on Air Photos.             | Early Neolithic to Late Bronze Age | 42612<br>5  | 25588<br>2   |
| MWA6307                  | N/A         | Undated Crop Mark Enclosure                                 | Unknown                            | 42498<br>4  | 25593<br>5   |
| MWA19362                 | N/A         | An Enclosure and Ring Ditch Visible As Cropmarks            | Early Iron Age to Romano-British   | 42619<br>3  | 25594<br>9   |
| MWA19860                 | N/A         | Surviving Ridge and Furrow 2550m NW of Kingsmead Farm.      | Medieval to Industrial             | 42570<br>7  | 25596<br>5   |
| MWA1166                  | N/A         | Findspot - Roman Bronze Ring                                | Romano-British                     | 42600<br>0  | 25600<br>0   |
| MWA1144                  | N/A         | Pit Alignment   | Late Bronze Age to Late Iron Age   | 42509<br>5  | 25600<br>1   |
| 1381821                  | LB - II     | West Gate to Charlecote Park                                | -                                  | 42513<br>6  | 25603<br>9   |
| 1381820                  | LB - II     | West Lodge to Charlecote Park                               | -                                  | 42511<br>3  | 25604<br>7   |
| MWA19364                 | N/A         | Part of A Possible Iron Age Or Roman Rectilinear Enclosure. | Early Iron Age to Romano-British   | 42601<br>0  | 25605<br>3   |
| 51106/MNA1               | N/A         | Ditched & Banked Boundary, Charlecote Park                  | Medieval? - Post-                  | 42509       | 25618        |

| NHLE/<br>HER Ref                 | Designation | Name   | Period                      | East<br>ing | Nort<br>hing |
|----------------------------------|-------------|--|-----------------------------|-------------|--------------|
| 52795                            |             |  | medieval?                   | 4           | 8            |
| MWA1123/<br>51223/MNA1<br>52925  | N/A         | Site of Charlecote DMV (Old Town Site)   | Medieval                    | 42565<br>0  | 25619<br>5   |
| 1381812/<br>MWA19949             | LB - II     | Park Bridge at NGR SP259 562 to South of Park  | -                           | 42591<br>6  | 25625<br>7   |
| 1005755/<br>MWA1119              | SM          | Charlecote Bridge  | -                           | 42629<br>5  | 25625<br>8   |
| 1381826                          | LB - II     | Hiorn's Bridge (That Part in Charlecote)   | -                           | 42629<br>5  | 25625<br>8   |
| 51251 /<br>MNA152956             | N/A         | Site of Avon Bridge, Charlecote Park   | Medieval                    | 42571<br>0  | 25627<br>6   |
| 1381825                          | LB - II     | Charlecote Gardens   | -                           | 42634<br>0  | 25627<br>6   |
| MWA7870/<br>51133 /<br>MNA152825 | N/A         | Burials at Charlecote DMV  | Medieval                    | 42530<br>0  | 25630<br>0   |
| MWA30665                         | N/A         | Extant Tumbledown Stile at Charlecote Park, Hampton Lucy                               | Industrial to Modern        | 42623<br>6  | 25632<br>3   |
| 1381810/<br>51079/MNA1<br>53027  | LB - II     | Cascade at Mouth of River Dene at NGR Sp 258 563 to South of Park                      | -                           | 42585<br>7  | 25632<br>4   |
| MWA1112                          | N/A         | Charlecote Park (16th and 17th Century Park)   | Medieval to Modern          | 42577<br>6  | 25632<br>9   |
| MWA20396                         | N/A         | Reported Crash Site of Wellington (HE480) North of the 'Lodge', Charlecote             | Modern                      | 42505<br>2  | 25633<br>6   |
| 51247 /<br>MNA152951             | N/A         | Site of Small Island in River Avon, Charlecote Park                                    | Industrial                  | 42528<br>7  | 25634<br>7   |
| MWA29661                         | N/A         | The Stables, Charlecote Park, Charlecote   | Medieval to Modern          | 42595<br>8  | 25635<br>7   |
| 1001187/<br>MWA8541              | RPG - II*   | Charlecote Park  | -                           | 42580<br>5  | 25635<br>7   |
| 51227 /<br>MNA152929             | N/A         | Site of Possible Post Medieval Boat House, Charlecote Park                             | Post-medieaval              | 42587<br>2  | 25636<br>7   |
| 1381808                          | LB - I      | Laundry and Brewhouse and Stables and Coach House Immediately South of Charlecote Park | -                           | 42596<br>2  | 25636<br>8   |
| 1381801                          | LB - II     | East Entrance Gates to Charlecote Park and Flanking Railings and Piers                 | -                           | 42623<br>6  | 25638<br>4   |
| 1381805                          | LB - II*    | South Forecourt Wall, Gates, Piers and North and South Returns and Coach House         | -                           | 42597<br>1  | 25639<br>7   |
| 51198 /<br>MNA152896             | N/A         | Site of Post Medieval Outbuilding, Charlecote Park                                     | Post-medieval               | 42587<br>6  | 25639<br>7   |
| MWA30498                         | N/A         | Probable site of the Dairy at Charlecote Park  | Industrial                  | 42599<br>0  | 25640<br>0   |
| 1381800                          | LB - I      | Gatehouse to Charlecote Park   | -                           | 42599<br>3  | 25641<br>1   |
| MWA7586                          | N/A         | Charlecote Hall  | Post-medieval to Industrial | 42591<br>4  | 25641<br>2   |
| 1381799/<br>MNA152910            | LB - I      | Charlecote Park  | -                           | 42590<br>6  | 25642<br>5   |
| 1381806                          | LB - II     | Terrace Wall and Steps to West Terrace and   | -                           | 42588       | 25642        |

| NHLE/<br>HER Ref     | Designation | Name   | Period                             | East<br>ing | North<br>ing |
|----------------------|-------------|--|------------------------------------|-------------|--------------|
|                      |             | to Croquet Lawn of Charlecote Park   |                                    | 1           | 9            |
| 1381804              | LB - II*    | Lead Statue of Shepherdess to North Side of Forecourt                              | -                                  | 425968      | 256436       |
| 1381803              | LB - II*    | Lead Statue of Shepherd to North Side of Forecourt                                 | -                                  | 425970      | 256437       |
| 1381802              | LB - II*    | North Forecourt Wall With Two Gates and Gate Piers and Return to Gatehouse         | -                                  | 425953      | 256438       |
| N/A                  | CA          | Charlecote & Hampton Lucy  | -                                  | 425838      | 256440       |
| 1381809              | LB - II     | Orangery   | -                                  | 425989      | 256489       |
| 1381807              | LB - II     | Granny's Summerhouse   | -                                  | 425972      | 256490       |
| MWA13111             | N/A         | Ha-Ha at Charlecote Park, Charlecote Warwickshire                                  | Post-medieval to Modern            | 426013      | 256510       |
| 1381831              | LB - II     | Ford Headstone Approximately 23 Metres South of Chancel of Church of St Leonard    | -                                  | 426261      | 256528       |
| 1381832              | LB - II     | Seeley Headstone Approximately 22 Metres South of Chancel of Church of St Leonard  | -                                  | 426259      | 256529       |
| 1381834              | LB - II     | Southam Headstone Approximately 15 Metres South of Chancel of Church of St Leonard | -                                  | 426260      | 256535       |
| MWA4653              | N/A         | Charlecote Park Water Garden   | Post-medieval                      | 425931      | 256543       |
| 1381833              | LB - II     | Seeley Headstone Immediately South of Chancel of Church of St Leonard              | -                                  | 426259      | 256547       |
| 1381830              | LB - I      | Church of St Leonard   | -                                  | 426249      | 256553       |
| MWA1124              | N/A         | Church of St Leonard, Charlecote   | Industrial                         | 426250      | 256553       |
| MWA5179              | N/A         | Site of Medieval Church of St Leonard, Charlecote.                                 | Medieval                           | 426250      | 256553       |
| MWA13111             | N/A         | Ha-Ha at Charlecote Park, Charlecote Warwickshire                                  | Post-medieval to Modern            | 425978      | 256566       |
| MWA7112              | N/A         | The 18th-19th Century Landscaped Charlecote Park                                   | Industrial to Modern               | 425797      | 256590       |
| MWA6270              | N/A         | Possible DMV at Charlecote (Church Site)   | Medieval                           | 426307      | 256598       |
| MNA152910            | N/A         | Mound at Junction of Stream and River Avon, Charlecote Park                        | Unknown                            | 425861      | 256629       |
| MWA20317             | N/A         | Bridge to Fishpond Charlecote  | Post-medieval to Modern            | 425981      | 256708       |
| 1381811/<br>MWA20317 | LB - II     | Dam and Cascade and Bridge to Fish Pond at NGR Sp 260 566 to North of Park         | -                                  | 425981      | 256709       |
| MWA958               | N/A         | Neolithic Or Bronze Age Ring Ditch   | Early Neolithic to Late Bronze Age | 425143      | 256743       |
| MWA5157              | N/A         | Undated Cropmark Complex, Hampton Lucy   | Unknown                            | 425080      | 256765       |
| 51228 /<br>MNA152930 | N/A         | Water Channel Separating Front Park From Place Meadow, Charlecote Park             | Industrial                         | 426022      | 256816       |
| MWA5158              | N/A         | Findspot - Roman Pottery in Hampton Lucy   | Romano-British                     | 425100      | 256850       |



| NHLE/<br>HER Ref     | Designa<br>tion | Name  | Period                         | Easti<br>ng | Nort<br>hing |
|----------------------|-----------------|---|--------------------------------|-------------|--------------|
| MWA19952             | N/A             | Charlecote Park No.2  | Industrial to Modern           | 42630<br>1  | 25685<br>8   |
| 1382124              | LB - II*        | Hampton Lucy House  | -                              | 42561<br>5  | 25694<br>2   |
| MWA8561              | N/A             | Hampton Lucy Rectory Grounds  | Post-medieval to<br>Industrial | 42560<br>1  | 25694<br>5   |
| MWA19951             | N/A             | Charlecote Park No.1 Bridge   | Industrial to Modern           | 42607<br>2  | 25694<br>9   |
| 1382123              | LB - II         | Wall to the South Side of the Churchyard of<br>the Church of St Peter Including 3<br>Headstones | -                              | 42565<br>0  | 25696<br>9   |
| 1382121              | LB - II         | Chest Tomb Approximately 8 Metres South<br>East of the Chancel of the Church of St Peter        | -                              | 42566<br>5  | 25700<br>3   |
| 1382119              | LB - I          | Church of St Peter Ad Vincula   | -                              | 42564<br>7  | 25701<br>4   |
| MWA968               | N/A             | Old Church of St Peter, Hampton Lucy.   | Medieval to<br>Industrial      | 42564<br>5  | 25701<br>5   |
| 1382117              | LB - II         | Avonside  | -                              | 42569<br>8  | 25702<br>5   |
| 1382115              | LB - II         | Old Post Office and Attached Reading<br>Room/Institute  | -                              | 42550<br>1  | 25702<br>8   |
| 1382122              | LB - II         | Railings and Gates to North Side of the<br>Churchyard of St Peter and 2 Gates to the<br>West    | -                              | 42563<br>6  | 25703<br>4   |
| 1382113              | LB - II         | Numbers 37 and 38 and Tudor Cottage   | -                              | 42546<br>4  | 25703<br>8   |
| 1382116              | LB - II         | 47, Church Street   | -                              | 42559<br>0  | 25703<br>8   |
| MWA9132              | N/A             | Hampton Lucy Medieval Settlement  | Medieval                       | 42557<br>3  | 25710<br>9   |
| 51038 /<br>MNA152982 | N/A             | Curving Ditch at North End of Meadow,<br>Charlecote Park  | Medieval? - Post-<br>medieval? | 42585<br>3  | 25711<br>0   |
| MWA6754              | N/A             | Linear Cropmarks 300m E of Charlecote Mill  | Unknown                        | 42620<br>1  | 25715<br>6   |
| MWA1125              | N/A             | Charlecote Mill Bridge  | Industrial                     | 42586<br>3  | 25715<br>9   |
| 1382105              | LB - II         | Bridge Over River Avon  | -                              | 42575<br>5  | 25715<br>9   |
| MWA951/<br>MNA188375 | N/A             | Hampton Lucy Bridge   | Post-medieval to<br>Modern     | 42575<br>5  | 25716<br>0   |
| MWA1114              | N/A             | Charlecote Mill   | Post-medieval                  | 42590<br>5  | 25721<br>4   |
| 1381813              | LB - II         | Charlecote Mill (That Part in Charlecote Cp)  | -                              | 42590<br>2  | 25721<br>4   |
| 1381814              | LB - II         | Charlecote Mill House   | -                              | 42591<br>9  | 25721<br>4   |
| 1382109              | LB - II*        | Charlecote Mill (That Part in Hampton Lucy<br>Cp)   | -                              | 42590<br>3  | 25721<br>6   |
| 1381815              | LB - II         | Outbuilding Immediately North East of<br>Charlecote Mill House                                  | -                              | 42593<br>8  | 25722<br>0   |
| MWA1153              | N/A             | Post Medieval to Industrial Mill Pond   | Post-medieval to<br>Industrial | 42585<br>0  | 25724<br>2   |

| NHLE/<br>HER Ref | Designa<br>tion | Name   | Period                             | Easti<br>ng | Nort<br>hing |
|------------------|-----------------|--|------------------------------------|-------------|--------------|
| MWA20361         | N/A             | Reported Site of B17G Crash North West of Charlecote Mill, But in the Parish of Hampton Lucy, on the 2nd October 1944. | Modern                             | 42586<br>1  | 25725<br>7   |
| 1382111          | LB - II         | Cottage on the West Bank of the River Avon Opposite Charlecote Mill in Avon Ford                                       | -                                  | 42573<br>9  | 25729<br>5   |
| MWA7221          | N/A             | Iron Age Site at Hampton Lucy  | Iron Age                           | 42548<br>7  | 25734<br>0   |
| MWA977           | N/A             | Site of Possible Mill at Hampton Lucy  | Medieval to Modern                 | 42596<br>3  | 25738<br>3   |
| MWA956           | N/A             | Probable Roman Settlement N of Hampton Lucy  | Romano-British                     | 42534<br>0  | 25752<br>7   |
| MWA7220          | N/A             | Remains of Ridge and Furrow Seen in Pipeline, Hampton Lucy   | Medieval                           | 42606<br>5  | 25753<br>4   |
| MWA1147          | N/A             | Possible Roman Settlement  | Romano-British                     | 42659<br>2  | 25761<br>6   |
| MWA2211          | N/A             | Undated Road   | Unknown                            | 42627<br>9  | 25763<br>6   |
| MWA10292         | N/A             | Possible Prehistoric Or Romano-British Settlements. See MWA 1147   | Unknown                            | 42667<br>3  | 25776<br>4   |
| MWA4651          | N/A             | Undated Linear Crop Mark   | Unknown                            | 42596<br>0  | 25780<br>0   |
| MWA6059          | N/A             | Mortuary Enclosure 700m S of Wasperton   | Early Neolithic to Late Neolithic  | 42637<br>0  | 25817<br>0   |
| MWA5499          | N/A             | Excavation of Bronze Age Ring Ditches at Wasperton   | Bronze Age                         | 42624<br>7  | 25836<br>3   |
| MWA5501          | N/A             | Excavation of Iron Age Settlement at Wasperton   | Iron Age                           | 42624<br>5  | 25836<br>4   |
| MWA5503          | N/A             | Excavation of Romano British Cemetery at Wasperton   | Romano-British                     | 42624<br>8  | 25836<br>5   |
| MWA5500          | N/A             | Excavation of Poss Iron Age Boundary at Wasperton  | Middle Bronze Age to Late Iron Age | 42624<br>8  | 25836<br>7   |
| MWA1845          | N/A             | Excavation of Neolithic Settlement at Wasperton  | Late Neolithic to Early Bronze Age | 42628<br>0  | 25836<br>9   |
| MWA5502          | N/A             | Excavation of Roman Settlement at Wasperton  | Romano-British                     | 42623<br>5  | 25839<br>9   |
| 1005712          | SM              | Enclosures and 'Drove Road' 100yds (90m) S of Manor House Farm   | -                                  | 42638<br>3  | 25863<br>0   |
| MWA5504          | N/A             | Excavation of Anglo Saxon Cemetery at Wasperton  | Anglo-Saxon                        | 42638<br>5  | 25863<br>8   |
| MWA6058          | N/A             | Neolithic Settlement 700m S of Wasperton   | Early Neolithic to Late Neolithic  | 42638<br>4  | 25863<br>9   |
| MWA20358         | N/A             | Reported Crash Site of Whitley Aircraft Which Crashed on the 23rd July 1943 West of Manor House Farm, Wasperton.       | Modern                             | 42566<br>1  | 25872<br>6   |
| MWA12854         | N/A             | Cedar House Garden, Wasperton  | Unknown                            | 42658<br>5  | 25873<br>0   |
| MWA9685          | N/A             | Undated Sequence of Alluvium Derived From the River Avon Flooding at Wasperton.  | Unknown                            | 42592<br>1  | 25875<br>4   |
| MWA12702         | N/A             | Iron Age Gully Near 'The Granary' at Manor House Farm, Wasperton   | Iron Age                           | 42644<br>6  | 25877<br>5   |
| 1035126          | LB - II         | Church of St John the Baptist  | -                                  | 42657<br>2  | 25877<br>6   |

| NHLE/<br>HER Ref    | Designation | Name   | Period                              | East<br>ing | Nort<br>hing |
|---------------------|-------------|--|-------------------------------------|-------------|--------------|
| MWA2203             | N/A         | Church of St John the Baptist, Wasperton   | Post-medieval to Industrial         | 42657<br>5  | 25877<br>8   |
| MWA5250             | N/A         | Site of Medieval Church at Wasperton   | Medieval to Post-medieval           | 42657<br>7  | 25877<br>9   |
| 1325532             | LB - II*    | Old Manor House  | -                                   | 42641<br>0  | 25880<br>5   |
| MWA8296             | N/A         | Arch Obs of Well at Manor House Farm, Wasperton  | Unknown                             | 42640<br>0  | 25881<br>0   |
| MWA20357            | N/A         | Reported Crash Site of Wellington West of Manor House Farm, Wasperton.                   | Modern                              | 42565<br>8  | 25881<br>1   |
| MWA2209             | N/A         | Dovecote East of Wasperton Manor House   | Post-medieval                       | 42649<br>4  | 25881<br>1   |
| MWA6755             | N/A         | Possible Ring Ditch SE of College Farm, Wasperton  | Early Neolithic to Late Bronze Age  | 42698<br>7  | 25884<br>3   |
| MWA2204             | N/A         | Medieval Manor House at Wasperton  | Medieval to Industrial              | 42641<br>8  | 25884<br>4   |
| MWA9137             | N/A         | Wasperton Medieval Settlement  | Medieval                            | 42660<br>9  | 25888<br>9   |
| MWA2205/<br>MWA8405 | N/A         | Wasperton Village Hall   | Industrial                          | 42657<br>7  | 25889<br>6   |
| 1107194             | LB - II     | The Elms   | -                                   | 42683<br>2  | 25899<br>2   |
| MWA19862            | N/A         | Cropmark of 'D' Shaped Enclosure   | Unknown                             | 42580<br>2  | 25899<br>8   |
| MWA12983            | N/A         | Wasperton House Garden, Wasperton, Warwick   | Industrial to Modern                | 42696<br>6  | 25901<br>2   |
| 1035127             | LB - II     | Wasperton House  | -                                   | 42689<br>2  | 25905<br>2   |
| MWA2202             | N/A         | Possible Site of Watermill 400m NW of Church   | Medieval                            | 42644<br>2  | 25916<br>1   |
| MWA5155             | N/A         | Findspot - Roman Pottery and Tile  | Romano-British                      | 42640<br>0  | 25920<br>0   |
| MWA4950             | N/A         | Crop Mark Site 650m N of Wasperton   | Unknown                             | 42581<br>6  | 25922<br>4   |
| MWA20580            | N/A         | Three Searchlights For 'Sandra' Lighting For Wellesbourne Mountford Airfield.            | Modern to Unknown                   | 42728<br>9  | 25945<br>7   |
| MWA7466             | N/A         | Findspot - Medieval Carved Stone   | Medieval                            | 42640<br>0  | 25950<br>0   |
| 1382107             | LB - II     | Grove Fields Farmhouse   | -                                   | 42636<br>8  | 25952<br>3   |
| MWA6753             | N/A         | Linear Cropmark 400m SE of Hampton Wood  | Unknown                             | 42576<br>7  | 25955<br>8   |
| MWA13165            | N/A         | Ditches and Gullies Probably Later Prehistoric Or Roman, Grove Fields Farm, Hampton Lucy | Early Bronze Age to Romano-British  | 42637<br>6  | 25956<br>0   |
| MWA30474            | N/A         | Post Medieval Structures, Grove Fields House, Fulbrook Lane, Hampton Lucy                | Post-medieval to Industrial         | 42637<br>6  | 25956<br>0   |
| MWA7185             | N/A         | Findspot - Prehistoric Flints  | Early Mesolithic to Late Bronze Age | 42650<br>6  | 25958<br>0   |
| MWA957              | N/A         | Late Bronze Age to Romano-British Settlement at Grove Field Farm                         | Late Iron Age                       | 42642<br>6  | 25960<br>1   |
| MWA963              | N/A         | Trackway and Ford to E of Grove Field Farm, Hampton Lucy.                                | Unknown                             | 42698<br>0  | 25965<br>0   |

| NHLE/<br>HER Ref | Designation | Name  | Period                        | East<br>ing                | North<br>ing               |
|------------------|-------------|---|-------------------------------|----------------------------|----------------------------|
| 1035124          | LB - II     | The Forge Cottage                                     | -                             | 42704<br>4                 | 25975<br>7                 |
| MWA9930          | N/A         | Hampton Wood  | Medieval                      | 42550<br>4                 | 25984<br>0                 |
| MWA8691          | N/A         | Hampton Park  | Medieval                      | 42551<br>4                 | 25984<br>1                 |
| MWA850           | N/A         | Fulbrook Park   | Medieval to Post-<br>medieval | 42496<br>5                 | 26000<br>4                 |
| 1035123          | LB - II     | Wasperton Farmhouse                                   | -                             | 42736<br>8                 | 26001<br>0                 |
| MWA13422         | N/A         | Single Medieval Ditch, Church Street,<br>Hampton Lucy | Medieval                      | 42543<br>4 -<br>42543<br>5 | 25704<br>7 -<br>25703<br>4 |

## Gazetteer: Reach 3

| NHLE/ HER<br>Ref   | Designation | Name  | Period                               | East<br>ing | North<br>ing |
|--------------------|-------------|---|--------------------------------------|-------------|--------------|
| MWA957             | N/A         | Late Bronze Age to Romano-British<br>Settlement at Grove Field Farm                                 | Late Iron Age                        | 426426      | 25960<br>1   |
| MWA850             | N/A         | Fulbrook Park   | Medieval to Post-<br>medieval        | 424965      | 26000<br>4   |
| MWA849             | N/A         | Site of Possible Medieval Lodge 600m S of<br>Court Farm House, Fulbrook.                            | Medieval                             | 425347      | 26003<br>5   |
| MWA20360           | N/A         | Reported Site of Whitley Aircraft Crash<br>South East of Westham House, Barford.                    | Modern                               | 426594      | 26007<br>2   |
| MWA7287            | N/A         | Site of Possible Barrow   | Early Neolithic to<br>Early Iron Age | 426920      | 26007<br>9   |
| MWA7283            | N/A         | Site of Gasworks  | Industrial                           | 426977      | 26020<br>6   |
| MWA20359           | N/A         | Reported Crash Site of Hurricane Fighter<br>North of Hampdon Wood, Fullbrook.                       | Modern                               | 425625      | 26021<br>7   |
| MWA12893           | N/A         | A Series of Romano-British Gullies<br>Uncovered in Advance of Construction of the<br>Barford Bypass | Romano-British                       | 426813      | 26023<br>0   |
| MWA9788            | N/A         | A Romano-British Pottery Sherd From<br>Oldhams Transport Depot, Wellesbourne<br>Road, Barford       | Romano-British                       | 426896      | 26027<br>9   |
| MWA12892           | N/A         | Romano-British Pit Uncovered in Advance of<br>Construction of the Barford Bypass                    | Romano-British                       | 426759      | 26029<br>6   |
| 1011373/<br>MWA835 | SM          | Duke of Bedford's Castle, 140m SE of Castle<br>Farm   | -                                    | 425030      | 26032<br>2   |
| MWA6382            | N/A         | Cropmark of Possible Enclosure on Castle<br>Hill  | Unknown                              | 425264      | 26033<br>8   |
| 1364915            | LB II       | Granville Arms Public House   | -                                    | 426950      | 26036<br>9   |
| MWA2753            | N/A         | Findspot - Roman Pottery  | Romano-British                       | 426000      | 26040        |

| NHLE/ HER Ref | Design ation | Name   | Period                              | Eastin g | North ing |
|---------------|--------------|--|-------------------------------------|----------|-----------|
|               |              |  |                                     |          | 0         |
| MWA5313       | N/A          | Findspot - Medieval Pottery  | Medieval                            | 426000   | 260400    |
| MWA5314       | N/A          | Findspot - Mesolithic - Bronze Age Flints  | Early Mesolithic to Late Bronze Age | 426000   | 260400    |
| MWA4092       | N/A          | Findspot - Post Medieval Jetton  | Post-medieval                       | 427300   | 260400    |
| MWA30269      | N/A          | Prehistoric Pits, Wasperton Lane, Barford  | Late Prehistoric                    | 427052   | 260446    |
| MWA4620       | N/A          | Undated Crop Mark Enclosure, Sherbourne  | Unknown                             | 426136   | 260512    |
| 1035249       | LB II*       | Barford House  | -                                   | 427013   | 260532    |
| MWA838        | N/A          | Fishpond 100m S of Court Farm House  | Medieval to Post-medieval           | 425221   | 260541    |
| MWA837        | N/A          | Fishpond 100m SE of Court Farm House   | Medieval                            | 425348   | 260551    |
| 1320031       | LB II        | Gazebo to East of Barford House  | -                                   | 427063   | 260553    |
| MWA701        | N/A          | Late Iron Age/Romano British Activity at Barford   | Late Iron Age to Romano-British     | 426798   | 260585    |
| MWA12728      | N/A          | Barford House Garden, Barford, Warwick   | Industrial to Modern                | 427088   | 260587    |
| MWA843        | N/A          | Findspot - Medieval Steelyard Weight From Fulbrook.  | Medieval                            | 425100   | 260600    |
| MWA970        | N/A          | Findspot - Medieval Gravestone, Fulbrook.  | Medieval                            | 425300   | 260600    |
| MWA7288       | N/A          | Findspot - Prehistoric Flint Flakes  | Middle Neolithic to Late Neolithic  | 426600   | 260600    |
| MWA30253      | N/A          | Barford Bus Stop and War Memorial  | Modern                              | 426939   | 260605    |
| MWA12888      | N/A          | Late Bronze Age/Early Iron Age Pit Uncovered in Advance of Construction of the Barford Bypass              | Late Bronze Age to Early Iron Age   | 426664   | 260618    |
| MWA12885      | N/A          | Area of Middle-Late Iron Age Pits and Postholes Uncovered in Advance of Construction of the Barford Bypass | Middle Iron Age to Late Iron Age    | 426664   | 260630    |
| MWA12887      | N/A          | Late Neolithic/Bronze Age Flints Discovered in Advance of Construction of the Barford Bypass               | Late Neolithic to Late Bronze Age   | 426672   | 260631    |
| MWA848        | N/A          | Site of Gatehouse Near Moated Site, Fulbrook.  | Medieval                            | 425270   | 260632    |
| MWA5153       | N/A          | Site of Manor House to W of Court Farm House, Fulbrook.  | Medieval                            | 425271   | 260632    |
| MWA12886      | N/A          | Late Mesolithic Flint Discovered in Advance of Construction of the Barford Bypass                          | Late Mesolithic                     | 426663   | 260638    |
| MWA12889      | N/A          | A Series of Romano-British Gullies Uncovered in Advance of Construction of the Barford Bypass              | Romano-British                      | 426663   | 260648    |
| MWA840        | N/A          | Findspot - Roman Pottery Fragment  | Romano-British                      | 425350   | 260670    |
| 1320042       | LB II        | 15, Wellesbourne Road  | -                                   | 426949   | 26067     |

| NHLE/ HER Ref  | Design ation | Name  | Period                              | Eastin g | North ing |
|--|--------------|---|-------------------------------------|----------|-----------|
|  |              |   |                                     |          | 3         |
| MWA4299  | N/A          | Findspot - Medieval Heraldic Pendant  | Medieval                            | 425300   | 260700    |
| MWA845   | N/A          | Site of Fulbrook Church   | Medieval                            | 425367   | 260709    |
| 1116265  | LB II        | 6, Wellesbourne Road  | -                                   | 426907   | 260724    |
| MWA8716  | N/A          | Post-Medieval Activity, Wellesbourne Road   | Post-medieval to Industrial         | 426883   | 260734    |
| 1011196/<br>MWA841/<br>MWA842/<br>MWA839/<br>MWA7252 | SM           | Two Moated Sites and Fishponds, and An Associated Area of Ridge and Furrow, West and North West of Court Farm House | -                                   | 425163   | 260739    |
| MWA834   | N/A          | Site of Fulbrook Deserted Medieval Settlement   | Medieval                            | 425336   | 260741    |
| MWA30210   | N/A          | 18th Century Pit, 2 Church Street, Barford  | Post-medieval to Industrial         | 426951   | 260743    |
| MWA9725  | N/A          | Undated Quarry Pits at Hemmings Mill, Barford.  | Unknown                             | 426868   | 260752    |
| 1035277  | LB II        | 1, Bridge Street  | -                                   | 426890   | 260758    |
| MWA9967  | N/A          | Well and Water Tank in Grounds of the Cottage, Mill Lane, Barford   | Industrial                          | 426798   | 260759    |
| MWA30654   | N/A          | 19th Century Well at No 3 Bridge Street, Barford  | Industrial to Modern                | 426885   | 260759    |
| 1035278  | LB II        | 3, Bridge Street  | -                                   | 426889   | 260766    |
| 1035248  | LB II        | The Cottage   | -                                   | 426828   | 260773    |
| 1116509  | LB II        | Cedar House Including Area Railings to West and South   | -                                   | 426910   | 260774    |
| 1035240  | LB II        | Sun Cottage   | -                                   | 426987   | 260783    |
| 1116517  | LB II        | Bank House  | -                                   | 426896   | 260792    |
| 1035276  | LB II        | 4, Bridge Street  | -                                   | 426904   | 260792    |
| 1364909  | LB II        | Ivy House   | -                                   | 426996   | 260794    |
| 1116422  | LB II        | Gables Cottage  | -                                   | 426962   | 260796    |
| MWA7308  | N/A          | Findspot - Prehistoric Flint Scatter, Barford Bridge  | Late Mesolithic to Early Bronze Age | 426618   | 260798    |
| MWA9134  | N/A          | Barford Medieval Settlement   | Medieval                            | 427192   | 260799    |
| 1116495  | LB II        | Joseph Arch Public House  | -                                   | 426863   | 260800    |
| MWA4621  | N/A          | Undated Crop Mark Settlement, Barford   | Unknown                             | 426530   | 260803    |
| 1035241  | LB II        | 28, Church Street   | -                                   | 427033   | 260804    |

| NHLE/ HER Ref       | Designation | Name  | Period                       | Eastin g | North ing |
|---------------------|-------------|---|------------------------------|----------|-----------|
| 1035279             | LB II       | Dragon Yard   | -                            | 427200   | 260804    |
| 1364910             | LB II       | 38 and 40, Church Street  | -                            | 427058   | 260810    |
| 1035242             | LB II       | 44, Church Street   | -                            | 427068   | 260813    |
| MWA7286             | N/A         | Site of Fishpond  | Industrial                   | 426375   | 260822    |
| 1364907             | LB II       | 4, Church Lane  | -                            | 427229   | 260822    |
| MWA9277             | N/A         | Medieval Pottery From Barford   | Medieval                     | 426185   | 260833    |
| 1035243             | LB II       | 56, Church Street   | -                            | 427139   | 260842    |
| 1364887             | LB II       | Barn Between Numbers 11 and 17, Opposite Bridge House and South of Number 17                                    | -                            | 426837   | 260844    |
| 1035238             | LB II       | 8, Church Lane  | -                            | 427269   | 260845    |
| 1035247             | LB II       | 2, Keytes Lane  | -                            | 427083   | 260848    |
| 1035244             | LB II       | The Malt Barn Between Numbers 25 and 27   | -                            | 427107   | 260853    |
| 1364886             | LB II       | Bridge House  | -                            | 426858   | 260858    |
| MWA12891            | N/A         | Area of Middle-Late Iron Age Pits and L-Shaped Ditch Uncovered in Advance of Construction of the Barford Bypass | Middle Iron Age to Migration | 426553   | 260868    |
| 1116308             | LB II       | 4, Keytes Lane  | -                            | 427076   | 260874    |
| 1116501             | LB II       | 17, Bridge Street   | -                            | 426811   | 260876    |
| 1035239             | LB II       | Barford Lodge   | -                            | 427358   | 260903    |
| MWA10256            | N/A         | Anglo-Saxon Occupation West of Barford  | Anglo-Saxon                  | 426530   | 260905    |
| MWA7282             | N/A         | Site of An 18th Century Gravel Pit  | Industrial                   | 426597   | 260906    |
| MWA708              | N/A         | Church of St Peter, Barford   | Medieval to Industrial       | 427237   | 260907    |
| 1116437/<br>MWA5124 | LB II*      | Church of St Peter  | -                            | 427234   | 260909    |
| MWA3686             | N/A         | Possible Site of Medieval Grange Off Church Street, Barford.  | Medieval                     | 427163   | 260939    |
| MWA5481             | N/A         | Site of Post Medieval Manor House Off Church Street   | Post-medieval                | 427163   | 260939    |
| 1364914             | LB II       | 5, Keytes Lane  | -                            | 427045   | 260940    |
| 1116319             | LB II       | 21 and 23, Keytes Lane  | -                            | 427032   | 260949    |
| MWA4622             | N/A         | Undated Trackway  | Unknown                      | 425066   | 260951    |
| 1364911             | LB II       | The Glebe Hotel   | -                            | 427256   | 26095     |

| NHLE/ HER Ref       | Design ation | Name  | Period   | Eastin g | North ing |
|---------------------|--------------|---|--|----------|-----------|
|                     |              |   |  |          | 3         |
| MWA8012             | N/A          | Battery   | Modern   | 426767   | 260956    |
| 1364908             | LB II        | Dovecote at Rear of Number 7                                    | -  | 427301   | 260968    |
| MWA20349            | N/A          | Dovecote Off Church Lane, Barford Village                       | Industrial   | 427302   | 260969    |
| 1319939/<br>MWA707  | LB II        | Barford Bridge  | -  | 426778   | 260974    |
| 1116375             | LB II        | 29, Church Street   | -  | 427207   | 260987    |
| MWA12984            | N/A          | Watchbury House Garden, High Street, Barford                    | Post-medieval to Modern                              | 427427   | 260990    |
| 1364912             | LB II        | Jasmine Cottage   | -  | 427218   | 260993    |
| MWA1247             | N/A          | Findspot - Roman Brooch   | Romano-British                                       | 426000   | 261000    |
| MWA717              | N/A          | Findspot - Palaeolithic Flint Object, Barford.                  | Early Lower Palaeolithic to Late Middle Palaeolithic | 427000   | 261000    |
| 1035245             | LB II        | The Old Mill House  | -  | 427287   | 261021    |
| MWA8011             | N/A          | Pillbox at Barford Bridge                                       | Modern   | 426730   | 261030    |
| MWA7281             | N/A          | Site of Boathouse at Sherbourne                                 | Industrial   | 426543   | 261038    |
| MWA12586            | N/A          | Boundary Ditch and Posthole at Avonside, 1 High Street, Barford | Medieval to Post-medieval                            | 427263   | 261047    |
| MWA12904            | N/A          | Wooden Piles Found 100m North West of Barford Bridge            | Unknown  | 426682   | 261069    |
| 1364913             | LB II        | Avonside Cottage, Avonside House                                | -  | 427252   | 261071    |
| 1116348             | LB II        | Little Watchbury, Watchbury House                               | -  | 427367   | 261076    |
| MWA702              | N/A          | Site of Barford Mill  | Medieval to Industrial                               | 427211   | 261078    |
| MWA706              | N/A          | Ice House By Watchbury Farm, Barford                            | Industrial   | 427460   | 261100    |
| 1035246             | LB II        | Wheatsheaf Cottage  | -  | 427430   | 261130    |
| 1116333             | LB II        | 22, High Street   | -  | 427448   | 261140    |
| 1035140             | LB II        | Churchyard Boundary Wall  | -  | 426198   | 261170    |
| MWA5125             | N/A          | Old Church of All Saints, Sherbourne.                           | Medieval to Industrial                               | 426230   | 261180    |
| 1035139/<br>MWA975  | LB II*       | Church of All Saints  | -  | 426223   | 261184    |
| 1364971/<br>MWA976  | LB II        | Churchyard Cross North East of Church of All Saints             | -  | 426240   | 261203    |
| 1005720/<br>MWA9133 | SM           | Sherbourne Churchyard Cross                                     | -  | 426238   | 261208    |



| NHLE/ HER Ref                   | Design ation | Name  | Period   | Eastin g | North ing |
|---------------------------------|--------------|---|--|----------|-----------|
| MWA7285                         | N/A          | Fishpond N of Barford Bridge  | Post-medieval  | 426738   | 261236    |
| MWA12219                        | N/A          | Barford; Gasometer; Possible Methane Plant  | Industrial to Modern                                 | 427690   | 261266    |
| 1035141                         | LB II*       | Sherbourne Park   | -  | 426297   | 261294    |
| MWA29796                        | N/A          | Barford Landing Ground  | Modern   | 427184   | 261326    |
| 1002989/<br>MWA967/<br>MWA5159  | SM           | Enclosures in Park of Sherbourne House, 200yds (180m) NE of Church  | -  | 426471   | 261389    |
| 1364972                         | LB II        | Church Farmhouse  | -  | 426189   | 261421    |
| 1005711/<br>MWA966              | SM           | Enclosures 450yds (410m) NE of Parish Church  | -  | 426682   | 261540    |
| N/A                             | CA           | Sherbourne Conservation Area  | -  | 42679    | 261578    |
| MWA19915                        | N/A          | Barford Hill Bridge   | Industrial to Modern                                 | 427992   | 261647    |
| MWA30549                        | N/A          | Debden Hollow, Barford Hill, Barford  | Modern   | 427765   | 261682    |
| 1393751                         | LB II        | Debden Hollow, Together With the Retaining Walls, Steps and Raised Flower Beds to the East of the House and Swimming Pool, Steps and Retaining Wall to the West | -  | 427762   | 261683    |
| MWA704                          | N/A          | Site of Ice House 400m N of Clock Cottage, Barford.   | Post-medieval to Industrial                          | 427737   | 261700    |
| MWA12727                        | N/A          | Barford Hill House Garden, Barford, Warwick   | Industrial to Modern                                 | 427778   | 261709    |
| MWA703                          | N/A          | Findspot - Palaeolithic Flint Implement, Barford.   | Early Lower Palaeolithic to Late Middle Palaeolithic | 428050   | 261750    |
| MWA4698                         | N/A          | Excavation of Bronze Age Ditch - 'Site M'   | Late Neolithic to Early Iron Age                     | 428056   | 261799    |
| MWA6377                         | N/A          | Findspot - Neolithic Or Bronze Age Flint Scatter  | Early Neolithic to Late Bronze Age                   | 427250   | 261800    |
| MWA6070                         | N/A          | Neolithic Pit & Pottery   | Early Neolithic to Late Neolithic                    | 428113   | 261809    |
| MWA30176                        | N/A          | Site of A Farm Located Approximatly 230m South of Old Barn Cottage, Sherbourne  | Industrial to Modern                                 | 427170   | 261865    |
| MWA4685                         | N/A          | Undated Linear Cropmark   | Unknown  | 427286   | 261867    |
| MWA4699                         | N/A          | Undated Ditch Site 'O'  | Unknown  | 428178   | 261893    |
| MWA4697                         | N/A          | Excavation of Undated Pit - 'Site L'  | Unknown  | 428179   | 261893    |
| MWA4690                         | N/A          | Neolithic Pit   | Early Neolithic to Late Neolithic                    | 428084   | 261919    |
| 1005710/<br>MWA5515/<br>MWA5516 | SM           | Cursus, Enclosures and Other Cropmarks 900m NNW of Barford Church   | -  | 426997   | 261925    |
| MWA4692                         | N/A          | Excavation of Iron Age Settlement - 'Site G'  | Iron Age   | 428077   | 261983    |

| NHLE/ HER Ref        | Design ation | Name   | Period                              | Eastin g | North ing |
|----------------------|--------------|--|-------------------------------------|----------|-----------|
| MWA4890              | N/A          | Cropmark Complex to E of Bushey Hill, Barford  | Early Neolithic to Romano-British   | 428199   | 261985    |
| MWA5588              | N/A          | Excavation of Iron Age Settlement - 'Site E'   | Iron Age                            | 428200   | 261986    |
| MWA4693              | N/A          | Excavation of Possible Neolithic Pits - 'Site H'                                     | Late Prehistoric                    | 428121   | 262000    |
| MWA9787              | N/A          | Find of Worked Flint in the Area of Barford Sheds                                    | Early Mesolithic to Late Bronze Age | 428001   | 262001    |
| MWA4691              | N/A          | Excavation of Undated Pits - 'Site F'  | Unknown                             | 428115   | 262046    |
| 1035275              | LB II        | Barn 50 Yards to South of Alderham Farmhouse   | -                                   | 428016   | 262123    |
| 1116538              | LB II        | Alderham Farmhouse   | -                                   | 428005   | 262130    |
| MWA705               | N/A          | Double Pit Alignment, Barford.   | Late Bronze Age to Late Iron Age    | 428642   | 262348    |
| MWA12908             | N/A          | Longbridge Manor Gardens, Longbridge, Warwick  | Post-medieval to Modern             | 426828   | 262528    |
| MWA8124              | N/A          | Fish Pond Associated With Longbridge Manor   | Unknown                             | 426899   | 262584    |
| MWA20218             | N/A          | Longbridge   | Medieval to Modern                  | 426922   | 262593    |
| MWA4686              | N/A          | Undated Cropmark Enclosures & Linear Features  | Unknown                             | 428450   | 262628    |
| 1184689              | LB II        | West Barn, The Old House   | -                                   | 426940   | 262638    |
| 1035416              | LB II        | The Old House  | -                                   | 426959   | 262652    |
| MWA6424              | N/A          | Cropmark Enclosure East of Stratford Road, Warwick                                   | Unknown                             | 427207   | 262706    |
| MWA9700              | N/A          | Post-Medieval Agricultural Activity at Old Tree Nursery, Stratford Road, Longbridge. | Post-medieval to Industrial         | 427229   | 262775    |
| MWA9699              | N/A          | Nissen Hut at Old Tree Nursery, Stratford Road, Longbridge, Warwick                  | Modern                              | 427283   | 262807    |
| MWA1977              | N/A          | Possible Site of Lee Deserted Medieval Village                                       | Medieval                            | 428000   | 263000    |
| MWA4072              | N/A          | Findspot - Migration Period Bronze Brooch  | Anglo-Saxon                         | 428000   | 263000    |
| MWA4073              | N/A          | Findspot - Medieval Assorted Finds From the Area of Warwick Castle Park              | Medieval                            | 428000   | 263000    |
| MWA4074              | N/A          | Findspot - Post Medieval Assorted Finds  | Post-medieval                       | 428000   | 263000    |
| MWA4076              | N/A          | Findspot - Roman Coin & Pottery  | Romano-British                      | 428000   | 263000    |
| MWA8871              | N/A          | Findspot - Prehistoric Flint Flake, West of Stratford Rd, Warwick                    | Early Mesolithic to Late Bronze Age | 427178   | 263022    |
| MWA20219             | N/A          | Leaffield Bridge   | Industrial to Modern                | 427944   | 263043    |
| 1035509/<br>MWA20219 | LB II        | Leaffield Bridge   | -                                   | 427945   | 263043    |
| 1035221              | LB II*       | The Hunting Lodge  | -                                   | 428279   | 263078    |

| NHLE/ HER Ref       | Design ation | Name  | Period                            | Eastin g | North ing |
|---------------------|--------------|---|-----------------------------------|----------|-----------|
| MWA12949            | N/A          | Spier's Lodge Garden, Warwick Castle Park, Warwick                | Industrial to Modern              | 428272   | 263087    |
| MWA1964             | N/A          | Site of Tollgate on Stratford Road                                | Industrial                        | 427244   | 263092    |
| MWA1978             | N/A          | Medieval Earthwork Field System                                   | Medieval                          | 427807   | 263095    |
| MWA9733             | N/A          | Pillbox at Castle Park  | Modern                            | 427973   | 263101    |
| MWA1982             | N/A          | Site of Anglo Saxon Cemetery at Longbridge                        | Anglo-Saxon                       | 427513   | 263196    |
| MWA10108            | N/A          | Find of A Roman Item in the Leafield Area of Castle Park, Warwick | Romano-British                    | 428019   | 263205    |
| MWA8101             | N/A          | Raf Warwick   | Modern                            | 426914   | 263285    |
| MWA10156            | N/A          | Find of A Medieval Coin in Warwick Castle Park                    | Medieval                          | 428756   | 263316    |
| MWA13155            | N/A          | Leafield Barns, Stratford Road, Warwick                           | Post-medieval                     | 427776   | 263346    |
| MWA13155            | N/A          | Leafield Barns, Stratford Road, Warwick                           | Post-medieval                     | 427758   | 263364    |
| MWA4068             | N/A          | Findspot - Industrial Token                                       | Industrial                        | 427500   | 263400    |
| 1000386/<br>MWA6956 | RPG I        | Wawick Castle   | -                                 | 428498   | 263449    |
| MWA9839             | N/A          | Worked Flint Found in Warwick Castle Park                         | Early Neolithic to Late Neolithic | 428551   | 263570    |
| MWA9852             | N/A          | Find of Medieval Coins Near Leafields Farm, Warwick               | Medieval                          | 427710   | 263595    |
| MWA10157            | N/A          | Find of A Medieval Coin in Warwick Castle Park                    | Medieval                          | 427951   | 263663    |
| MWA10161            | N/A          | Find of A Medieval Coin in Warwick Castle Park.                   | Medieval                          | 427861   | 263753    |
| MWA10162            | N/A          | Find of A Post Medieval Coin in Warwick Castle Park               | Post-medieval                     | 427859   | 263755    |
| MWA7124             | N/A          | Findspot - Roman Coins & Metal Objects                            | Romano-British                    | 427900   | 263800    |
| MWA4069             | N/A          | Findspot - Roman Coin   | Romano-British                    | 427800   | 263900    |
| MWA4071             | N/A          | Findspot - Post Medieval & Industrial Metal Finds                 | Post-medieval to Industrial       | 427800   | 263900    |
|                     | CA           | Warwick Conservation Area   | -                                 | 428333   | 263945    |
| MWA10154            | N/A          | Find of Two Medieval Coins in Warwick                             | Medieval                          | 427948   | 263962    |
| MWA6640             | N/A          | Findspot - Roman Coin From Castle Park, Warwick                   | Romano-British                    | 428002   | 263994    |
| MWA4333             | N/A          | Findspot - Medieval Assorted Finds                                | Medieval                          | 428000   | 264000    |
| MWA6641             | N/A          | Findspot - Post Medieval Metal Items in Warwick Castle Park       | Post-medieval                     | 428000   | 264000    |
| MWA8252             | N/A          | Medieval Remains in Castle Park                                   | Medieval                          | 428812   | 264174    |

| NHLE/ HER Ref | Designation | Name  | Period         | Eastin g        | North ing       |
|---------------|-------------|---|----------------|-----------------|-----------------|
| MWA10020      | N/A         | Finds of Post Medieval Items in Warwick Castle Park | Post-medieval  | 428812          | 264175          |
| MWA10021      | N/A         | Find of A Roman Item in Warwick Castle Park         | Romano-British | 428812          | 264175          |
|               | CA          | Barford Conservation Area                           | -              | 427349          | 427349          |
| MWA4820       | N/A         | Turnpike Road From Warwick to Paddle Brook          | Industrial     | 426941 - 422369 | 251055 - 237559 |
| MWA4787       | N/A         | Turnpike Road From Warwick to Stratford             | Industrial     | 423918 - 428010 | 260460 - 264683 |

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| NHLE/ HER Ref | Designation | Name  | Period                    | Eastin g | North ing |
|---------------|-------------|---|---------------------------|----------|-----------|
| MWA6956       | N/A         | Warwick Castle Park, Banbury Road, Warwick                                      | Post-medieval to Modern   | 428517   | 263503    |
| MWA4615       | N/A         | Site of Old Banbury Road S of Warwick   | Medieval to Post-medieval | 428941   | 263713    |
| MWA30287      | N/A         | Bridge End Prisoner of War (POW), Agricultural Committee and Resettlement Camp. | Unknown                   | 429071   | 264194    |
| MWA13181      | N/A         | Medieval Burials in the Rear Garden of 13 Stratford Road, Warwick               | Medieval                  | 427800   | 264255    |
| MWA10155      | N/A         | Post Medieval Item Found in Warwick Castle Park                                 | Post-medieval             | 264267   | 264267    |
| MWA1956       | N/A         | Site of Church and Churchyard of St Lawrence, West Street                       | Medieval                  | 427803   | 264282    |
| MWA13184      | N/A         | Church of St Lawrence, Stratford Road, Warwick, Warwickshire                    | Medieval to Post-medieval | 427806   | 264282    |
| MWA1960       | N/A         | Site of Preceptory of Knights Templars, Castle Park                             | Medieval                  | 264300   | 264300    |
| MWA4063       | N/A         | Findspot - Roman Coin   | Romano-British            | 264300   | 264300    |
| MWA4067       | N/A         | Findspot - Medieval Coin Found in Warwick Castle Park.                          | Medieval                  | 264300   | 264300    |
| 1185271       | LB II       | 3 & 5, Stratford Road   | -                         | 427806   | 264305    |
| MWA9837       | N/A         | Finds of Roman Items in Warwick Castle Park                                     | Romano-British            | 264306   | 264306    |
| MWA9838       | N/A         | Finds of Medieval Coins and Papal Bullae in Warwick Castle Park                 | Medieval                  | 264307   | 264307    |
| MWA9841       | N/A         | Find of Medieval Jetton in Warwick  | Medieval                  | 264310   | 264310    |
| MWA5521       | N/A         | Site of Medieval Moat in Castle Park  | Medieval                  | 428622   | 264331    |

| NHLE/ HER Ref | Designation | Name  | Period                    | Eastin g | North ing |
|---------------|-------------|---|---------------------------|----------|-----------|
| MWA9855       | N/A         | Find of Great Reform Act Medallion in Warwick   | Industrial                | 264346   | 264346    |
| 1299683       | LB II       | 113 115, West Street  | -                         | 427836   | 264346    |
| MWA9905       | N/A         | Post Medieval Items Found in Warwick Castle Park                                      | Post-medieval             | 264373   | 264373    |
| MWA9904       | N/A         | Medieval Items Found  | Medieval                  | 264375   | 264375    |
| 1035351       | LB II       | 94, West Street   | -                         | 427815   | 264394    |
| MWA4066       | N/A         | Findspot - Industrial Ornamental Fragment   | Industrial                | 264400   | 264400    |
| MWA7858       | N/A         | Possible Site of Church of St Helena, Castle Park                                     | Medieval                  | 264400   | 264400    |
| MWA8316       | N/A         | Medieval Suburb of Bridge End, Warwick  | Medieval to Post-medieval | 428669   | 264404    |
| MWA8902       | N/A         | Out-Building Remains, 7 Brooke Close, Bridge End, Warwick                             | Medieval                  | 428677   | 264407    |
| 1035350       | LB II*      | 90 92, West Street  | -                         | 427825   | 264408    |
| 1035358       | LB II       | 109 111, West Street  | -                         | 427867   | 264416    |
| 1364883       | LB II       | The Vine Inn  | -                         | 427833   | 264418    |
| MWA13366      | N/A         | Vine Inn, West Street, Warwick  | Unknown                   | 427824   | 264424    |
| MWA30618      | N/A         | Medieval Wall Foundations and Roadside Ditches at 4 Brooke Close, Bridge End, Warwick | Medieval                  | 428639   | 264429    |
| 1035349       | LB II       | 80 82 84, West Street   | -                         | 427843   | 264432    |
| 1035357       | LB II       | Tinkers Hatch   | -                         | 427878   | 264436    |
| 1364882       | LB II       | Barn Behind Number 78   | -                         | 427846   | 264437    |
| 1035517       | LB II       | 107, Bridge End   | -                         | 428809   | 264444    |
| MWA8223       | N/A         | C19 Tannery, West St, Warwick   | Industrial                | 264447   | 264447    |
| MWA30619      | N/A         | Timber Yard, Brooke Close, Bridge End, Warwick  | Industrial to Modern      | 428629   | 264450    |
| MWA12474      | N/A         | Medieval Well, Bridge End   | Medieval                  | 264453   | 264453    |
| 1300281       | LB II       | 84-90, Bridge End   | -                         | 428696   | 264463    |
| 1185365       | LB II       | 87 91, West Street  | -                         | 427899   | 264473    |
| 1035515       | LB II       | Barn Cottage  | -                         | 428672   | 264473    |
| MWA8315       | N/A         | Building and Associated Surface at 83 Bridge End                                      | Medieval to Post-medieval | 264480   | 264480    |
| 1035514       | LB II       | 78 80, Bridge End   | -                         | 428658   | 26448     |

| NHLE/ HER Ref | Designation | Name  | Period               | Eastin g | North ing |
|---------------|-------------|---|----------------------|----------|-----------|
|               |             |   |                      |          | 1         |
| 1364849       | LB II       | 81 85, West Street  | -                    | 427902   | 264481    |
| 1185356       | LB II       | 75 77, West Street  | -                    | 427906   | 264489    |
| MWA1954       | N/A         | Possible Site of Church of St Helen's, Castle Park                        | Medieval             | 428538   | 264491    |
| 1184107       | LB II       | Castle Park House   | -                    | 428586   | 264495    |
| 1184123       | LB II       | 73, Bridge End  | -                    | 428674   | 264500    |
| MWA4064       | N/A         | Findspot - Roman Fitting From Castle Park, Warwick                        | Romano-British       | 264500   | 264500    |
| MWA4065       | N/A         | Findspot - Medieval Bronze Buckles  | Medieval             | 264500   | 264500    |
| MWA7914       | N/A         | 19th Century Brick Foundations and A Rubbish Pit, 73 West Street, Warwick | Industrial           | 427915   | 264503    |
| 1035356       | LB II       | 71 73, West Street  | -                    | 427918   | 264507    |
| 1364848       | LB II       | 61 63, West Street  | -                    | 427922   | 264516    |
| MWA12980      | N/A         | Warwick Castle Gardens, Warwick   | Industrial to Modern | 428269   | 264521    |
| 1299715       | LB II       | 59, West Street   | -                    | 427927   | 264525    |
| 1364768       | LB II       | 57 59 61, Bridge End  | -                    | 428618   | 264526    |
| MWA2150       | N/A         | Medieval Ditch, Banbury Road, Warwick.                                    | Medieval             | 428954   | 264530    |
| 1035355       | LB II       | 57, West Street   | -                    | 427930   | 264531    |
| MWA8753       | N/A         | Pits and Brick Walling, Quince Cottage, Bridge End, Warwick               | Post-medieval        | 264532   | 264532    |
| MWA7351       | N/A         | 17th/18th Landscape Features at Warwick Castle                            | Industrial           | 428321   | 264532    |
| 1364847       | LB II       | 55, West Street   | -                    | 427934   | 264536    |
| MWA1968       | N/A         | Site of Medieval Cross at Bridge End                                      | Post-medieval        | 428561   | 264539    |
| MWA13343      | N/A         | Wheatsheaf Inn, West Street, Warwick                                      | Unknown              | 427894   | 264546    |
| 1185338       | LB II       | 49 51 53, West Street   | -                    | 427939   | 264546    |
| MWA2199       | N/A         | Victorian Post box at Bridge End, Warwick                                 | Industrial           | 428581   | 264556    |
| MWA3797       | N/A         | Medieval Features at Park House, Bridge End, Warwick                      | Medieval             | 428565   | 264563    |
| MWA13359      | N/A         | Site of Warwick Tavern, Crompton Street, Warwick                          | Unknown              | 427800   | 264564    |
| MWA13368      | N/A         | Site of the Mermaid Public House, West Street, Warwick                    | Unknown              | 427914   | 264564    |

| NHLE/ HER Ref | Designation | Name   | Period                    | Eastin g | North ing |
|---------------|-------------|--|---------------------------|----------|-----------|
| 1255021       | LB II       | Church of St Mary (Roman Catholic)                                     | -                         | 427960   | 264565    |
| 1035516       | LB II       | 37 39, Bridge End  | -                         | 428641   | 264568    |
| MWA7892       | N/A         | Medieval Features at Park House  | Medieval to Post-medieval | 264570   | 264570    |
| MWA7893       | N/A         | Boundary Wall at Park House  | Industrial                | 264570   | 264570    |
| 1184115       | LB II       | Brome House<br>Little Brome  | -                         | 428658   | 264571    |
| 1035513       | LB II       | The Mill House   | -                         | 428590   | 264572    |
| MWA13369      | N/A         | Site of Nelson Inn, West Street, Warwick                               | Unknown                   | 427920   | 264576    |
| 1364767       | LB II       | 31, Bridge End   | -                         | 428680   | 264577    |
| 1035512       | LB II       | 32-38, Bridge End  | -                         | 428682   | 264600    |
| MWA13357      | N/A         | Forrester's Arms, Crompton Street, Warwick                             | Unknown                   | 427753   | 264605    |
| MWA9227       | N/A         | Site of Undated Well and Post Medieval Wall at 38 Bridge End, Warwick. | Unknown                   | 428674   | 264605    |
| 1035348       | LB II       | 28, West Street  | -                         | 427937   | 264609    |
| MWA13367      | N/A         | Site of Manchester Arms Public House, West Street, Warwick             | Unknown                   | 427922   | 264609    |
| 1184087       | LB II       | 16-28, Bridge End  | -                         | 428725   | 264613    |
| MWA13342      | N/A         | Site of the Unicorn Inn, West Street, Warwick                          | Unknown                   | 427986   | 264613    |
| 1035347       | LB II       | 24 26, West Street   | -                         | 427944   | 264614    |
| 1035354       | LB II       | 37, West Street  | -                         | 427982   | 264615    |
| MWA13358      | N/A         | Site of Lion Inn, Crompton Street, Warwick                             | Unknown                   | 427804   | 264619    |
| 1376011       | LB II       | 33, West Street  | -                         | 427987   | 264621    |
| 1364793       | LB II       | 21, Castle Lane  | -                         | 428022   | 264622    |
| MWA1959       | N/A         | Site of Monastery at Friar Street                                      | Medieval                  | 427877   | 264623    |
| 1376010       | LB II       | 31, West Street  | -                         | 427990   | 264626    |
| MWA7266       | N/A         | Findspot at Plant Centre, Warwick Castle                               | Post-medieval             | 428063   | 264626    |
| MWA1963       | N/A         | Old Castle Bridge, Warwick   | Medieval                  | 428530   | 264626    |
| MWA10302      | N/A         | Well in West Street, Warwick.  | Post-medieval to Modern   | 427998   | 264629    |

| NHLE/ HER Ref       | Designation | Name  | Period                    | Eastin g | North ing |
|---------------------|-------------|---|---------------------------|----------|-----------|
| 1035353             | LB II       | 27 29, West Street                                  | -                         | 427994   | 26463 2   |
| 1364846             | LB II       | 25, West Street                                     | -                         | 427998   | 26463 6   |
| 1364881             | LB II       | 16, West Street                                     | -                         | 427954   | 26463 6   |
| MWA13341            | N/A         | Site of the Malt Shovel Inn, West Street, Warwick   | Unknown                   | 428004   | 26463 9   |
| MWA30029            | N/A         | Well to Rear of 16 West Street, Warwick             | Unknown                   | 264644   | 26464 4   |
| 1035352             | LB II       | The Malt House                                      | -                         | 428005   | 26464 4   |
| MWA7267             | N/A         | Warwick Castle Domestic Range Undercroft            | Medieval to Post-medieval | 264653   | 26465 3   |
| 1299735             | LB II       | 8 10, West Street                                   | -                         | 427969   | 26465 4   |
| 1364805             | LB I        | Warwick Castle                                      | -                         | 428424   | 26465 6   |
| MWA2193             | N/A         | Kings Grammar School, Warwick                       | Industrial                | 264658   | 26465 8   |
| 1035507/<br>MWA2157 | LB II*      | Warwick Castle Mill                                 | -                         | 428463   | 26466 0   |
| MWA7266             | N/A         | Findspot at Plant Centre, Warwick Castle            | Post-medieval             | 428086   | 26466 5   |
| 1035483             | LB II       | 68, Leycester Place                                 | -                         | 428074   | 26466 8   |
| MWA2166             | N/A         | Undated Well  | Unknown                   | 428069   | 26467 1   |
| MWA13340            | N/A         | Site of the Bull's Head Inn, West Street, Warwick   | Unknown                   | 428024   | 26467 9   |
| MWA1951             | N/A         | Site of Church of All Saints, Warwick Castle        | Medieval                  | 428397   | 26467 9   |
| MWA5656             | N/A         | Site of Early Medieval Settlement at Warwick Castle | Medieval                  | 264681   | 26468 1   |
| MWA12967            | N/A         | The Mill Garden, 55 Mill Street, Warwick            | Modern                    | 428505   | 26468 1   |
| 1035429             | LB II       | Stocks  | -                         | 428524   | 26468 1   |
| 1035386             | LB II       | Moss House  | -                         | 427989   | 26468 2   |
| MWA12429            | N/A         | Civil War Activity, Warwick Castle                  | Post-medieval             | 264684   | 26468 4   |
| MWA1962             | N/A         | Castle Bridge, Warwick                              | Industrial                | 428780   | 26468 9   |
| 1035414             | LB II       | Leycester Cottage                                   | -                         | 428081   | 26469 0   |
| MWA1922             | N/A         | Warwick Castle, Phase I                             | Medieval                  | 264691   | 26469 1   |
| 1035459             | LB II       | The Seven Stars Public House                        | -                         | 427855   | 26469 3   |
| MWA13353            | N/A         | Seven Stars Public House, Friars Street, Warwick    | Unknown                   | 427856   | 26469 4   |



| NHLE/ HER Ref       | Designation | Name   | Period                    | Eastin g | North ing |
|---------------------|-------------|--|---------------------------|----------|-----------|
| 1184061             | LB II*      | Conservatory   | -                         | 428176   | 264694    |
| MWA7054             | N/A         | Brewhouse West of Caesar's Tower, Warwick Castle                             | Medieval                  | 428455   | 264696    |
| MWA13372            | N/A         | Site of Ale and Porter Vaults, Bowling Green Street, Warwick                 | Unknown                   | 427981   | 264698    |
| MWA13355            | N/A         | Site of Cross Keys Public House, Friars, Warwick                             | Unknown                   | 427913   | 264699    |
| MWA2171             | N/A         | Findspot - Post Medieval Pottery   | Post-medieval             | 264700   | 264700    |
| 1364802/<br>MWA1946 | LB I        | St James Chapel<br><br>West Gate   | -                         | 428027   | 264706    |
| 1035428             | LB II       | Mill Cottage and 55, Mill Street   | -                         | 428517   | 264708    |
| 1035432             | LB II*      | Elizabethan House  | -                         | 428054   | 264712    |
| MWA30010            | N/A         | Burial Ground at Friends' Meeting House, 39 High Street, Warwick             | Post-medieval to Modern   | 428107   | 264714    |
| 1364806             | LB II*      | Portion of Boundary Wall to Warwick Castle Abutting Mill Street              | -                         | 428494   | 264714    |
| 1364803             | LB II       | West Gate Pillar Box   | -                         | 428039   | 264716    |
| MWA1971             | N/A         | Victorian Pillar Box to E of Westgate  | Industrial                | 428039   | 264716    |
| 1184806             | LB II       | Guys Court   | -                         | 428523   | 264719    |
| MWA7482             | N/A         | Arch Eval at Warwick Castle Park (Trench 4)                                  | Medieval                  | 264720   | 264720    |
| MWA20338            | N/A         | Old Signpost on Friars Street Junction, Warwick                              | Modern                    | 264721   | 264721    |
| 1364843             | LB II       | 41 43, High Street   | -                         | 428061   | 264722    |
| 1035427             | LB II*      | 43, Mill Street  | -                         | 428527   | 264723    |
| MWA2158             | N/A         | Well at Friends Meeting House, Warwick                                       | Medieval to Post-medieval | 428088   | 264725    |
| MWA5657             | N/A         | Medieval Defences  | Medieval                  | 428443   | 264726    |
| 1183977             | LB II       | Portion of Boundary Wall to Warwick Castle Abutting West Part of Castle Lane | -                         | 428243   | 264727    |
| MWA1925             | N/A         | The Westgate and Section of Attached Town Wall.                              | Medieval to Industrial    | 428014   | 264729    |
| 1035505             | LB I        | Town Wall the Part Extending North West From West Gate                       | -                         | 428011   | 264729    |
| MWA1957             | N/A         | Friends' Meeting House, 39 High Street, Warwick                              | Post-medieval to Modern   | 428085   | 264733    |
| 1184801             | LB II*      | The Gables   | -                         | 428536   | 264737    |
| 1035431             | LB II*      | Quaker Meeting House   | -                         | 428080   | 264738    |

| NHLE/ HER Ref | Designation | Name  | Period                            | Eastin g | North ing |
|---------------|-------------|---|-----------------------------------|----------|-----------|
| MWA9840       | N/A         | Find of Medieval Buckle in Warwick  | Medieval                          | 264738   | 264738    |
| MWA9704       | N/A         | Medieval Industrial Activity at Bread and Meat Close, Friars Street, Warwick. | Medieval                          | 427803   | 264738    |
| MWA9703       | N/A         | Post-Medieval Features at Bread and Meat Close, Friars Street, Warwick.       | Post-medieval to Modern           | 427803   | 264739    |
| MWA8855       | N/A         | Medieval Tiled Floor, Guy's Tower, Warwick Castle                             | Medieval                          | 264742   | 264742    |
| MWA20242      | N/A         | No 18 Castle Lane, Warwick  | Modern                            | 428246   | 264742    |
| 1035441       | LB I        | Hospital of Robert Dudley Earl of Leicester                                   | -                                 | 428021   | 264742    |
| MWA8854       | N/A         | Guy's Tower, Warwick Castle   | Medieval                          | 428405   | 264743    |
| 1035473       | LB II       | 35 37 39, High Street   | -                                 | 428088   | 264745    |
| 1364811       | LB I        | 56, High Street   | -                                 | 428053   | 264745    |
| MWA5530       | N/A         | Excavation of Early Medieval Pits at Castle Lane                              | Early medieval                    | 428219   | 264746    |
| MWA5531       | N/A         | Excavation of Medieval Pit at Castle Lane                                     | Medieval                          | 428219   | 264746    |
| MWA5532       | N/A         | Excavation of Post Medieval Building at Castle Lane                           | Post-medieval                     | 428219   | 264747    |
| 1035472       | LB II       | Unitarian Chapel  | -                                 | 428113   | 264748    |
| MWA1949       | N/A         | Unitarian Chapel, High Street, Warwick  | Industrial                        | 428112   | 264748    |
| MWA12909      | N/A         | Lord Leycester Hospital, Master's Garden, Warwick                             | Post-medieval to Modern           | 428022   | 264749    |
| 1364825       | LB II       | 31 33, High Street  | -                                 | 428096   | 264749    |
| MWA1995       | N/A         | Possible Neolithic Features at Castle Lane                                    | Early Neolithic to Late Neolithic | 428206   | 264753    |
| 1035426       | LB II*      | Allens House  | -                                 | 428546   | 264753    |
| MWA1933       | N/A         | Old Stables at Warwick Castle   | Medieval to Post-medieval         | 428469   | 264755    |
| 1300104       | LB II*      | 1 AND 1A, BROOK STREET (See Details For Further Address Information)          | -                                 | 428061   | 264759    |
| 1184423       | LB II       | Boundary Wall to Forecourt of Unitarian Shapel With Lamp Standards            | -                                 | 428103   | 264762    |
| 1184544       | LB II*      | Norman Arch in Garden of Lord Leicester's Hospital                            | -                                 | 428006   | 264762    |
| 1035440       | LB II       | 52, High Street   | -                                 | 428073   | 264763    |
| 1035471       | LB II       | 29, High Street   | -                                 | 428113   | 264763    |
| MWA7481       | N/A         | Arch Eval at Warwick Castle Park (Trench 2)                                   | Medieval to Post-medieval         | 428296   | 264765    |
| 1364812       | LB I        | Egyptian Urn in Garden of Lord Leicester's Hospital                           | -                                 | 428006   | 264765    |

| NHLE/ HER Ref | Designation | Name  | Period                            | Eastin g | North ing |
|---------------|-------------|---|-----------------------------------|----------|-----------|
| 1035439       | LB II       | 50, High Street   | -                                 | 428078   | 264766    |
| MWA13303      | N/A         | Bear and Bacculus Public House, High Street, Warwick                | Unknown                           | 428071   | 264766    |
| 1035388       | LB II       | 20-26, Mill Street  | -                                 | 428534   | 264768    |
| 1035425       | LB II       | Cobb Cottage  | -                                 | 428551   | 264768    |
| 1184417       | LB II       | 27 27a, High Street   | -                                 | 428122   | 264769    |
| MWA2175       | N/A         | Findspot - Undated Lead Object & Iron Object                        | Unknown                           | 264770   | 264770    |
| 1300097       | LB II       | 46 48, High Street  | -                                 | 428086   | 264771    |
| 1300144       | LB II       | Outbuilding to Number 17  | -                                 | 428191   | 264772    |
| 1184798       | LB II       | 25, Mill Street   | -                                 | 428555   | 264777    |
| 1364824       | LB II       | 25, High Street   | -                                 | 428135   | 264777    |
| 1364810       | LB II       | 44, High Street   | -                                 | 428094   | 264778    |
| MWA6062       | N/A         | Neolithic Settlement  | Early Neolithic to Late Neolithic | 264780   | 264780    |
| 1035387       | LB II       | 18, Mill Street   | -                                 | 428540   | 264782    |
| 1184473       | LB II       | 42, High Street   | -                                 | 428100   | 264782    |
| 1184416       | LB II       | 23, High Street   | -                                 | 428146   | 264785    |
| 1035424       | LB II       | 17 and 19, Mill Street  | -                                 | 428557   | 264785    |
| MWA1985       | N/A         | Excavation of Neolithic Settlement at Brook Street                  | Early Neolithic to Late Neolithic | 428053   | 264786    |
| 1035438       | LB II       | 40, High Street   | -                                 | 428105   | 264787    |
| MWA1990       | N/A         | Post-Medieval Quarry, Bowling Green Street, Warwick                 | Post-medieval                     | 427977   | 264787    |
| MWA1930       | N/A         | Site of Puckering Almshouses, Brook St, Warwick                     | Post-medieval                     | 264790   | 264790    |
| 1035442       | LB II       | Gazebo in Garden of Lord Leicester's Hospital                       | -                                 | 427999   | 264790    |
| MWA5525       | N/A         | Excavation of Shrunken Medieval Settlement at Brook Street, Warwick | Medieval                          | 264791   | 264791    |
| MWA20495      | N/A         | Quarry Pits in Area of Warwick Bus Station, Warwick                 | Medieval to Post-medieval         | 427971   | 264791    |
| 1364809       | LB II       | 38, High Street   | -                                 | 428113   | 264792    |
| 1035484       | LB II       | 12 16, Castle Street  | -                                 | 428276   | 264793    |
| 1035485       | LB II       | Tower View  | -                                 | 428299   | 264795    |

| NHLE/ HER Ref        | Designation | Name   | Period                              | Eastin g | North ing |
|----------------------|-------------|--|-------------------------------------|----------|-----------|
| MWA20494             | N/A         | Warwick Town Ditch at Warwick Bus Station, Warwick                                   | Medieval                            | 427962   | 264795    |
| MWA20507             | N/A         | Undated Well Off Bowling Green Street, Warwick                                       | Post-medieval to Industrial         | 264796   | 264796    |
| 1184462              | LB II       | 36, High Street  | -                                   | 428120   | 264797    |
| MWA6063              | N/A         | Neolithic Settlement at Brook Street   | Early Neolithic to Late Neolithic   | 428032   | 264797    |
| MWA9054              | N/A         | Post Medieval Cobbled Road, Back Street, Warwick                                     | Post-medieval                       | 428155   | 264797    |
| MWA13304             | N/A         | Warwick Arms Hotel, High Street, Warwick   | Unknown                             | 428191   | 264797    |
| 1035470              | LB II       | 21, High Street  | -                                   | 428162   | 264799    |
| 1035511/<br>MWA13346 | LB II       | Westgate Arms Inn  | -                                   | 427942   | 264799    |
| 1364860              | LB II       | 14, Mill Street  | -                                   | 428543   | 264799    |
| 1184187              | LB II       | 22, Castle Street  | -                                   | 428290   | 264800    |
| MWA2198              | N/A         | Site of Medieval Roads to N of Castle  | Medieval                            | 264800   | 264800    |
| MWA8216              | N/A         | Warwick; Medieval Town Boundary  | Medieval                            | 264800   | 264800    |
| 1035437              | LB II       | 34, High Street  | -                                   | 428125   | 264801    |
| MWA13361             | N/A         | Post-Medieval Quarry Pit, Bowling Green Street, Warwick                              | Post-medieval                       | 427905   | 264802    |
| MWA13330             | N/A         | Site of Bowling Green Commercial Inn and Family Hotel, Bowling Green Street, Warwick | Unknown                             | 427941   | 264802    |
| MWA29666             | N/A         | Possible Palaeochannel of the River Avon, Warwick                                    | Palaeolithic                        | 430770   | 264802    |
| MWA20492             | N/A         | Neolithic Pit at the Rear of the Site of No 8 Market Street, Warwick                 | Early Neolithic to Middle Neolithic | 264803   | 264803    |
| MWA1986              | N/A         | Medieval Settlement Features at Brook Street, Warwick                                | Medieval                            | 428031   | 264803    |
| MWA9168              | N/A         | Stone Well, R/O 15 High Street, Warwick  | Medieval                            | 428196   | 264803    |
| 1035469              | LB II       | 19, High Street  | -                                   | 428168   | 264803    |
| MWA20505             | N/A         | Remains of the Rear of Bowling Green Street Properties, Warwick                      | Post-medieval to Modern             | 427957   | 264804    |
| 1364795              | LB II*      | Okens House  | -                                   | 428280   | 264805    |
| MWA2176              | N/A         | Plaster, Okens House, Warwick  | Medieval                            | 264805   | 264805    |
| MWA13503             | N/A         | Oken's House, Warwick  | Medieval                            | 428280   | 264805    |
| MWA29666             | N/A         | Possible Palaeochannel of the River Avon, Warwick                                    | Palaeolithic                        | 430565   | 264805    |
| 1035423              | LB II       | 15, Mill Street  | -                                   | 428560   | 264806    |

| NHLE/ HER Ref | Designation | Name   | Period                      | Eastin g | North ing |
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| MWA13400      | N/A         | Bowling Green, Bowling Green Street, Warwick                           | Post-medieval to Modern     | 427913   | 264806    |
| MWA20504      | N/A         | Site of Water Tower on Market Street, Warwick                          | Modern                      | 427964   | 264806    |
| 1035436       | LB II       | 32, High Street  | -                           | 428133   | 264806    |
| 1184179       | LB II       | 10, Castle Street  | -                           | 428266   | 264807    |
| MWA20496      | N/A         | Market Street Roadway Layers, Warwick                                  | Medieval to Industrial      | 427971   | 264807    |
| 1035487       | LB II       | 9, Castle Street   | -                           | 428332   | 264807    |
| MWA5529       | N/A         | Icehouse in Castle Park, S of Castle Hill                              | Industrial                  | 428460   | 264808    |
| 1184818       | LB II       | 12, Mill Street  | -                           | 428544   | 264808    |
| 1035508       | LB II*      | Stables Warwick Castle   | -                           | 428363   | 264809    |
| 1184191       | LB II       | 7, Castle Street   | -                           | 428319   | 264810    |
| 1300288       | LB II       | Congregational Chapel  | -                           | 428068   | 264810    |
| 1035389       | LB II       | 5 7, Myton Crescent  | -                           | 429954   | 264810    |
| MWA1952       | N/A         | Brook Street Congregational Church, Warwick                            | Industrial                  | 428068   | 264811    |
| 1035468       | LB II       | Warwick Arms Hotel   | -                           | 428180   | 264811    |
| 1364808       | LB II       | 30, High Street  | -                           | 428142   | 264811    |
| 1035486       | LB II       | 5, Castle Street   | -                           | 428312   | 264812    |
| MWA1932       | N/A         | Warwick Castle Stables   | Industrial                  | 428355   | 264812    |
| MWA13399      | N/A         | Post-Medieval Pit, Bowling Green Street, Warwick                       | Medieval to Post-medieval   | 427945   | 264813    |
| MWA13326      | N/A         | Site of Coach and Horses Public House, Castle Street, Warwick          | Unknown                     | 428252   | 264813    |
| MWA20497      | N/A         | 18th Century Horticulture at Market Street, Warwick                    | Post-medieval to Industrial | 427991   | 264814    |
| MWA20505      | N/A         | Remains of the Rear of Bowling Green Street Properties, Warwick        | Post-medieval to Modern     | 427981   | 264815    |
| MWA20508      | N/A         | Undated Pits and Post Holes Beneath Market Street, Warwick             | Unknown                     | 427981   | 264815    |
| 1035467       | LB II       | 15, High Street  | -                           | 428189   | 264817    |
| 1184748       | LB II       | The Malt House   | -                           | 428560   | 264818    |
| MWA1987       | N/A         | Medieval and Post-Medieval Features at 31, 33 and 25 Brook St, Warwick | Medieval to Industrial      | 428013   | 264819    |
| 1035430       | LB II       | 6, 8 and 10 Mill Street  | -                           | 428543   | 264819    |

| NHLE/ HER Ref | Designation | Name  | Period                     | Eastin g | North ing |
|---------------|-------------|---|----------------------------|----------|-----------|
| MWA9058       | N/A         | Brick Culvert, Junction of High Street and Swan Street, Warwick       | Unknown                    | 428173   | 264820    |
| MWA1937       | N/A         | The Malthouse, Mill Street, Warwick                                   | Post-medieval              | 428563   | 264820    |
| MWA12916      | N/A         | Myton Crescent Gardens, Warwick                                       | Industrial to Modern       | 429925   | 264820    |
| MWA20493      | N/A         | Early Medieval Floor Surface/Occupation Layers at Warwick Bus Station | Early medieval             | 427985   | 264821    |
| MWA1989       | N/A         | Neolithic Settlement at Market Street, Warwick                        | Middle Neolithic           | 427991   | 264821    |
| MWA20491      | N/A         | Early Neolithic Group of Pits Behind Market Street, Warwick           | Early Neolithic            | 427991   | 264821    |
| MWA5660       | N/A         | Medieval Pits Below the Former Mulberry Tree Public House             | Early medieval to Medieval | 427992   | 264821    |
| MWA13331      | N/A         | Site of Mulberry Tree Public House, Market Street, Warwick            | Industrial                 | 427983   | 264822    |
| MWA5661       | N/A         | Findspot - Early Medieval Silver Coin                                 | Early medieval             | 264823   | 264823    |
| 1364794       | LB II       | 8, Castle Street  | -                          | 428252   | 264824    |
| 1184406       | LB II       | 11 13, High Street  | -                          | 428200   | 264825    |
| MWA13325      | N/A         | Site of Gold Cup Inn, Castle Street, Warwick                          | Unknown                    | 428243   | 264826    |
| MWA6064       | N/A         | Findspot - Neolithic Finds, Brook St, Warwick                         | Neolithic                  | 264827   | 264827    |
| 1035466       | LB II       | 9, High Street  | -                          | 428206   | 264830    |
| 1184167       | LB II       | Gold Cup Inn  | -                          | 428249   | 264830    |
| 1035518       | LB II       | Gateway to Congregational Chapel                                      | -                          | 428053   | 264831    |
| 1035422       | LB II       | 13 Mill Street  | -                          | 428559   | 264835    |
| MWA20504      | N/A         | Site of Water Tower on Market Street, Warwick                         | Modern                     | 427968   | 264835    |
| MWA1994       | N/A         | Medieval Features, Swan Street, Warwick.                              | Medieval                   | 428164   | 264838    |
| MWA5659       | N/A         | Post Medieval Well, Swan Street.                                      | Post-medieval              | 428165   | 264838    |
| MWA20493      | N/A         | Early Medieval Floor Surface/Occupation Layers at Warwick Bus Station | Early medieval             | 427984   | 264840    |
| MWA1976       | N/A         | Site of Myton Deserted Medieval Settlement                            | Medieval                   | 430281   | 264841    |
| MWA5522       | N/A         | Site of Medieval Chapel at Myton                                      | Medieval                   | 430281   | 264841    |
| MWA5523       | N/A         | Undated Well  | Unknown                    | 430281   | 264841    |
| 1035474       | LB II       | 37, Brook Street  | -                          | 428033   | 264841    |
| 1035435       | LB II       | 18, High Street   | -                          | 428183   | 264843    |

| NHLE/ HER Ref | Designation | Name  | Period                            | Eastin g | North ing |
|---------------|-------------|---|-----------------------------------|----------|-----------|
| 1364787       | LB II       | Wootton House   | -                                 | 428064   | 264843    |
| MWA13345      | N/A         | Site of Mattock and Spade Public House, Mill Street, Warwick                  | Unknown                           | 428565   | 264844    |
| 1035465       | LB II       | 3, High Street  | -                                 | 428226   | 264845    |
| 1299988       | LB II       | 11 Mill Street  | -                                 | 428559   | 264845    |
| MWA13327      | N/A         | Site of White Swan Inn, Brook Street, Warwick                                 | Unknown                           | 428029   | 264845    |
| MWA5658       | N/A         | Findspot - Neolithic to Bronze Age Flint, Swan Street, Warwick.               | Early Neolithic to Early Iron Age | 264850   | 264850    |
| 1035464       | LB II*      | 1, High Street  | -                                 | 428237   | 264851    |
| 1364807       | LB II       | 14, High Street   | -                                 | 428198   | 264852    |
| MWA7933       | N/A         | Wall Recorded in Observation at 4 Mill Street, Warwick                        | Industrial                        | 264854   | 264854    |
| MWA5662       | N/A         | Medieval Pottery Kilns, Market Street, Warwick                                | Medieval                          | 428009   | 264854    |
| 1035421       | LB II       | 5, 7 and 9 Mill Street  | -                                 | 428562   | 264855    |
| 1364842       | LB II       | The Mill House  | -                                 | 428542   | 264856    |
| MWA5663       | N/A         | Industrial Clay Tobacco Pipe Factory  | Industrial                        | 428008   | 264856    |
| MWA2164       | N/A         | Well at the Back of 20, High Street   | Medieval                          | 428162   | 264856    |
| MWA9222       | N/A         | Post-Medieval and Earlier Features to the Rear of 16-18 High Street, Warwick  | Medieval to Industrial            | 428170   | 264859    |
| MWA1935       | N/A         | The Courthouse, Warwick   | Post-medieval                     | 428254   | 264861    |
| 1035434       | LB II       | 8, High Street  | -                                 | 428212   | 264862    |
| MWA13328      | N/A         | Site of Three Horseshoes Public House, Brook Street, Warwick                  | Unknown                           | 428079   | 264862    |
| MWA8222       | N/A         | Remains of 18th Century Outbuildings and A Cellar at Pageant Gardens, Warwick | Industrial                        | 428299   | 264862    |
| 1364841       | LB II       | 1 and 3, Mill Street  | -                                 | 428565   | 264863    |
| 1035450       | LB I        | The Court House   | -                                 | 428252   | 264863    |
| MWA5527       | N/A         | Site of Medieval Vineyard to S of Castle Hill                                 | Medieval                          | 428418   | 264864    |
| 1035433       | LB II       | 6, High Street  | -                                 | 428217   | 264865    |
| MWA1997       | N/A         | Medieval Features to South of Castle Hill                                     | Medieval                          | 264865   | 264865    |
| 1364861       | LB II       | Myton End   | -                                 | 429896   | 264867    |
| 1184810       | LB II       | 2 Mill Street   | -                                 | 428541   | 264868    |

| NHLE/ HER Ref | Designation | Name   | Period                      | Eastin g | North ing |
|---------------|-------------|--|-----------------------------|----------|-----------|
| 1364844       | LB II*      | 2 4, High Street   | -                           | 428222   | 264869    |
| MWA1969       | N/A         | Site of Medieval High Cross, Jury St/High St                           | Medieval                    | 428236   | 264869    |
| MWA5528       | N/A         | Excavation of C17-C19 Settlement S of Castle Hill                      | Post-medieval to Industrial | 428439   | 264870    |
| 1300054       | LB II       | Pageant House  | -                           | 428267   | 264874    |
| 1035363       | LB II       | Red Lion Public House  | -                           | 428137   | 264875    |
| 1035490       | LB II       | 1, Church Street   | -                           | 428216   | 264876    |
| MWA13333      | N/A         | Site of Red Lion Public House, Swan Street, Warwick                    | Unknown                     | 428144   | 264877    |
| MWA29678      | N/A         | Undated Ditch West of Europa Way, King Henry VIII Farm, Warwick Parish | Unknown                     | 430732   | 264880    |
| 1250169       | LB II       | Present Days   | -                           | 428132   | 264881    |
| 1035491       | LB II       | 3, Church Street   | -                           | 428212   | 264883    |
| 1364814       | LB II       | Sanitary Inspectors Office   | -                           | 428278   | 264883    |
| 1364813       | LB II*      | 1, Jury Street   | -                           | 428243   | 264883    |
| 1035364       | LB II       | Cabin News   | -                           | 428130   | 264884    |
| MWA8812       | N/A         | Rubbish Pit Sealed With Medieval Pottery Wasters                       | Medieval                    | 428003   | 264886    |
| 1300339       | LB II       | Warwick Castle Lodge   | -                           | 428532   | 264886    |
| 1184211       | LB II       | 5, Church Street   | -                           | 428209   | 264888    |
| 1035326       | LB II       | Number 70 and Attached Outbuilding to Rear                             | -                           | 428063   | 264888    |
| 1184566       | LB II       | 3, Jury Street   | -                           | 428251   | 264889    |
| 1035451       | LB II       | 6 8, Jury Street   | -                           | 428288   | 264889    |
| 1364870       | LB II       | 18 20, Swan Street   | -                           | 428125   | 264889    |
| MWA4096       | N/A         | Findspot - Post Medieval Coin & Bronze Medal                           | Post-medieval               | 264890   | 264890    |
| 1250174       | LB II       | 68, Market Place   | -                           | 428058   | 264890    |
| 1364797       | LB II       | 2, Church Street   | -                           | 428240   | 264891    |
| MWA8813       | N/A         | Saxon Occupation, Market Street, Warwick                               | Early medieval to Medieval  | 428008   | 264892    |
| MWA9053       | N/A         | Medieval Cobbled Road, Church Street, Warwick                          | Medieval                    | 428224   | 264892    |
| MWA7822       | N/A         | Medieval Buildings, Market Street, Warwick                             | Medieval to Industrial      | 428013   | 264893    |



| NHLE/ HER Ref | Designation | Name   | Period                      | Eastin g | North ing |
|---------------|-------------|--|-----------------------------|----------|-----------|
| 1035492       | LB II       | 7, Church Street   | -                           | 428206   | 264894    |
| 1300023       | LB II       | 10, Jury Street  | -                           | 428296   | 264895    |
| 1035420       | LB II       | 64 66, Market Place  | -                           | 428050   | 264895    |
| MWA13332      | N/A         | Site of the Woolpack Commercial Inn and Hotel, Market Place, Warwick | Unknown                     | 428019   | 264896    |
| MWA7375       | N/A         | 18th Century Well, 22-26 Swan Street                                 | Post-medieval to Industrial | 428123   | 264896    |
| 1035495       | LB II       | 4, Church Street   | -                           | 428236   | 264896    |
| 1364871       | LB II       | 60 62, Market Place  | -                           | 428040   | 264897    |
| MWA12945      | N/A         | Shrubland Hall Garden, Leamington Spa                                | Industrial to Modern        | 431407   | 264899    |
| MWA2720       | N/A         | Findspot - Post Medieval Dagger                                      | Post-medieval               | 264900   | 264900    |
| 1184215       | LB II       | 9, Church Street   | -                           | 428201   | 264902    |
| MWA12856      | N/A         | Church Street (13) Garden, Warwick                                   | Post-medieval to Modern     | 428169   | 264902    |
| 1035408       | LB II       | 12 14, Jury Street   | -                           | 428305   | 264902    |
| 1035443       | LB II       | 9, Jury Street   | -                           | 428268   | 264903    |
| 1184244       | LB II       | 6 8, Church Street   | -                           | 428231   | 264903    |
| 1035409       | LB II       | 16, Jury Street  | -                           | 428312   | 264906    |
| 1364840       | LB II*      | 23 25, Market Place  | -                           | 428078   | 264907    |
| MWA8394       | N/A         | Medieval Pits and Postholes, 18-28 Jury Street, Warwick              | Medieval                    | 428353   | 264908    |
| MWA8862       | N/A         | Post-Medieval Garden and Outbuildings, 18-28 Jury Street, Warwick    | Post-medieval               | 428353   | 264908    |
| MWA2189       | N/A         | Findspot - Undated Stone Object                                      | Unknown                     | 264910   | 264910    |
| 1364833       | LB II       | 18 18a, Jury Street  | -                           | 428317   | 264911    |
| 1364796       | LB II       | 11, Church Street  | -                           | 428194   | 264911    |
| 1035410       | LB II       | 20, Jury Street  | -                           | 428323   | 264915    |
| 1364798       | LB II*      | The Athenaeum  | -                           | 428224   | 264915    |
| 1035444       | LB II       | 17, Jury Street  | -                           | 428288   | 264919    |
| 1364834       | LB II       | 22, Jury Street  | -                           | 428329   | 264920    |
| 1035493       | LB II       | 13 15, Church Street   | -                           | 428188   | 264921    |

| NHLE/ HER Ref       | Designation | Name  | Period                      | Eastin g | North ing |
|---------------------|-------------|---|-----------------------------|----------|-----------|
| MWA2156             | N/A         | St Nicholas' Mill, Warwick  | Post-medieval               | 264923   | 264923    |
| 1035411             | LB II       | 24 26, Jury Street  | -                           | 428334   | 264923    |
| 1364863             | LB II       | 9, New Street   | -                           | 428082   | 264923    |
| 1035413             | LB II       | Outbuildings to Number 30   | -                           | 428384   | 264923    |
| 1300072             | LB II       | Lord Leycester Hotel Annexe   | -                           | 428294   | 264924    |
| MWA8254             | N/A         | Possibly Medieval Ditch, Castle Hill, Warwick   | Medieval                    | 264928   | 264928    |
| 1184220             | LB II       | 17, Church Street   | -                           | 428183   | 264931    |
| 1364801/<br>MWA1944 | LB I        | Church of Saint Nicholas  | -                           | 428627   | 264932    |
| MWA5472             | N/A         | Church of St Nicholas, Warwick  | Post-medieval to Industrial | 428627   | 264933    |
| 1035445/<br>MWA1926 | LB II       | Lord Leycester Hotel (Main Building)  | -                           | 428304   | 264933    |
| MWA12951            | N/A         | St. Nicholas Park, Warwick  | Modern                      | 429096   | 264936    |
| 1035506             | LB II       | Portion of Boundary Wall to Grounds of Warwick Castle Abutting Castle Hill and East Part of Castle Lane | -                           | 428438   | 264937    |
| 1035494             | LB II       | 19, Church Street   | -                           | 428176   | 264937    |
| 1364835             | LB II       | 28, Jury Street   | -                           | 428355   | 264937    |
| 1364815             | LB II       | 12, Church Street   | -                           | 428233   | 264938    |
| 1184596             | LB II       | 21, Jury Street   | -                           | 428319   | 264944    |
| 1035391             | LB II       | 5 5a, New Street  | -                           | 428095   | 264944    |
| MWA13180            | N/A         | Quarry Pit, Old Coach House, Gerrard Street, Warwick  | Post-medieval to Industrial | 428492   | 264947    |
| 1184236             | LB II       | 19a 21, Church Street   | -                           | 428171   | 264947    |
| MWA13302            | N/A         | The Tilted Wig Public House, Market Place, Warwick  | Unknown                     | 428046   | 264948    |
| MWA9052             | N/A         | Pit, Church Street, Warwick   | Unknown                     | 428186   | 264949    |
| MWA2159             | N/A         | Undated Well  | Unknown                     | 428310   | 264950    |
| 1035390             | LB II       | 3, New Street   | -                           | 428099   | 264951    |
| 1035446             | LB II       | 23, Jury Street   | -                           | 428331   | 264952    |
| 1035412             | LB II       | 30, Jury Street   | -                           | 428380   | 264952    |
| 1035482/            | LB II       | Oakens and Iffelens Almshouses  | -                           | 428469   | 26495     |

| NHLE/ HER Ref       | Designation | Name   | Period                     | Eastin g | North ing |
|---------------------|-------------|--|----------------------------|----------|-----------|
| MWA1931             |             |  |                            |          | 3         |
| 1185107             | LB II       | Saint Nicholas Cottage   | -                          | 428599   | 264955    |
| 1035398             | LB II       | 5 7, Old Square  | -                          | 428144   | 264956    |
| 1035447             | LB II       | 27, Jury Street  | -                          | 428338   | 264957    |
| 1364836             | LB II       | Garden Boundary Wall to Number 30  | -                          | 428399   | 264962    |
| 1184608             | LB II       | 29, Jury Street  | -                          | 428345   | 264962    |
| 1364862             | LB II       | 1, New Street  | -                          | 428107   | 264963    |
| 1184355             | LB II       | 17, Gerrard Street   | -                          | 428508   | 264965    |
| 1299842             | LB II       | 9, Old Square  | -                          | 428134   | 264967    |
| 1364830             | LB II       | 11, Old Square   | -                          | 428130   | 264967    |
| 1035448             | LB II*      | 33 35, Jury Street   | -                          | 428354   | 264968    |
| 1035399             | LB II       | 13, Old Square   | -                          | 428125   | 264969    |
| MWA8739             | N/A         | Archaeological Features Including Pit at Castle Hill Baptist Church, Warwick | Early medieval to Medieval | 428452   | 264970    |
| MWA8740             | N/A         | Castle Hill Baptist Church, Warwick  | Post-medieval to Modern    | 428452   | 264970    |
| MWA30028            | N/A         | Undated Well at 23 Jury Street   | Unknown                    | 264971   | 264971    |
| 1364822             | LB II       | 4 6, Gerrard Street  | -                          | 428486   | 264972    |
| 1035449             | LB II       | 37, Jury Street  | -                          | 428365   | 264973    |
| 1299827             | LB II       | 30, St Nicholas Church Street  | -                          | 428581   | 264974    |
| 1035461             | LB II       | 11, 13, 15, Gerrard Street   | -                          | 428500   | 264977    |
| MWA1943             | N/A         | Collegiate Church of St Mary, Warwick  | Medieval to Modern         | 428201   | 264980    |
| MWA13351            | N/A         | Site of Castle Arms Inn, Smith Street, Warwick                               | Unknown                    | 428431   | 264982    |
| 1035500/<br>MWA1948 | LB I        | Church of Saint Mary Including Beauchamp Chapel                              | -                          | 428199   | 264983    |
| 1035369             | LB II       | 4, Smith Street  | -                          | 428432   | 264984    |
| 1035397             | LB II       | 2, Old Square  | -                          | 428149   | 264985    |
| 1449963             | LB II       | 7 & 9 Gerrard Street   | -                          | 428492   | 264986    |
| 1184616             | LB II       | Garden Boundary Wall of Number 37  | -                          | 428376   | 264986    |

| NHLE/ HER Ref       | Designation | Name  | Period                  | Eastin g | North ing |
|---------------------|-------------|---|-------------------------|----------|-----------|
| 1364853             | LB II       | 6, Smith Street   | -                       | 428435   | 264986    |
| MWA30307            | N/A         | Nos 7 & 9 Gerrard Street, Warwick   | Post-medieval to Modern | 428492   | 264986    |
| 1035404             | LB II       | 26 28, St Nicholas Church Street  | -                       | 428585   | 264986    |
| 1035502             | LB II       | East Gate Pillar Box  | -                       | 428399   | 264986    |
| 1035501/<br>MWA1945 | LB II*      | East Gate and St Peters Chapel  | -                       | 428409   | 264986    |
| MWA1970             | N/A         | Victorian Pillar Box to W of Eastgate                                     | Industrial              | 428400   | 264987    |
| MWA1924             | N/A         | Eastgate, Warwick   | Medieval to Industrial  | 428406   | 264988    |
| 1035370             | LB II       | 8, Smith Street   | -                       | 428440   | 264989    |
| 1250170             | LB II       | K6 Telephone Kiosk  | -                       | 428397   | 264990    |
| MWA10120            | N/A         | Medieval Pit and Boundary Wall, Smith Street, Warwick                     | Medieval to Industrial  | 428541   | 264991    |
| MWA30544            | N/A         | No 1, Northgate Street, Warwick   | Post-medieval to Modern | 428153   | 264993    |
| MWA10119            | N/A         | Medieval Pit and Wall   | Medieval to Industrial  | 428518   | 264993    |
| 1035393             | LB II       | 1, Northgate Street   | -                       | 428153   | 264994    |
| MWA8901             | N/A         | Findspot - Post Medieval Finds  | Post-medieval           | 264994   | 264994    |
| 1035371             | LB II       | The Cottage   | -                       | 428450   | 264996    |
| MWA30545            | N/A         | Former Dale Temperance Hotel and Coffee Tavern, No 16 Old Square, Warwick | Industrial to Modern    | 428109   | 264997    |
| MWA9070             | N/A         | Tramlines, Warwick Town Centre  | Industrial              | 428455   | 264997    |
| 1035403             | LB II       | 22 24, St Nicholas Church Street  | -                       | 428589   | 264997    |
| MWA1993             | N/A         | Site of Quarry at Fire Station, The Butts                                 | Industrial              | 428329   | 264998    |
| 1364854             | LB II       | 2, Gerrard Street   | -                       | 428458   | 264999    |
| 1299834             | LB II       | 19, St Nicholas Church Street   | -                       | 428612   | 264999    |
| MWA2174             | N/A         | Findspot - Industrial Finds   | Industrial              | 265000   | 265000    |
| 1364821             | LB II       | The Gables  | -                       | 428471   | 265003    |
| 1364857             | LB II       | 1 3, Smith Street   | -                       | 428415   | 265004    |
| MWA10119            | N/A         | Medieval Pit and Wall   | Medieval to Industrial  | 428514   | 265008    |
| 1035372             | LB II       | 16 18, Smith Street   | -                       | 428466   | 265009    |

| NHLE/ HER Ref | Designation | Name   | Period                            | Eastin g | North ing |
|---------------|-------------|--|-----------------------------------|----------|-----------|
| 1299823       | LB II       | 18 20, St Nicholas Church Street                                 | -                                 | 428593   | 265009    |
| 1035395       | LB II       | 2, Northgate Street  | -                                 | 428173   | 265012    |
| 1185167       | LB II       | 20 22, Smith Street  | -                                 | 428475   | 265012    |
| 1185233       | LB II*      | Landor House   | -                                 | 428431   | 265015    |
| MWA13352      | N/A         | Site of the Volunteer Public House, Smith Street, Warwick        | Unknown                           | 428483   | 265015    |
| 1364855       | LB II       | 24, Smith Street   | -                                 | 428483   | 265016    |
| MWA1972       | N/A         | Possible Site of Early Medieval/Medieval Mint                    | Early medieval to Medieval        | 428268   | 265017    |
| MWA1984       | N/A         | Site of College of Vicars Choral at St Mary's Church             | Medieval                          | 428268   | 265017    |
| MWA5533       | N/A         | Excavation of Roman Pit at College of Vicars Choral              | Romano-British                    | 428268   | 265017    |
| MWA5534       | N/A         | Findspot - Early Medieval Coins                                  | Industrial                        | 428268   | 265017    |
| MWA5535       | N/A         | Excavation of Medieval Buildings at St Mary's College            | Medieval                          | 428268   | 265017    |
| 1035373       | LB II       | 26, Smith Street   | -                                 | 428489   | 265019    |
| 1364791       | LB II       | 19-25, The Butts   | -                                 | 428348   | 265022    |
| MWA2184       | N/A         | Medieval and Post Medieval Activity at Shire Hall                | Medieval to Post-medieval         | 428113   | 265022    |
| 1184998       | LB II       | 4, Northgate Street  | -                                 | 428168   | 265022    |
| 1185171       | LB II       | 28, Smith Street   | -                                 | 428495   | 265022    |
| 1035406       | LB II       | New Bowling Green Inn  | -                                 | 428616   | 265023    |
| MWA13339      | N/A         | New Bowling Green Public House, St Nicholas Church Road, Warwick | Unknown                           | 428623   | 265023    |
| MWA13337      | N/A         | Site of the Welsh Harp Public House, Smith Street, Warwick       | Unknown                           | 428504   | 265024    |
| 1364828       | LB II       | 6, Northgate Street  | -                                 | 428164   | 265029    |
| MWA6061       | N/A         | Findspot - Neolithic Flint & A Coin                              | Early Neolithic to Late Neolithic | 265030   | 265030    |
| MWA13338      | N/A         | Site of the Luke Britain Inn, Smith Street, Warwick              | Unknown                           | 428539   | 265030    |
| 1035402       | LB II       | 6-12, St Nicholas Church Street                                  | -                                 | 428602   | 265035    |
| 1035374       | LB II       | 38 40, Smith Street  | -                                 | 428528   | 265038    |
| 1184157       | LB II       | Stone Wall to the Deanery Garden                                 | -                                 | 428275   | 265042    |
| 1035378       | LB II       | 23 25, Smith Street  | -                                 | 428497   | 265043    |

| NHLE/ HER Ref | Designation | Name   | Period                      | Eastin g | North ing |
|---------------|-------------|--|-----------------------------|----------|-----------|
| MWA5003       | N/A         | Post Medieval Wall   | Post-medieval to Unknown    | 428282   | 265045    |
| 1299746       | LB II       | 27 29, Smith Street  | -                           | 428506   | 265047    |
| 1185059       | LB II       | 2 4, St Nicholas Church Street                                     | -                           | 428608   | 265047    |
| MWA12917      | N/A         | Myton Grange garden, Myton Grange, Warwick                         | Industrial to Modern        | 429945   | 265048    |
| 1184979       | LB I        | The Old Shire Hall and Law Courts                                  | -                           | 428125   | 265049    |
| MWA13336      | N/A         | Site of Carpenter's Arms inn, Chapel street, Warwick               | Unknown                     | 428427   | 265050    |
| MWA2639       | N/A         | Well at 23/25 Smith Street, Warwick                                | Unknown                     | 428492   | 265051    |
| 1185176       | LB II       | 54, Smith Street   | -                           | 428563   | 265053    |
| 1035375       | LB II       | 56 58, Smith Street  | -                           | 428570   | 265055    |
| MWA30470      | N/A         | Possible medieval pit, 16 The Butts, Warwick                       | Medieval                    | 265057   | 265057    |
| MWA30471      | N/A         | Cellar and garden walls, The Old Deanery, 16 The Butts, Warwick    | Post-medieval to Industrial | 428235   | 265058    |
| 1299797       | LB II       | 60 62 64, Smith Street   | -                           | 428580   | 265060    |
| 1364858       | LB II       | 37 39 39a 41, Smith Street   | -                           | 428537   | 265060    |
| 1035401       | LB II       | Premises Formerly Occupied By Currall (Sadler) and Webb and Taylor | -                           | 428616   | 265061    |
| MWA12247      | N/A         | Undated pits at St John's House                                    | Unknown                     | 265063   | 265063    |
| 1035481       | LB II       | The Glebe House, The Old Deanery                                   | -                           | 428242   | 265063    |
| MWA7050       | N/A         | Warwick Eastern Medieval Suburb                                    | Medieval                    | 428718   | 265065    |
| 1364856       | LB II       | 66 66a, Smith Street   | -                           | 428591   | 265065    |
| 1184192       | LB II       | 10, Chapel Street  | -                           | 428397   | 265066    |
| 1035405       | LB II       | 1, St Nicholas Church Street                                       | -                           | 428638   | 265066    |
| 1035379       | LB II       | 43, Smith Street   | -                           | 428550   | 265066    |
| MWA13362      | N/A         | Myton Grange, Warwick  | Industrial to Modern        | 429905   | 265069    |
| 1035488       | LB II       | 14, Chapel Street  | -                           | 428385   | 265071    |
| 1035376       | LB II       | 68 68a 70 72, Smith Street   | -                           | 428605   | 265075    |
| MWA1992       | N/A         | Medieval pits, The Butts.  | Medieval                    | 428281   | 265075    |
| 1035489       | LB II       | 16, Chapel Street  | -                           | 428377   | 265076    |

| NHLE/ HER Ref       | Designation | Name   | Period                  | Eastin g | North ing |
|---------------------|-------------|--|-------------------------|----------|-----------|
| 1364831             | LB II       | 2 4, St John's   | -                       | 428646   | 265081    |
| 1185188             | LB II       | 74, Smith Street   | -                       | 428618   | 265081    |
| MWA5767             | N/A         | Field System in St Nicholas Park, Warwick                          | Post-medieval           | 429046   | 265083    |
| 1035479             | LB II       | 15, The Butts  | -                       | 428264   | 265083    |
| 1035377             | LB II       | 76, Smith Street   | -                       | 428624   | 265084    |
| 1185260             | LB II       | 55, Smith Street   | -                       | 428585   | 265085    |
| MWA1929             | N/A         | St. John's House, Warwick  | Post-medieval           | 428722   | 265085    |
| 1299845/<br>MWA1928 | LB I        | St John's House  | -                       | 428719   | 265090    |
| MWA1981             | N/A         | Site of Myton Deserted Medieval Village                            | Medieval                | 429730   | 265091    |
| 1364859             | LB II       | 57 57a, Smith Street   | -                       | 428600   | 265091    |
| MWA13324            | N/A         | Roebuck inn, Smith street, Warwick                                 | Unknown                 | 428594   | 265096    |
| 1035380             | LB II       | 59, 59a and 61, Smith Street and 40, Priory Road                   | -                       | 428611   | 265096    |
| MWA30308            | N/A         | Nos 59, 59a and 60 Smith Street and 40 Priory Road, Warwick        | Post-medieval to Modern | 428610   | 265097    |
| 1300240             | LB II       | 26-40, Chapel Street (See details for further address information) | -                       | 428329   | 265098    |
| MWA2163             | N/A         | Undated well   | Unknown                 | 428305   | 265110    |
| MWA19278            | N/A         | Sunday School, formerly a tithe barn, St John's Warwick            | Medieval to Modern      | 428633   | 265116    |
| 1035362             | LB II       | 3, Priory Road   | -                       | 428614   | 265118    |
| MWA10185            | N/A         | 19th Century Quarry Pits   | Industrial              | 428558   | 265120    |
| 1035400             | LB II*      | Entrance Gateway To St John's House and Flanking Boundary Walls    | -                       | 428701   | 265123    |
| MWA10185            | N/A         | 19th Century Quarry Pits   | Industrial              | 428570   | 265126    |
| MWA29790            | N/A         | Warwick, Priory Road, Drill Hall.                                  | Industrial to Modern    | 428597   | 265133    |
| MWA5065             | N/A         | Site of Medieval Cemetery at St John's                             | Medieval                | 428754   | 265146    |
| 1035457             | LB II       | 2 4, Coten End   | -                       | 428757   | 265169    |
| MWA12936            | N/A         | Priory Nursery, Warwick  | Post-medieval to Modern | 428541   | 265172    |
| MWA7515             | N/A         | New Cinema   | Modern                  | 265176   | 265176    |
| MWA13321            | N/A         | Site of Crown Commercial inn and Bowling Green, Coten End, Warwick | Unknown                 | 428724   | 265181    |

| NHLE/ HER Ref | Designation | Name  | Period   | Eastin g | North ing |
|---------------|-------------|---|--|----------|-----------|
| 1035452       | LB II       | 3-11, Coten End   | -  | 428756   | 265194    |
| MWA7162       | N/A         | Site of Iron Foundry on Old Warwick Road, Leamington Spa        | Industrial to Modern                           | 431109   | 265197    |
| 1035453       | LB II       | 13 15, Coten End  | -  | 428768   | 265202    |
| MWA12513      | N/A         | Medieval settlement features, 22 Coten End, Warwick             | Medieval                                       | 428896   | 265204    |
| 1364816       | LB II       | 17 19 21, Coten End   | -  | 428779   | 265208    |
| MWA13318      | N/A         | Oak inn, Coten End, Warwick                                     | Unknown  | 428800   | 265228    |
| MWA13320      | N/A         | Site of Old Nag's Head public house, Coten End, Warwick         | Unknown  | 428813   | 265231    |
| MWA8849       | N/A         | Medieval settlement at Warwick, 6-14 Coventry Road              | Medieval                                       | 428746   | 265236    |
| 1364819       | LB II       | 24, Coten End   | -  | 428911   | 265243    |
| MWA10092      | N/A         | Prehistoric Flint Flake   | Early Lower Palaeolithic to Late Iron Age      | 265245   | 265245    |
| MWA4301       | N/A         | Aqueduct N of Myton Road, Warwick                               | Industrial                                     | 430364   | 265245    |
| MWA13371      | N/A         | Site of the Plasterer's Arms public house, Avon street, Warwick | Unknown  | 429321   | 265252    |
| MWA6035       | N/A         | Findspot - Palaeolithic flake                                   | Early Lower Palaeolithic to Upper Palaeolithic | 265260   | 265260    |
| MWA1983       | N/A         | Site of Migration Cemetery at Emscote                           | Migration                                      | 429636   | 265268    |
| MWA8007       | N/A         | Pillbox on Oxford to Birmingham railway line, Warwick           | Modern   | 265278   | 265278    |
| 1035454       | LB II       | 65 67, Coten End  | -  | 428920   | 265289    |
| MWA12982      | N/A         | Warwick Priory Gardens, Warwick                                 | Post-medieval to Modern                        | 428365   | 265293    |
| 1035455       | LB II       | 69, Coten End   | -  | 428929   | 265295    |
| 1364817       | LB II       | The Millwrights Arms Public House                               | -  | 428937   | 265298    |
| MWA2200       | N/A         | Victorian Post box on corner of Emscote Road/Broad S            | Industrial                                     | 428992   | 265303    |
| 1364818       | LB II       | 73 75, Coten End  | -  | 428981   | 265317    |
| 1035456       | LB II       | 77 79, Coten End  | -  | 428988   | 265320    |
| MWA29789      | N/A         | Warwick, Coten End, Drill Hall.                                 | Industrial to Modern                           | 428959   | 265322    |
| MWA9831       | N/A         | Find of trade token in Warwick                                  | Industrial                                     | 265383   | 265383    |
| MWA20210      | N/A         | Former Children's Home, Nos 1-3 Wharf Street, Warwick           | Industrial to Modern                           | 429035   | 265388    |



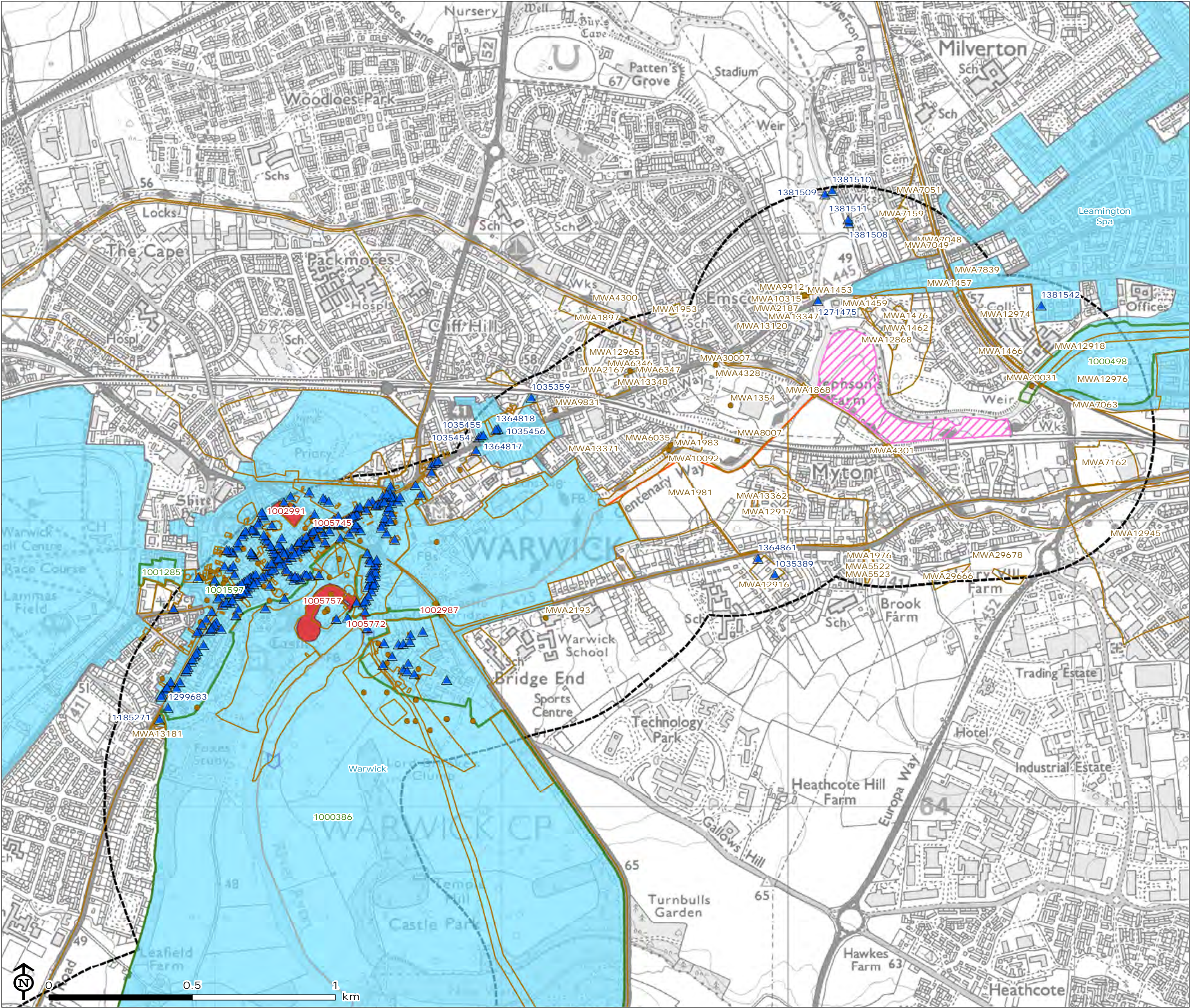
| NHLE/ HER Ref | Designation | Name   | Period                             | Eastin g | North ing |
|---------------|-------------|--|------------------------------------|----------|-----------|
| MWA1354       | N/A         | Findspot - Mesolithic/Neolithic flint                        | Early Mesolithic to Late Neolithic | 265400   | 265400    |
| MWA7063       | N/A         | Signal Box S of Park Drive                                   | Industrial                         | 431074   | 265400    |
| 1035359       | LB II       | 19, Enscoate Road  | -                                  | 429104   | 265427    |
| MWA1868       | N/A         | Avon Aqueduct  | Industrial                         | 430074   | 265454    |
| MWA20031      | N/A         | Prince's Drive Bridge  | Industrial to Modern               | 265470   | 265470    |
| MWA13348      | N/A         | Lord Nelson inn, Emscote road, Warwick                       | Unknown                            | 429493   | 265489    |
| MWA12845      | N/A         | Quarry at Wharf Street Warwick                               | Medieval to Industrial             | 429000   | 265495    |
| MWA2167       | N/A         | Prehistoric flint found in Warwick                           | Early Neolithic to Early Iron Age  | 265520   | 265520    |
| MWA6346       | N/A         | Findspot - Medieval pottery in Waterloo Court, Warwick       | Medieval                           | 265520   | 265520    |
| MWA6347       | N/A         | Findspot - Post Medieval pottery                             | Post-medieval                      | 265520   | 265520    |
| MWA12976      | N/A         | Victoria Park, Leamington Spa                                | Industrial to Modern               | 431161   | 265524    |
| MWA4328       | N/A         | Emscote Road Boatyard  | Industrial                         | 265543   | 265543    |
| MWA12965      | N/A         | The Lawn (Emscote Lawn School) garden, Warwick               | Industrial to Modern               | 429386   | 265557    |
| MWA30007      | N/A         | Emscote Mill, Emscote Road, Warwick                          | Industrial                         | 429808   | 265567    |
| MWA12918      | N/A         | New River Walk, Leamington Spa                               | Industrial to Modern               | 431167   | 265592    |
| MWA10180      | N/A         | St Sepulchre's Priory Outer Grounds, Warwick                 | Medieval                           | 428035   | 265631    |
| MWA1462       | N/A         | Emscote Deserted Medieval Settlement                         | Medieval                           | 430383   | 265644    |
| 1184339       | LB II       | THE CLIFFE   | -                                  | 428894   | 265649    |
| MWA1466       | N/A         | Railway Bridge at Princes Drive, Leamington Spa              | Industrial                         | 430697   | 265652    |
| MWA12974      | N/A         | Thornbank garden, Warwick New Road, Leamington Spa           | Unknown                            | 430770   | 265676    |
| MWA13120      | N/A         | Countess of Warwick Home for Crippled Children               | Industrial to Unknown              | 429911   | 265679    |
| MWA12868      | N/A         | Edmonscoate Manor House gardens, Warwick New Road, Milverton | Unknown to Modern                  | 430355   | 265704    |
| MWA13347      | N/A         | The Greyhound public house, Emscote road, Warwick            | Unknown                            | 430024   | 265707    |
| MWA1897       | N/A         | Emscote Mills, Wharf Street, Warwick                         | Industrial                         | 429334   | 265709    |
| MWA1476       | N/A         | Site of Emscote Manor House                                  | Medieval to Industrial             | 430393   | 265723    |
| MWA1953       | N/A         | Site of Church of All Saints, Emscote                        | Industrial                         | 429604   | 265737    |

| NHLE/ HER Ref        | Designation | Name  | Period                      | Eastin g              | North ing             |
|----------------------|-------------|---|-----------------------------|-----------------------|-----------------------|
| 1381542              | LB II       | Sunshine House with Attached Coach House and Stable Range | -                           | 430884                | 265749                |
| MWA1459              | N/A         | Site of Emscote Mill                                      | Medieval to Industrial      | 430269                | 265757                |
| 1271475/<br>MWA20209 | LB II       | Portobello Bridge   | -                           | 430105                | 265767                |
| MWA2187              | N/A         | Roman Pottery from W of Portobello Bridge                 | Romano-British              | 265770                | 265770                |
| MWA10315             | N/A         | Post Medieval Activity at the former Potterton Works site | Post-medieval to Industrial | 430057                | 265785                |
| MWA9912              | N/A         | Roman Pottery at the former Potterton Works site          | Romano-British              | 265786                | 265786                |
| MWA1453              | N/A         | Site of Emscote Bridge,                                   | Medieval to Post-medieval   | 430120                | 265798                |
| MWA1457              | N/A         | Milverton Station, Leamington Spa                         | Industrial                  | 430567                | 265846                |
| 1184344              | LB II       | Bridge House  | -                           | 428894                | 265941                |
| MWA7048              | N/A         | Site of LNWR Station W of the Spinney                     | Industrial                  | 430529                | 265980                |
| MWA7049              | N/A         | Site of Railway Goods Shed, E of Quarry Street            | Industrial                  | 430491                | 265981                |
| 1381508              | LB II       | Rock Cottage  | -                           | 430213                | 266036                |
| 1381511              | LB II       | The White House   | -                           | 430210                | 266049                |
| MWA7051              | N/A         | Site of Railway Sidings E of Old Milverton Rd             | Industrial                  | 430449                | 266065                |
| MWA7159              | N/A         | Site of Engine shed E of Old Milverton Rd                 | Industrial                  | 430396                | 266070                |
| 1381509/<br>MWA1473  | LB II       | Rock Mill   | -                           | 430129                | 266138                |
| 1381510              | LB II       | Rock Mill House   | -                           | 430154                | 266150                |
| MWA4820              | N/A         | Turnpike road from Warwick to Paddle Brook                | Industrial                  | 422369<br>-<br>428010 | 237559<br>-<br>264683 |
| MWA4300              | N/A         | The Grand Union Canal                                     | Industrial to Modern        | 446826<br>-<br>427070 | 262482<br>-<br>265559 |
| MWA4804              | N/A         | Turnpike Road from Warwick to Northampton via Southampton | Industrial                  | 428832<br>-<br>453000 | 264608<br>-<br>261327 |
| MWA4787              | N/A         | Turnpike road from Warwick to Stratford                   | Industrial                  | 428010<br>-<br>420601 | 264683<br>-<br>255435 |
| MWA4774              | N/A         | Turnpike Road from Warmington to Birmingham via Warwick   | Post-medieval               | 428600<br>-<br>442890 | 264865<br>-<br>244130 |

| NHLE/ HER Ref | Designation | Name               | Period     | Easting               | North ing                  |
|---------------|-------------|--------------------|------------|-----------------------|----------------------------|
| MWA7839       | N/A         | Industrial railway | Industrial | 431365<br>-<br>430577 | 26527<br>7 -<br>27409<br>7 |

# Appendix 3: Historic Asset Maps





# Upper Avon Navigation Project

## Historic Environment Asset Plan: Reach 4

- Designated
- ▲ Listed Building
  - Scheduled Monument
  - Registered Park and Garden
  - Conservation Area
- Non-designated
- Monument Point
  - Monument Polyline
  - Monument Polygon
- Study Area
- 500m Study Area
- Scheme
- Main Lock
  - Lift Area

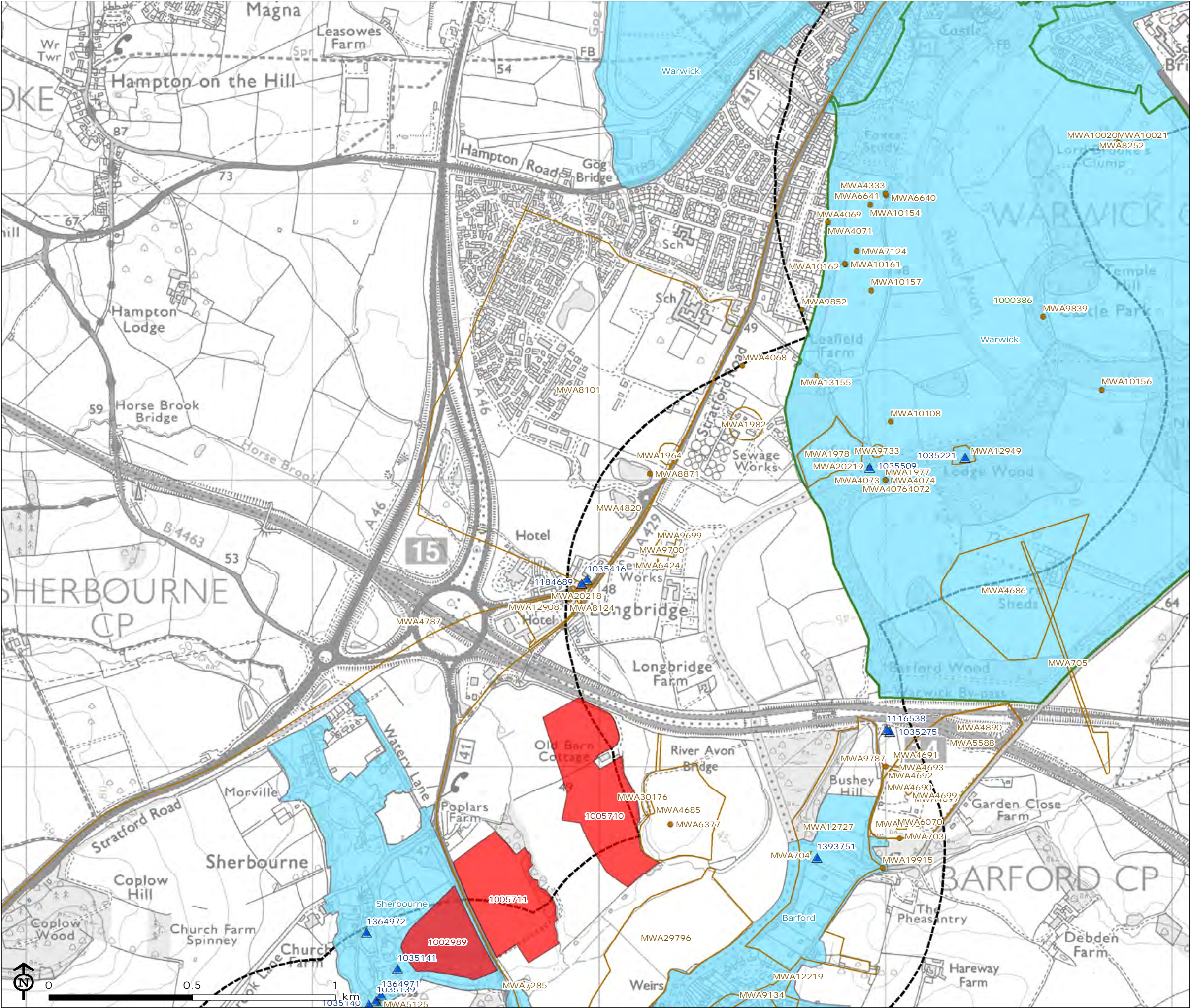
Map Scale @A3: 1:13,000











Upper Avon Navigation Project

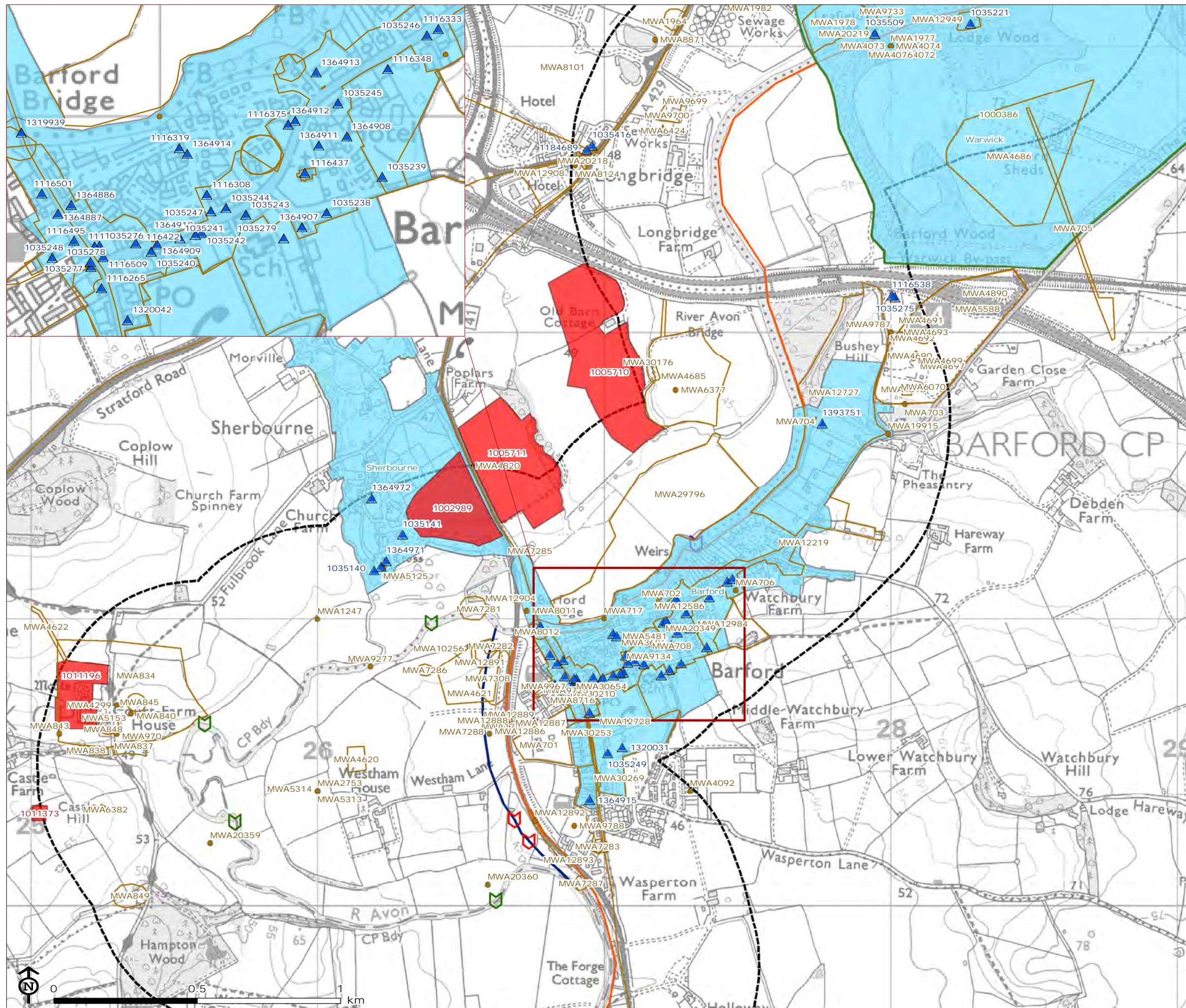
Historic Environment Asset Plan:  
Reach 3b

- Designated
- Listed Building
  - Scheduled Monument
  - Registered Park and Garden
  - Conservation Area
- Non-designated
- Monument Point
  - Monument Polyline
  - Monument Polygon
- Study Area
- 500m Study Area
- Scheme

Map Scale @A3: 1:13,000







Upper Avon Navigation Project

Historic Environment Asset Plan:  
Reach 3a

Designated

- Listed Building
- Scheduled Monument
- Registered Park and Garden
- Conservation Area

Non-designated

- Monument Point
- Monument Polyline
- Monument Polygon

Study Area

- 500m Study Area

Scheme

- Main Lock
- Proposed Lock
- Planned Lock
- Tow Path Route
- New Canal Route

Map Scale @A3: 1:13,000

LUC







# Avon Navigation Scheme (Alveston Weir to Warwick)

## Socioeconomic Study

On behalf of



Project Ref: 43086 | Rev: V1 | Date: January 2018



## Document Control Sheet

**Project Name:** Avon Navigation Scheme (Alveston Weir to Warwick)

**Project Ref:** 43086

**Report Title:** Socioeconomic Study

**Doc Ref:** V2

**Date:** January 2019

|  | Name                        | Position                      | Signature | Date     |
|--|-----------------------------|-------------------------------|-----------|----------|
| <b>Prepared by:</b>                                    | Kyle Barrie<br>Emma Brown   | Senior Economist<br>Economist | KB<br>EB  | 27/09/18 |
| <b>Reviewed by:</b>                                    | Nick Skelton                | Director                      | NS        | 27/09/18 |
| <b>Approved by:</b>                                    | Nick Skelton                | Director                      | NS        | 27/09/18 |
| <b>For and on behalf of Peter Brett Associates LLP</b> |                             |                               |           |          |
|  | Name                        | Position                      | Signature | Date     |
| <b>Revisions</b>                                       | Nick Skelton<br>Kyle Barrie | Director<br>Senior Economist  | KB<br>EB  | 11/01/19 |
| <b>For and on behalf of Peter Brett Associates LLP</b> |                             |                               |           |          |

This report has been prepared by Peter Brett Associates LLP ('PBA') on behalf of its client to whom this report is addressed ('Client') in connection with the project described in this report and takes into account the Client's particular instructions and requirements. This report was prepared in accordance with the professional services appointment under which PBA was appointed by its Client. This report is not intended for and should not be relied on by any third party (i.e. parties other than the Client). PBA accepts no duty or responsibility (including in negligence) to any party other than the Client and disclaims all liability of any nature whatsoever to any such party in respect of this report.

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| Appendix H | Operational Phase Assumptions    |





## Executive Summary

Stratford-upon-Avon and Warwick are connected to the River Avon and the Midlands Canal system, where the Stratford Canal has a Northern and Southern section. The Northern section runs from the Worcester and Birmingham Canal, at Kings Norton, to join the Grand Union Canal (GUC) at Kingswood. The Southern section connects the GUC, at Kingswood, to the River Avon at Stratford-upon-Avon via the Bancroft Lock. The existing stretch of navigation forms part of the Warwickshire Ring which connects the major towns of Stratford-upon-Avon, Evesham, Tewkesbury, Worcester and the southern outskirts of Birmingham along 116 miles of waterway.

The proposed Avon Navigation Scheme (ANS) extension links the two urban nodes of Warwick and Stratford-upon-Avon. The 14 miles of waterway is not a through navigation and only experienced boaters can reach Alveston Weir when there is sufficient water to do so.

The navigation is identified by the Association of Inland Navigation Authorities (AINA) as 'one of the few missing broad inland navigation links between the estuary of the Severn and other major English estuaries (Mersey, Humber, Thames, Wash)'.

While restoration is technically feasible, desk-based analysis and consultation with stakeholders across the area identifies that restoration will require to address challenges including: ownership; heritage; environmental and engineering constraints.

Navigation, of itself, will help to better connect the sub regional visitor market, completing the Warwickshire Ring and extending the regional boating market.

However, unlike the Avon Navigation between Tewkesbury, Evesham and Stratford, this stretch of the Avon is not recognised or treated as a recreation, visitor or business asset in a consistent way. While there is a case for investment in the River Avon corridor, the benefits of purely restoring navigation would not necessarily fully capture the potential these markets have. The opportunities that would arise from navigation to enjoy the benefits of the corridor more broadly should also be considered by the local authorities.

Headline impacts associated with the Avon Navigation Scheme are presented below, showing:

- The temporary impacts from ANS construction, distinguishing between the two route options: the river only route and; the river with a canal cut at the Barford Loop. Estimated costs are based on CRT figures and presented including optimism bias at 44%. Employment and related GVA effects are estimated at local, regional and national levels; and
- Annual operational impacts generated by expenditure from boat visits along the newly navigable stretch of river. Again, economic effects are estimated at local, regional and national levels. The additional boat movements per annum are presented at three scenarios to show a range of potential benefits which the navigation is anticipated to deliver. The results have been presented to reflect a total of diverted traffic from adjoining waterways (4,275) and additional boats as a result of the enhanced navigation. Sensitivities have been presented showing the impact of an increase in boaters of between 2,500 and 7,000.

The report finds that:

- The ANS will cost between £27.7m - £29.6m to deliver<sup>1</sup>, depending on the route chosen;
- It is estimated its construction would potentially support up to 138 additional short-term jobs locally and related GVA of up to £3.9 million;
- Once established, ANS operation is estimated to support a further 161 local tourism jobs per annum, and an additional £3.9m a year in GVA<sup>2</sup>; and

<sup>1</sup> Including 44% Optimism Bias

<sup>2</sup> Based on a medium scenario

- Additional active travel and associated infrastructure such as public access to the river and marinas could have the potential to extend this benefit to a wider proportion of the local population.

### Headline Impacts<sup>3</sup>

|                                   | Construction (Temporary Impact)     |              |                  |
|-----------------------------------|-------------------------------------|--------------|------------------|
|                                   | River Only                          |              | River with Canal |
| Estimated Cost <sup>4</sup> (£m)  | £27.61                              |              | £29.60           |
| Gross Construction Jobs           | 142                                 |              | 152              |
| Net Construction Jobs             |                                     |              |                  |
| Local Area                        | 128                                 |              | 138              |
| Warwickshire                      | 110                                 |              | 118              |
| England                           | 109                                 |              | 117              |
| GVA (£m)                          |                                     |              |                  |
| Local Area                        | 3.61                                |              | 3.87             |
| Warwickshire                      | 3.10                                |              | 3.32             |
| England                           | 3.08                                |              | 3.30             |
|                                   | Operation (Long Term Annual Impact) |              |                  |
| Boat movements/p. a               | Low 7,225                           | Medium 8,725 | High 11,725      |
| Net Operational Jobs <sup>5</sup> |                                     |              |                  |
| Local Area                        | 133                                 | 161          | 217              |
| Warwickshire                      | 50                                  | 69           | 107              |
| England                           | 20                                  | 27           | 42               |
| GVA (£m)                          |                                     |              |                  |
| Local Area                        | 3.2                                 | 3.9          | 5.2              |
| Warwickshire                      | 1.2                                 | 1.7          | 2.6              |
| England                           | 0.5                                 | 0.7          | 1.0              |

#### Next steps:

- An incremental approach to the re-establishment of navigation on the Avon is recommended. This recognises existing ownership constraints, the present restrictions and objectives of the development plan, and critically, the fact that the Avon corridor in this location is not recognised or treated as a recreation, visitor or business asset in a consistent way.
- A second but equally significant priority is to establish the area in the eyes of the local population and visitors as a place they would like to visit, recreate in, use or appreciate in other ways, drawing on its outstanding landscape values, its history and its point of connection between Stratford-upon-Avon and Warwick. This would combine two main stages:
  - Preparation of a collaborative Supplementary Planning Document (SPD) that would seek to establish in the first instance, a continuous active travel passage between Stratford-upon-Avon and Warwick encouraging access to the river where possible.

<sup>3</sup> The scale of employment and Gross Value Added (GVA) from temporary construction impacts and long term operational impacts

<sup>4</sup> Including optimism bias

<sup>5</sup> Number of jobs supported in each spatial area per annum by the increased visitor expenditure.

The SPD will create the initial drive needed to gain better access to the River Avon and a consistent access between the two key nodes; and

- The plan should combine ambitions from each of the key development policies noted in the report, with the view of creating access to open spaces whilst establishing a clear conduit between two tourism hubs. The plan should be sensitive to the design of this access, respecting the conservative development nature of the key nodes along the corridor.
- Additional steps which the ANT can carry out include: Improving the reliability of the existing navigation up to Alveston; progressing the legal work required to manage the extension; and further design work and consultation with the Environment Agency.

# 1 Introduction

## 1.1 Project Background

- 1.1.1 In January 2018, Stratford-upon-Avon District Council (SADC) commissioned Peter Brett Associates to prepare a Socioeconomic Study of the Avon Navigation Scheme (Alveston Weir to Warwick). The work has been led by a Steering Group involving representatives from SADC, Warwick District Council (WDC), Avon Navigation Trust (ANT) and the Canal and River Trust (CRT).<sup>6</sup>
- 1.1.2 The study examines the potential socioeconomic and high level environmental effects of the proposed Avon Navigation Scheme (ANS) between Warwick and Alveston Weir. It investigates the relationship between an established navigation and the policy and programme responses it may stimulate.

## 1.2 Methodology

- 1.2.1 The report starts with a description of the infrastructure and other improvements needed to establish the ANS. Delivery would enable through navigation of the River Avon by powered vessels from Stratford-upon-Avon, through Warwick to connect to the Grand Union Canal (GUC) near the Edmondscote aqueduct.
- 1.2.2 This is followed by a review of the socioeconomic context, providing an understanding of the local economy. The baseline serves as a useful starting point to compare the effects of waterway intervention.
- 1.2.3 The report then describes the policy context, the strategic basis for establishing through navigation. There are a number of governmental, regulatory and statutory organisations whose policy directives directly and indirectly, guide the strategic development of the local area and who have an interest in the development of the River Avon.
- 1.2.4 The report then summarises the findings of stakeholder consultations, vital to an understanding of the anticipated social and economic effects from the proposed navigation scheme. This involved face to face sessions with over 40 stakeholders and review of written submissions from interested parties. A list of key stakeholders involved is attached at **Appendix E**.
- 1.2.5 A high level environmental review has been carried out, assessing likely effects on the surrounding landscape, visual amenity, heritage assets, ecology, water quality and hydrology. The review is attached as a separate report and summarised in this section.
- 1.2.6 Finally, the report presents the economic analysis of the Avon Navigation Scheme. The report also estimates the benefits of potential follow on investment before concluding and identifying next steps.

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<sup>6</sup> The Steering Group also includes representatives for Land Use Consultants (LUC) undertaking the Environmental Impacts aspects of the projects and representatives from PBA.

## 2 Project Description

### 2.1 Avon Navigation Scheme (ANS)

- 2.1.1 Navigation of the River Avon between Stratford-upon-Avon and Warwick is presently limited to use by rowing boats, small motor boats and canoeists. The proposed Navigation would allow for navigation beyond the existing navigable length of the river by powered craft. The ANS therefore refers to the opening of navigation from beyond Alveston to Warwick and onto the Grand Union Canal. It would also provide for boats travelling through the Grand Union Canal to access the River Avon near the Edmondscote aqueduct, enabling the region to better capture the benefits of canal traffic between London and Birmingham. The scheme extends approximately 14 miles and will include 13 or 15 new locks (dependent on the route option), 4 of which would be positioned as a flight to reach the Grand Union Canal. The development of the navigation scheme would allow the formation of the South Warwickshire Ring.
- 2.1.2 A map of the proposed navigation scheme can be found in **Appendix A**

### 2.2 Reaches

- 2.2.1 In 2013, the ANT commissioned Halcrow to carry out a feasibility study into the establishment of navigation of the River Avon. For consistency with the 2013 report<sup>7</sup>, in this report the navigation has also been considered as four separate reaches to describe the project. The reaches are as follows:

- **Reach 1** - Stratford-upon-Avon to Charlecote Park;
- **Reach 2** - Charlecote Park to north of Wasperton;
- **Reach 3** – North of Wasperton to Warwick Castle; and
- **Reach 4** - Warwick Castle to the Grand Union Canal.

- 2.2.2 The reaches are defined by potential “destinations” and navigational challenges as discussed in the Halcrow 2013 report. To recap going upstream:

#### **Reach 1 – 4.3 Miles**

- 2.2.3 From Stratford-upon-Avon as far as Alveston Weir the river is navigable during periods of moderately high flow. Boaters are encouraged to turn around near Tiddington since venturing further may result in running aground. Beyond Alveston Weir the river is of sufficient depth for vessels to navigate to near the upstream edge of Charlecote Park. Locks are proposed near Tiddington and at Alveston Weir.

#### **Reach 2 – 3.9 Miles**

- 2.2.4 Reach 2 begins at the south west of Charlecote Park and runs past the grounds which are owned and managed by the National Trust. Reflecting concerns around the security of the park and house, as well as the safety of the deer in the park, appropriate protection measures would require to be agreed between the ANS and the National Trust.

Reach 2 then continues to meander to the Barford Loop. On its way, the river first passes near Hampton Lucy, a village of some 566 residents<sup>8</sup>. Some 150m before the Charlecote Road bridge, the river is joined by the tail race of Charlecote Mill. It is at this section where the

<sup>7</sup> Halcrow: Avon Extension - Feasibility Study for the Avon Extension (2013)

<sup>8</sup> 2011 Census

Charlecote Lower Lock is proposed. The scheme proposes to restore the tail race to its historic alignment to protect the outflow of the mill. The flour mill, a Grade II listed building, is one of Britain's oldest working flour mills and uses the flow of the River Avon to power two waterwheels. The mill's head and tail races are privately owned stretches of river connected to and fed by the River Avon<sup>9</sup>. The Mill is discussed further in the Consultations section of this report (See **Section 5**).

- 2.2.5 After passing Hampton Lucy Bridge the course of the river splits into two channels. One carries the main flow and leads to the current main weir. The other channel leads to side control sluices on the head race. This second channel formerly carried the main flow and was fed by the previous main weirs. The ANT proposes to install a lock between the sites of the old main weirs and the current main weir. Once beyond Charlecote Mill, the Avon then continues through farmland, passing Wasperton, until the Barford Loop. Farms along this stretch extract an average of some 16,966m<sup>3</sup> of water daily from the Avon for irrigation, in some instances for fresh food crops. Farmers concerns are discussed in further detail in the Consultation section (See **Section 5**).

### **Reach 3 - 4.7 Miles**

- 2.2.6 Reach 3 follows the river from the start of the Barford Loop to the grounds of Warwick Castle. Initially, Reach 3 has the potential to take two courses: a natural course which follows the loop of the river around farmland to eventually meet the village of Barford; or a canal cut, constructed through farmland adjacent to the A429.
- 2.2.7 Navigation of the natural course would require the construction of four locks along the curve of the river to the south of Sherbourne, spread out roughly 800 metres apart to minimise the impact on the landscape. The river banks are steep at this point and have been subject to erosion over the years. Weirs and locks on this section would increase depth and therefore cross section area and therefore reduce velocity. In general this will reduce erosion and therefore encourage a more stable landform.
- 2.2.8 The canal cut would require excavation to the East side of the Barford Loop. It would also require a flight of two locks. Additionally, the canal cut would require a bridge to the north and south of the canal cut, as well as a single-track road bridge to allow for resident and farm access into the loop itself.
- 2.2.9 Having negotiated the Barford Loop the river passes under the A429 and then behind a number of riverside residences in Barford. At the old site of Barford Mill two channels form an island with weirs on each channel. A power-generating turbine is sited next to the weir on the southern channel. It is proposed that Barford Lock is sited near the weir on the north channel. The wide reach above Barford Weir passes Warwick University Boat House, the M40 bridges, Leafields Bridge, runs through Castle Park and reaches Warwick Castle grounds. The final stretch of Reach 3 sees the Avon flow through Warwick Castle park and underneath a private bridge north east of Fishers Brook before arriving at the boundary of Warwick Castle.

### **Reach 4 – 2.1 Miles**

- 2.2.10 At the beginning of Reach 4, a shallow lock is proposed at the south end of the eastern channel of the Castle Island. The navigation would follow the eastern channel up to a lock adjacent to the Warwick Castle Weirs. The route of the navigation channel would be to the east or upstream side of the line of the old ruined Castle Bridge and to the west of Bridge End.

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<sup>9</sup> The river bed (i.e. the land on which the water flows) is owned by the Lucy Family, giving them riparian rights to that stretch.

- 2.2.11 Before passing under Banbury Road bridge (A425), the vessels would have to navigate through a new cut bisecting land on the corner of Bridge End, with a lock in the cut to allow sufficient passage.
- 2.2.12 The Avon then continues through St Nicholas Park, passing a boat hire facility on the west side of the river. The river then passes the Sea Scouts Boat House before going underneath the National Route 41 Cycling Route. To the north of the playing fields the River Avon passes beneath the Warwick/Leamington Spa railway line, before reaching Edmondscote Aqueduct.
- 2.2.13 The Grand Union Canal flows some 26ft above the River Avon. The proposal is for a linking canal from the Grand Union down to the river, involving a flight of four locks which would be constructed on what is currently privately owned agricultural land. The difference in level here obviously varies with river conditions but the ANT have designed for a difference of 8 metres, giving a sensible, safe and manageable rise of 2 metres for each lock chamber.

## 2.3 Project Parameters

- 2.3.1 Information supplied by the Steering Group, along with PBA experience of waterway and leisure development elsewhere in the UK, has informed the development quanta and assumptions used in the economic impact model. The project assumptions are shown below.

Table 2-1: Project Parameters

| Item                                   | (m)               | Description  | Delivery  |
|--|-------------------|--|---|
| Length of River                        | 19,500m           | From Alveston Weir to the GUC Aqueduct   |   |
| Number of Locks (Barford River Option) | 15                | 4 deep locks<br>7 shallow locks<br>4 locks on the flight to the GUC            | ANT to lead delivery of all locks installed along the stretch of proposed navigation.<br><br>Access would have to be granted by landowners to allow construction, maintenance and repairs to the locks. ANT has relevant experience and established relationships with landowners on the existing navigation that can be used to support further development. |
| Number of Locks (Barford Canal Option) | 13                | 6 deep locks<br>3 shallow locks<br>4 locks on the flight to the GUC            |   |
| Dredging                               | 402m <sup>3</sup> | c.0.5 miles of dredging. Depth of 0.5m at any one time.                        | ANT dredges the navigable stretch of the Avon and would assume responsibility for dredging to establish further navigation to the GUC.  |
| Channel Canal Cut (Barford Canal)      | 900m              | Length of canal cut required to cross the Barford Loop to the west of Barford. | Would require purchase of agricultural land and additional engineering works to create the canal feature overseen by ANT.   |



| Item                                       | (m)  | Description   | Delivery  |
|--|------|---|---|
| Channel Canal Cut (Warwick Castle)         | 78m  | Length of cut required to bypass the Old Warwick Castle Bridge.   | Would require purchase of a parcel of land adjacent to the residential settlement and additional engineering works required to navigate the cut. Overseen by ANT. |
| Realigning the tailrace at Charlecote Mill | 100m | Excavating land to the south of the Mill to realign the tail race to its historic position.   | Would require agreed design between the Miller and ANT.   |
| Bridges                                    | 9    | A combination of foot and vehicle bridges.<br><br>4 footbridges proposed, 1 over each lock on the flight to the GUC<br><br>Note, 3 of these bridges are not required on the Barford River Option. | This would require the purchase of land or access agreements to be signed by the ANT. Bridges construction would be overseen by the ANT.                          |



## 3 Baseline

### 3.1 Introduction

3.1.1 The socioeconomic context for the Avon Navigation Scheme is discussed below. The latest available data from Warwick District Council (WDC), Warwickshire County Council (WCC) and Stratford upon Avon District Council (SADC) has been used to describe the area within a 1-mile corridor of the River Avon (referred to as the 'immediate area').

#### 3.1.2 Summary of key characteristics

- The population of the immediate area is 59,359. Over the next five years, it is expected to increase by 3%, to 60,837 (lower than the 4.4% forecast nationally);
- As a region, Warwickshire's Gross Value Added (GVA) is 43rd of 174 regions, placing it in the top quartile of the UK's best performing regional economies;
- 74% of the population are economically active compared with 70% nationally;
- Stratford-upon-Avon and Warwick boast low unemployment, 1.5% and 1.9% respectively, compared with a national rate of 2.8%;
- 67.3% of people are in social categories AB-C1, 13.7% higher than the national average and 11.4% higher than Warwick County;
- SADC and WDC are expected to see reduced Core Spending Power (CSP) of 5.6% and 7.5% respectively from 2016/17 to 2019/20;
- In 2016-17, Stratford-upon-Avon was home to 43% of all new housing built in Warwickshire, followed by Warwick with 28%;
- Between 2010 and 2016, Warwick saw an average house price increase of 24.2%, outpacing the national average by 2.3%. However, Stratford-upon-Avon saw much slower growth, house prices rising 17.3%, some 4.6% below the national average;
- It is estimated that there are some 791 people classed as being income deprived;
- Over 1 million visitors were attracted to theatres in Stratford-upon-Avon in 2016-17. Shakespeare Birthplace attracted 393,941 visitors;
- Charlecote Park, on the banks of the River Avon, received 209,373 visitors in 2016, with an average annual growth of 7% in visitor numbers since 2011;
- Warwick Castle attracts over 800,000 visitors annually; and
- Between 2014 and 2016, there were an average 556,000-day trips to Stratford-upon-Avon and 336,000 to Warwick per annum. Over the same period, there were 1,335,000 overnight stays in Stratford-upon-Avon and 648,000 in Warwick annually.

## 3.2 Tourism

- 3.2.1 Stratford-upon-Avon is recognised as a tourism hotspot. It benefits from its historic setting coupled with the presence of the Royal Shakespeare Theatres and Shakespeare's Birthplace. Over 1 million visitors were attracted across all three of the theatres in Stratford-upon-Avon in 2016-17<sup>10</sup>, with Shakespeare's Birthplace inviting 393,941 visitors in 2016, up 2.9% on the previous year<sup>11</sup>.
- 3.2.2 Warwick benefits from Conservation Areas, attractions and heritage sites including Warwick Castle. Located less than an hour's journey from Birmingham, the Castle attracts an estimated 800,000 visitors every year.
- 3.2.3 Situated on the banks of the River Avon, Charlecote Park received 209,373 visitors in 2016, with an average annual growth of 7% in visitor numbers since 2011.
- 3.2.4 Stratford-upon-Avon accounted for roughly 47% of businesses within Warwickshire's tourism industry<sup>12</sup>. In addition, the area recorded £155 million in tourism spending between 2014-2016.
- 3.2.5 Coventry's successful bid to become the UK's City of Culture 2021 will also have a positive effect on tourism numbers across Warwickshire.
- 3.2.6 Visitor markets in Stratford-upon-Avon and Warwick presently function as largely separate entities. A more-clearly combined and coordinated approach may yield additional benefits in attracting larger numbers of visitors and extended stays. The River Avon, whether through navigation, active travel links along its corridor or both, presents an opportunity to physically link the two.

## 3.3 Water-based Activity

- 3.3.1 ANT figures for the navigable section of the River Avon show the following:
- Number of licences issued to boats that are based on the Avon Navigation per year: **1,238**;
  - Number of temporary licences issued to boats visiting the Avon per year: **1,879**; and
  - Boat movements: **4,197**<sup>13</sup>.

## 3.4 Geography

- 3.4.1 Stratford-upon-Avon and Warwick are both connected to the River Avon and the Midlands Canal system, where the Stratford Canal has a Northern and Southern section. The Northern section runs from the Worcester and Birmingham Canal at Kings Norton to join the GUC at Kingswood. The Southern section connects the GUC at Kingswood to the River Avon at Stratford-upon-Avon via the Bancroft Lock.
- 3.4.2 The proposed Avon Navigation Scheme extension links the two urban centres of Warwick and Stratford-upon-Avon. Through navigation of the 14 miles of waterway is not possible by

<sup>10</sup> <https://www.rsc.org.uk/about-us/facts-and-figures>

<sup>11</sup> <https://www.visitbritain.org/annual-survey-visits-visitor-attractions-latest-results>

<sup>12</sup> <https://apps.warwickshire.gov.uk/api/documents/WCCC-688-278>

<sup>13</sup> Avon Navigation Trust estimates. This is vessels passing the Tewkesbury Lock, into and out of the south end of the Navigation. Movements here are referred to the number of passing vessels (trips).

powered vessels due to water level changes along its course. Four weirs currently lack by-pass locks and there are various shallow sections along the river.

- 3.4.3 Working upstream from Stratford-upon-Avon, the River Avon makes a path through a predominately rural area, passing settlements which are characterised by much lower population densities until Warwick. South of the River Avon (Feldon), between Stratford-upon-Avon and Barford Hill, the land is predominantly flat compared to the area to the north (Arden). Here, proximity to the Welcombe Hills has produced a more undulating landscape. The relationship between the local landscape and development is clear to see with a higher volume of development and settlement south of the River Avon.
- 3.4.4 The River Avon itself is designated at District level as a Local Wildlife Site/Site of Importance for Nature Conservation (LWS/SINC), with the potential for a number of nationally protected species to be present in the river corridor. (See attached Environmental Review – LUC)
- 3.4.5 The river runs through several sites of ecological importance and heritage value, including Charlecote Park, the Hampton Lucy Conservation Area and Warwick Conservation Area. The northern extent of the River Avon also flows through Warwick Castle's Registered Park and Garden.
- 3.4.6 The River Avon is the northern boundary of the Barford Conservation Area and abuts the southernmost extent of the Sherbourne Conservation Area at Sherbourne Park.
- 3.4.7 A number of Scheduled Monuments (SM) are located close to the River Avon with the closest SM approximately 600m away at Alveston Weir. Charlecote Mill, a Grade II listed structure, uses two waterwheels fed by the River Avon itself to power its operations.

### 3.5 Demographics

- 3.5.1 Stratford-upon-Avon and Warwick have the largest populations in Warwickshire County - their combined population in 2017 was over 268,000. Based on Experian<sup>14</sup> forecasts, the combined population is expected to rise to 286,000 by 2030, representing growth of 6.5%.
- 3.5.2 The population within a mile of the proposed ANS is estimated at 59,359. It is expected to grow by 3% to 60,837 over the next five years.

### 3.6 Economic & Labour Market

- 3.6.1 The ONS measures an area's productivity, a key economic indicator, by GVA per filled job. In comparison with the rest of the UK, Warwickshire's productivity is 43<sup>rd</sup> out of a possible 174 regions, placing it in the top quartile of economic regions in the UK. In 2016, Warwickshire was one of only 45 regions in the UK to outperform the UK's index productivity levels.
- 3.6.2 In terms of labour market performance, the immediate area performs higher than national and regional indicators. Some 74% of the population is economically active, with around a quarter of residents employed in 'Professional Occupations'. Stratford-upon-Avon and Warwick have low levels of unemployment, 1.5% and 1.9% respectively.
- 3.6.3 With regards to education attainment, both centres and the immediate area around the Avon Navigation Scheme outperform County and national averages. 42.4% of those living within one-mile of the proposed ANS have achieved high level qualifications, nearly 13% above the national average.

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<sup>14</sup> Experian Population Data – Accessed: 2018

### 3.7 Social

- 3.7.1 In the River Avon's immediate area, 67.3% of people are identified as being in social categories AB-C1, 13.7% higher than the national average and 11.4% higher than Warwickshire. This generally indicates areas with higher levels of affluence and purchasing power.
- 3.7.2 As with most Local Authorities across the UK, Core Spending Power (CSP) is falling. CSP is a reflection of the ability of Local Government to invest in local infrastructure without the support of regional bodies or National Government. This is true of both SADC and WDC, with CSP dropping 5.6% and 7.5% respectively from 2016/17 to 2019/20. This is due to reduced Settlement Funding, estimated reductions in the New Homes Bonus and a 25% loss in the Rural Services Delivery Grant given to SADC. Interestingly, WCC's CSP over the same period increased by 6.3%. This is due to a significant increase in funding from the proposed Better Care Fund, estimated to deliver £12.5 million to the area in 2019/20.<sup>15</sup>

### 3.8 Housing

- 3.8.1 Mean house prices in Warwick and Stratford-upon-Avon have risen at an annual average rate of 4.5% and 3.1% respectively 2010. This is compared to an annual average national growth of 4%<sup>16</sup>. Between 2010 and 2016, Warwick saw average house price increases of 24.2%, outpacing the national price growth by 2.3%<sup>17</sup>. However, Stratford-upon-Avon witnessed slower growth with house prices rising 17.3% over the same period, some 4.6% below the national average.<sup>18</sup>
- 3.8.2 In 2016-17, Stratford-upon-Avon was home to 43% of all new housing built in Warwickshire, followed by Warwick with 28%. Combined, both areas saw 1,510 new homes built, the majority by the private sector.<sup>19</sup>

### 3.9 Health & Wellbeing

- 3.9.1 Average life expectancy for both centres is 80.8 years for males and 85.0 for females<sup>20</sup>. This compares with 79.1 for males and 82.8 for females<sup>21</sup> across the UK.
- 3.9.2 In Stratford-upon-Avon, 23.5% of adults and 14.5% of children (Year 6) are considered obese. For Warwick, this figure is slightly lower, at 21.4% for adults and 13.1% for children (Year 6).
- 3.9.3 In 2017, in Stratford-upon-Avon and Warwick, an estimated 791 people were classed as income deprived<sup>22</sup>.

### 3.10 Implications from baseline for ANS design & delivery

#### Funding

<sup>15</sup> <https://www.gov.uk/government/publications/core-spending-power-final-local-government-finance-settlement-2017-to-2018>

<sup>16</sup> This is an average of the year on year changes.

<sup>17</sup> English house prices rose 21.9% from 2011 to 2016

<sup>18</sup> <https://www.gov.uk/government/news/uk-house-price-index-hpi-for-january-2017>

<sup>19</sup> <https://www.gov.uk/government/statistical-data-sets/live-tables-on-house-building>

<sup>20</sup> <http://www.localhealth.org.uk/#!en:v=map13>

<sup>21</sup>

<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/lifeexpectancies/bulletins/nationallifetablesunitedkingdom/20132015>

<sup>22</sup> <http://www.localhealth.org.uk/#!en:v=map13>

- 3.10.1 The funding model for the ANS has yet to be established and no public funding has been committed to it to date. However, its funding may be considered should its development indicate significant economic, environmental and wider benefits. The findings of the baseline indicate a number of potential implications.
- 3.10.2 The Core Spending Power of each concerned Local Authority has, like most Local Authorities across the UK, reduced, restricting the ability to fund large infrastructure projects.
- 3.10.3 It should be noted that virtually no public money was expended on the restoration of the existing Avon Navigation.
- 3.10.4 Potential avenues for funding have been partially explored through consultation with each Local Authority and the Coventry and Warwickshire Local Enterprise Partnership (CWLEP). It is clear from these discussions that either Local Authority has no specific capital funding available to develop the proposed scheme. The CWLEP highlighted that there would be the potential to apply for Regional Growth funding if additional money for the area was granted.

### Tourism

- 3.10.5 Stratford-upon-Avon and Warwick benefit greatly from their respective visitor markets as a result of their significant historic assets and attractive conservation areas.
- 3.10.6 It is anticipated that the ANS would help attract additional visitors to the area in the form of boat users, as evident from the number of boat movements on the navigable stretch of the river. While there may be scope to extend this further sub regionally were active travel, other blue green infrastructure and greater opportunity for public access to the river incorporated, this report focusses on the benefits of the ANS as described.
- 3.10.7 Given the sensitivity of development in and around those areas (landscape, conservation, heritage etc.) that people visit, the design, delivery and operation of the ANS must be considerate of the surroundings. The implications for historic assets, the area ecology and the surrounding landscape are considered in further detail in the high level environmental review.

### Housing and Development

- 3.10.8 This assessment does not consider the uplift in value of surrounding land or property values in the immediate vicinity of the River Avon from establishing the ANS. However, it should be noted that waterway development in the UK has been shown to increase the value of surrounding land or properties which can have longer term implications for the housing market. **Table 3-1** presents a body of research on this subject.

Table 3-1: Studies Reporting Premiums Associated with Waterway Development

| Study                                  | Feature              | Description  |
|--|----------------------|--|
| Crompton & Nicholls 2017 <sup>23</sup> | Waterway development | The effect of rivers, streams, and canals on property values, setting a premium of 2-5%. |
| IWAC 2007                              | Inland Waterways     | Increases of 10%, 19% and 21% recorded in urban settings                                 |

<sup>23</sup> Nicholls, S. and Crompton, J.L., 2017. The effect of rivers, streams, and canals on property values. *River Research and Applications*, 33(9), pp.1377-1386

| Study                                      | Feature                 | Description  |
|--|-------------------------|--|
| Kumpulanian & Sairinin, 2005 <sup>24</sup> | Waterfront development  | Assessing social impacts in urban waterfront regeneration  |
| Ecotec Case Studies, 2001 <sup>25</sup>    | Waterfront development  | <i>Market Harborough:</i> Waterside residential values generally higher than for equivalent properties elsewhere in Market Harborough.<br><i>Tower Wharf, Chester:</i> Minimum 5-10% premium for residential properties.<br><i>Newark:</i> Waterside properties have achieved premiums of 18% over detached houses in Newark centre. |
| Wood & Handley, 1999                       | Waterfront regeneration | Enhanced rentals, equating to some 10-40% (mean nearer 20%) for residential property.  |
| Garrod & Willis, 1993 <sup>26</sup>        | Canal                   | Value of new residential properties beside canals enhanced by an average 19%   |
| Garrod & Willis, 1994 <sup>27</sup>        | Canal                   | Study suggests waterfront location added a premium of 3%-5% to the sale price of a property.   |

3.10.9 In the long-run, increases in the price of land and property in the surrounding area may be accelerated as a result of delivering enhanced navigation.

<sup>24</sup> Sairinin, R. and Kumpulanian, S., 2006. Assessing social impacts in urban waterfront regeneration. *Environmental impact assessment review*, 26(1), pp.120-135.

<sup>25</sup> <http://urbed.coop/sites/default/files/Turning%20the%20tide-%20urban%20waterfront%20final%20report.pdf>

<sup>26</sup> Willis, K.G. and Garrod, G.D., 1993. Not from experience: a comparison of experts' opinions and hedonic price estimates of the incremental value of property attributable to an environmental feature. *Journal of Property Research*, 10(3), pp.193-216.

<sup>27</sup> Garrod, G. and Willis, K., 1994. An economic estimate of the effect of a waterside location on property values. *Environmental and Resource Economics*, 4(2), pp.209-217.



## 4 Policy Context

### 4.1 Introduction

- 4.1.1 This section summarises the key policy and strategy documents relevant to the Avon Navigation Scheme. An in-depth review of relevant documents along with comments on their relevance is provided in **Appendix D**

### 4.2 Policy

- 4.2.1 Key relevant policy includes:

**The WDC Open Space Supplementary Planning Document (SPD) and the WDC Local Plan (2011 – 2029)**

- 4.2.2 The SPD classifies river and canal corridors as a form of Green Space which is aesthetically attractive and can provide valuable semi-natural habitats of wildlife interest within an urban and rural context. The WDC Local Plan supports proposals for new and improved open space activities, including walking and cycling routes.
- 4.2.3 The SPD states that “green space can provide neutral territory where different groups of people can meet and play, so contributing to social inclusion. Through the opportunities it provides for peace, reflection and leisure activity, green space can also enhance physical and mental health.”
- 4.2.4 To this end, the WDC Local Plan (2011 – 2029) supports proposals for new and improved open space activities. Equally, the SADC Core Strategy (2011-2031)<sup>28</sup> proposes to promote and maintain the available open spaces, waterways and other green infrastructure features such as non-vehicular modes of movement.
- 4.2.5 There is no specific mention or support for enhanced navigation along this stretch of the River Avon, although improved access to the GUC and the River Avon is generally promoted.

**Canal-side Development Plan Document (DPD)**

- 4.2.6 WDC is preparing a Canal-side DPD to identify areas for regeneration along urban sections, particularly for employment, housing, tourism and cultural uses. The Canal-side DPD can help inform the connection between the GUC and the River Avon, an opportunity that may afford potential for creation of a waterways feature between Royal Leamington Spa and Warwick
- 4.2.7 Again, no specific mention is made of the potential for enhanced navigation along this stretch of the River Avon.

**The Stratford-upon-Avon Core Strategy**

- 4.2.8 The strategy aims to work closely with private sector partners including Shakespeare's England to increase tourism visits by 25% and re-establish Stratford's position in the top 20 UK towns and cities for international visitors by encouraging new attractions. The SADC Core Strategy supports promotion and maintenance of available open spaces, waterways and other green infrastructure features which encourage non-vehicular modes of movement.
- 4.2.9 Furthermore, the SADC Core Strategy seeks to develop the renowned offer that is “Shakespeare's Stratford”. The creation of a navigable waterway and access to the River Avon from Stratford-upon-Avon to Warwick, unlocks a significant opportunity for ensuring that

<sup>28</sup> <https://www.stratford.gov.uk/templates/server/document-relay.cfm?doc=173518&name=SDC%20CORE%20STRATEGY%202011%202031%20July%202016.pdf>

the benefits of an enhanced visitor economy are felt throughout Coventry & Warwickshire. Development of the blue corridor considerably reduces the time required to travel from Stratford-upon-Avon to Warwick via powered vessel. Additionally, development of access to the River Avon through investment into the active travel network along the corridor, significantly reduces the active travel journey time between the two key nodes, making the area more attractive to those seeking to explore Shakespeare's Stratford.

- 4.2.10 The Avon Navigation Scheme is not specifically referenced in this document, despite the River Avon and its surrounding green space being an important piece of visitor infrastructure in Stratford-upon-Avon.

#### **The SADC Corporate Strategy and Core Strategy**

- 4.2.11 Both strategies state the Council will work with partners and local businesses to create jobs through business retention, expansion and investment from the UK and abroad.
- 4.2.12 While there is no specific reference to the ANS, its construction will temporarily support construction employment within the local area. Operationally, the developed waterway can help to support local employment that maintains the navigation, in addition to creating opportunities for local tourism businesses and employment.

#### **Coventry and Warwickshire Strategic Economic Plan (CWSEP)**

- 4.2.13 The CWSEP sets out how the Partnership will grow the economy over the short, medium and longer term. The Plan understands that key strategic actions will play a significant role in stimulating growth, prosperity and competitiveness of the local economy. Key strategic actions from the CWSEP relating to the Avon Navigation Scheme include unlocking growth potential through urban core development and ensuring that the benefits of an enhanced visitor economy are felt throughout Coventry & Warwickshire.
- 4.2.14 While the Avon Navigation Scheme is not directly referenced in the CWSEP it provides a strategic basis for it, noting the need for infrastructure improvements and growth of the visitor economy around key nodes of the River Avon such as Stratford-upon-Avon. Relevant strategic objectives which the ANS may contribute to include unlocking growth potential through urban core development and ensuring that the benefits of an enhanced visitor economy are felt throughout Coventry & Warwickshire.

### **Summary**

- Key policy documents promote the maintenance and development of open spaces, waterways and other green infrastructure, but do not make specific reference to enhanced navigation on the waterways or this stretch of the River Avon.
- References are restricted to supporting the development of green space to encourage recreation and active travel. There is no reference to the corridor between Stratford-upon-Avon and Warwick or the opportunity to link key tourism areas to establish a recreation conduit.
- Restrictive planning policy between the two key nodes limits potential development activity, residential and commercial.

### **4.3 Planned Development**

- 4.3.1 As shown earlier, there is a wide range of comparator research to demonstrate the effect of waterside development in adding a premium to residential property prices. However, given the conservative nature of the area adjacent to the proposed ANS, follow on development at key points has been ruled out. It should be noted that this report clearly considers but separates any additional property (commercial or residential) development as a result of the ANS.



4.3.2 Nevertheless, in respect of providing a detailed socioeconomic study, it is important to highlight the body of research that evidences this benefit. Research shows that property and land values are influenced by:

- An enhanced living environment;
- Closer and more direct access to the waterway for recreation; and
- Enhanced marketability.

#### **4.4 Implications from policy development for ANS design & delivery**

4.4.1 As discussed above, each Local Authority does not promote this stretch of river and its surroundings as a resource for tourism development or for promoting wider growth.

4.4.2 There is an overarching strategic basis (Local Plans) for open space development, but none with any direct reference to the River Avon. The joint responsibility of the corridor requires a commitment from both Local Authorities to identify the area as a strategic asset that can contribute to the socioeconomic aspirations of the wider region.

4.4.3 As previously indicated, to generate interest in the ANS and realise any real return on investment in respect of social, economic and health benefits, navigation should ideally benefit both boat users and the wider public. Creating attractive access to the River Avon for the general public will increase interest in the river and the surrounding area, giving the river both a use and a non-use value. This means that people in the local and wider area will place a value on being able to use the asset, giving the river a sense of importance. The latter, non-use value, means that despite no intention to actually visit the river or use the connection, people will attach a value to knowing that it exists or at least having the option to use it.

4.4.4 Both of the concepts above are important in establishing interest in the Avon Navigation Scheme, as they provide the basis for a willingness to pay for the asset. The ANS is likely to require public support, both monetary and in the form of related development/planning consents. To improve its prospects, the public should be aware of its potential benefits.

## 5 Consultations

### 5.1 Introduction

- 5.1.1 This section summarises the findings of consultations with key stakeholders. The process was designed to gauge what stakeholders understand about the scheme, its potential benefits, and any negative impacts it may have on them, their land, business or organisation.
- 5.1.2 The consultation process covered forty-one businesses, community organisations, resident's associations, clubs, Parish Councils and Local Government (see **Appendix D**), selected and agreed by the Steering Group.
- 5.1.3 Each stakeholder was first asked what they knew about the proposed navigation scheme. Most had heard of the proposed ANS, either through previous consultations or communication with the ANT. However, it was clear that each of the stakeholders knew either little or no detail about what would be involved in developing it e.g. location of locks.
- 5.1.4 Eighteen stakeholders either own, rent or farmland on the banks of the River, with many of them riparian owners<sup>29</sup>.
- 5.1.5 Locally, two Parish Councils were consulted, in addition to the County, District and Town (Warwick) Councils. A further four statutory organisations were consulted, as well as regional/national organisations such as the Coventry and Warwickshire Local Enterprise Partnership (CWLEP), Shakespeare's England and the National Trust.
- 5.1.6 Local attractions and businesses operating in the visitor economy included Warwick Castle (Merlin Entertainments) and Avon Boating.

### 5.2 Areas of Support

#### ANS

- 5.2.1 The ANS was seen by two consultees as a positive development, specifically gaining support from Shakespeare's England, who see the opportunity to connect the key tourism hubs of Stratford-upon-Avon and Warwick. Developing a clear link between the two was considered vital in encouraging visitors to the area as a whole to stay longer, helping to drive overnight stays and increased spend.
- 5.2.2 Further support was given by Avon Boating, where the ability to navigate further upstream, even just as far as Charlecote Park, could offer significant expansion opportunities. Establishing the ANS would encourage the business to expand its fleet.
- 5.2.3 Interestingly, some support came from stakeholders with limited awareness of the scheme, noting that simply providing access to the river and better connecting Warwick and Stratford-upon-Avon would be beneficial to local people and the economy.

#### Other Potential Aspects

- 5.2.4 The majority of stakeholders agreed that, if properly managed, better public access to the River Avon would be of benefit to both visitors and the wider community. However, it was

<sup>29</sup> The owner of land abutting a natural watercourse, be it a river, stream or ditch (a riparian owner) – Walker Morris - <https://www.walkermorris.co.uk/publications/in-brief-march-2015/and-on-the-river-flows-riparian-rights-and-responsibilities/>

stressed that this would require careful management to protect surrounding land, specifically agricultural land, from being unlawfully accessed and damaged e.g. through littering.

## 5.3 Concerns

### ANS

#### 5.3.1 Areas of potential concern included the following:

- The privacy and security of individual land holdings and private property, including unpaid access to nearby attractions as well as unlawful and potentially dangerous access to farmland;
- Negative environmental impacts, including ecological, heritage and landscape disturbance in construction and operational phases;
- The hydrological impacts on water usage and flows, particularly relating to extraction for irrigation and flows as an energy source;
- The potential for flooding to be worsened; and
- The introduction of motorised boats affecting the safety of current river users, in particular junior rowers and sea scouts, and potentially lowering the water quality.

5.3.2 There are several barriers to the ANS. The two main attractions, Charlecote Park and Warwick Castle, both felt that the navigation's costs would outweigh its benefits. Specifically, Charlecote House, which allows the occasional canoe to pass through, had concerns around the safety and security of their deer. Operators, The National Trust, were concerned that vessels would be able to stop, and their passengers come ashore close to the family home and felt that motorised boats would disturb the tranquillity of the area. Both attractions said that they would face charging issues<sup>30</sup> if boat users were able to pass through their land, stop and access the attractions.

5.3.3 Likewise, Warwick Castle was concerned about the potential for boat users to enter the grounds without charge. Therefore, the ability to stop would need to be managed. When presented with the possibility of a secure entrance for boaters, the Castle believed that the notion of a separate entrance to the grounds and additional infrastructure to support moorings<sup>31</sup> would damage the landscape. Concerns were also raised for the protection of the Old Castle Bridge.

5.3.4 With regards to river users, a joint consultation was held with farmers using the Avon to extract water for irrigation. This included Vale Fresco who produce fresh salad bags for over 2 million people a day. They highlighted three main concerns: security, extraction and pollution. Security of their farmland was raised as an issue, as without protection, boats could easily access their land and damage the embankments. Collectively at peak extraction, the farmers estimated they extract some 106,000 gallons of water per hour (accounting for an estimated 80% of water extraction in the corridor<sup>32</sup>). Any reduction in water levels sufficient to have pumps intaking air could cause mechanical damage to the pump, as well as affecting crops which require a steady flow of irrigation. Despite the quality of water already being poor due to agricultural runoffs, the farmers were concerned about the potential for pollutants<sup>33</sup> entering the water from boat engines, something which the farm's filtering system may not be able to

<sup>30</sup> The ability for boats to stop and use the facilities without being charged

<sup>31</sup> A potential solution that would allow a secure entrance to the castle by boat users

<sup>32</sup> See the high-level review summary – water extraction = 0.196 cumecs

<sup>33</sup> <https://canalrivertrust.org.uk/enjoy-the-waterways/boating/boating-blogs-and-features/boating-team/what-you-need-to-know-about-oil-pollution-and-boating>

handle. It should be noted that these concerns are not issues experienced on the existing navigation.

- 5.3.5 Another organisation which considers the River Avon a vital resource, is Charlecote Mill. The Grade II listed building is a unique flour mill which uses two waterwheels fed by the River Avon. Two design concerns were raised: flooding and backwatering, both of which are affected by the changes in the Avon's water levels to the north and south of the Mill. Were the water level raised on the head race, the concern was that this may lead to more frequent flooding. Were the water level raised on the tail race, the concern was that this may lead to a reduction in the Mill's power. It is noted that the mill operator has no plan to develop the mill as a tourist attraction (even in part) and will therefore not benefit from increased river, pedestrian or cycling traffic.
- 5.3.6 Other concerned river users included the Sea Scouts, Warwick Boating Club, and the Leamington Spa Angling Association. Explicit safety concerns were raised by both the Scouts and Boating Club over the potential of motorised boats entering areas where they train and in particular, where junior members train. The Angling Association, who estimate around 3,000 anglers visit each year (excluding competitions), raised concerns over the tranquillity of the stretch of the Avon which they fish. It was also noted that they and other Angler Associations pay a large license fee to each Council for the rights to fish, something which may be in danger were navigation allowed.
- 5.3.7 Finally, several land owners and Parish Councils were consulted. They raised security, legal, environmental and structural issues which navigation may pose. The owner of Alveston House (Grade II listed), highlighted specific riparian issues regarding the right to navigate through his land, as well as concerns over the security of his property if navigation were allowed. Concerns over disturbance of the river ecology were raised by the owner of Alveston House and Hampton Lucy Parish Council. A primary concern of the Parish Council was the protection of the Charlecote Road bridge from boat collision and/or dredging, that exposed abutment faults, with any bridge closure being a major inconvenience to the local area.

## 5.4 Possible Mitigation

- 5.4.1 Some 95% of stakeholders consulted have concerns about the Avon Navigation Scheme, particularly those with direct access, riparian or extraction rights. A number of these may be readily addressed through transparent assessment of environmental effects e.g. on water quality or impacts on water levels. In other areas, they may be able to be addressed through appropriate mitigation in the design process.
- 5.4.2 Potential mitigations of these concerns are discussed below. Critical to each possible mitigation is the consultation, collaboration and agreement of all parties involved.

### Warwick Castle and Charlecote Park

- 5.4.3 Issues around security and charging structures<sup>34</sup> were raised by both Warwick Castle (Merlin Entertainments) and the National Trust.
- 5.4.4 It is, through considerate design, possible to run an operation that would set a specific charging structure for access to these attractions along each designated section of the River Avon. The charges would be set in accordance with a fee payable to both Warwick Castle (Merlin Entertainments) and Charlecote Park (The National Trust), for allowing access to passengers of powered vessels to each attraction. This would have to be agreed in advance of designing the ANS and would be subject to a legal review. ANT have made clear that there is no basis for charging for vessels passing through these attractions.

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<sup>34</sup> The ability for the attraction to charge boat users that wish to stop.

- 5.4.5 Charlecote House in particular has concerns around the safety of their deer. At present, deer booms and fencing prevent outside deer coming into the herd, preventing the possibility of disease. Additional infrastructure to support the passing of vessels safely through the deer booms will have to be taken into consideration. It is likely that this will involve a specific engineering solution sensitive to the surrounding heritage and landscape.
- 5.4.6 Restrictions governing the timing of passage can also be set to mitigate security concerns of both attractions. The proposed scheme could involve a volunteer lockkeeper to operate the entrance and exit to the park<sup>35</sup>.

### Charlecote Mill

- 5.4.7 Extremes of flow, very low and very high, can restrict operations due to lack of adequate water supply to turn the wheel and due to high downstream backwater effects from spate flows, respectively.
- 5.4.8 Introducing navigable infrastructure including locks, needs to take account of the mill operations and any hydraulic changes and should minimise detrimental effects on the mill, while potentially offering an opportunity to improve on current working constraints. Operating conditions, both for low flow and high flow circumstances, need to be understood more thoroughly and technical discussion with the mill operators needs to establish these limits before design can take this into account.
- 5.4.9 Two locks are proposed in the channel which runs parallel, hydraulically, with the mill's reach. It should be possible to achieve a design solution to at least allow prevailing conditions to continue and it is hoped that with careful design, this may be enhanced. However, enhancement may involve use of land adjacent to the river which would require permissions accordingly. The cost of supplementary infrastructure, such as by-pass channels has been considered for the time being.
- 5.4.10 To confirm the feasibility of improved operability, a comprehensive hydraulic model would be required to simulate conditions, however it should be noted that a benefit to the mill's operability should not result in a worsening of flood risk to other parts of the River Avon. Where an improvement to operability proves feasible, but with increased flood risk to other users (e.g. surrounding farmland), this will not be allowed by the Environment Agency who will view flood risk as the overriding factor.

### Abstraction, Water flow and Flood Risk

- 5.4.11 Estimated abstractions are around 0.2 cumecs. Water level variation may be a concern to abstractors if, due to lock operations, a drop-in water level results in abstraction pumps becoming inoperable due to a lack in water depth and thereby possible damage to pumps.
- 5.4.12 The total rise from Stratford to Warwick is 10.45 metres as a sum of lock lifts. There are 9 locks on the river on the canal route, which gives an average lift of 1.16 metres.
- Lock width = 4.5 metres
- Lock length = 30 metres
- 5.4.13 Hence volume per lock turn = 157 cubic metres. The river route has 11 locks, hence reducing this average lift.
- 5.4.14 The shortest reach where extraction might occur is 800 metres. Assuming a river width of 20 metres, which is very much a minimum, then this equates to a level drop of less than 10 mm.

<sup>35</sup> The ANT currently uses volunteer lockkeepers along the navigation and it is based on this successful model that assurance can be given.

However, in practice because the locks work slowly, and the river is constantly flowing, this theoretical level deficiency is made up rapidly and no change is apparent. This can be demonstrated in practice.

- 5.4.15 An estimated maximum of 3 turns<sup>36</sup> per hour would result in 471m<sup>3</sup>, or around 4% of the flow at Warwick. It should however be noted that this 4% is a component of the minimum flow and not additional to, or abstraction from the river. The resultant fluctuation in the river level is therefore considered to be minor and unlikely to be noticed.
- 5.4.16 It is assumed that responsible craft navigation will heed guidance and management to cater for spate conditions. The construction of river navigation infrastructure should be such that flood risk does not increase. With careful design, including hydraulic modelling, it is possible to provide similar hydraulic conditions that presently exist. The ANT has a well-developed monitoring, advice, management and if needed, rescue system to cope with adverse conditions.
- 5.4.17 There remains the opportunity, where flood risk may be an issue, to consider improvements upon the existing flood risk condition of the various locations through the navigation.
- 5.4.18 Overall, the introduction of navigation through the River Avon from Stratford-upon-Avon to Warwick can be designed to have minimal impact upon the water regime of the river, with the potential for enhancements to be considered. This may need additional infrastructure installed to negate any constraints in the river and will probably require the use of adjacent land and permissions therein.
- 5.4.19 Sections of the River Avon currently navigable by powered vessels have many horticultural and water abstractions for agricultural use without any impact on water quality. Evidence of this can be used as a basis for development of the ANS.

### Safety Concerns

- 5.4.20 At present, the ANT manages a navigable section of the River Avon which hosts a variety of water activity. The proposed scheme would emulate existing agreements with other water users, such as the Sea Scots, boating clubs and angling associations, to allow users to enjoy the water safely. An example of this would be restricting vessel speeds to 4mph, the speed limit that applies to the entire Avon Navigation. However, the ANT has imposed lower speed limits for powered vessels in areas such as the Stratford Town Reach.

## 5.5 Implications from Consultations for ANS Design & Delivery

- 5.5.1 While navigation is not presently favoured by the majority of stakeholders, careful, collaborative design of the navigation may be able to mitigate many of the expressed concerns. Research by the ANT has shown that there is substantial support for the proposed ANS by ratepayers and the public in general.
- 5.5.2 Establishing an ANS design in conjunction with stakeholders along the River Avon is critical to the project's success. Communication of the ANS should be carefully managed, as stakeholders have differing views of what the implications of navigation by powered craft will actually be for their organisation or land. This could be managed through information sessions run by the Steering Group to deal directly with the concerns of the afore mentioned stakeholders.

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<sup>36</sup> A turn is defined as a full lock cycle from empty to full and back again. This only uses one lock full of water but can pass 2 narrowboats for example in each direction.



## 6 ANS High Level Environmental Review

### 6.1 Introduction

#### Landscape

- The River Avon settlements are dominated by the urban profiles of Warwick and Stratford-upon-Avon; historic centres with a mixture of retail, commercial and residential land uses.
- A nucleated settlement pattern typifies the landscape of the wider area, characterised by villages broadly following the meandering channel of the River Avon.
- Isolated farmsteads are located in an interspersed pattern within the low-lying landscape.
- The flat low-lying nature of the topography often results in the heightened visual presence of settlements in the wider landscape, although these are screened somewhat by the proliferation of vegetation.

#### Heritage

##### 6.1.1 Heritage assets of particular importance include:

- Grade I Registered Park and Garden, Warwick Castle;
- Warwick Castle Old Bridge;
- Castle Bridge;
- Charlecote Park, a Grade II Registered Park and Garden;
- Grade II listed Charlecote Mill;
- West Terrace wall and steps; and
- The cascade at the mouth of the River Dene.

#### Ecology

- A number of non-statutory locally designated sites have been identified within 1km of the River Avon, reflecting the local importance of the river to the biodiversity of the area. In particular, the River Avon and its tributaries are designated as a Linear Local Wildlife Site.
- The River Avon acts as an important wildlife corridor and supports a variety of flora and fauna including protected species. In particular, the river is known for its role in supporting species of bat, water vole, otter, white-clawed crayfish and eel.
- Several tree preservation orders along the navigation will need to be considered.
- Hampton Woods Local Wildlife Site contains ancient woodland and grazing marsh, providing habitat for a number of protected species which link directly to the River Avon.



## Water Quality

- 6.1.2 Assessment of the water quality information for the wider River Avon and tributaries identifies that these are of either moderate, poor or bad ecological status. None of these are of good status. The principal reasons for this include agricultural and land management practices, as well as urban transport and the water industry. The ecological status of the River is deemed as moderate, with the worst scoring elements being moderate for invertebrates (biology) and poor for phosphates (physio-chemistry).

## Hydrology

- 6.1.3 From Warwick the Q95 flow is 3.2 cubic metres per second (cumecs, or m<sup>3</sup>/sec). The main tributaries of the River Avon (below) account for approximately 16% of the catchment at Stratford-upon-Avon, see **Table 6-1** for further detail.

Table 6-1: Watercourse and Catchment Area of the River Avon

| Watercourse      | Catchment Area km <sup>2</sup> |
|------------------|--------------------------------|
| The Tach Brook   | 29.1                           |
| Fisher's Brook   | 10.9                           |
| Sherbourne Brook | 20.4                           |
| Thelsford Brook  | 25.2                           |
| River Dene       | 104.1                          |

- 6.1.4 There are estimated to be 7 licensed permits to abstract water for irrigation between Warwick and Stratford-upon-Avon. Abstractions make limited overall impact on the River Avon as would be expected under the regulatory regime. Further detail can be found in **Table 6-2** below.

Table 6-2: Water Abstraction Calculations

| Location                                     | Input Watercourses | Input Flows (cumecs) | Flow abstractions (cumecs) | Total Flow in River Avon (cumecs) | Comments  |
|--|--------------------|----------------------|----------------------------|-----------------------------------|---|
| Warwick                                      | River Avon         | 3.2                  | 0.0                        | 3.2                               | Upstream extent of reach  |
| Wasperton (approx. half-way through Reach 2) | River Avon         | 3.2                  | 0.0                        | 3.49                              | 3 watercourses upstream of Wasperton plus 50% of remaining catchment. No abstractions |
|  | Tach Brook         | 0.9*                 |                            |                                   |   |
|  | Sherbourne Brook   | 0.7*                 |                            |                                   |   |
|  | Total              | 4.1*                 |                            |                                   |   |

| Location            | Input Watercourses | Input Flows (cumecs) | Flow abstractions (cumecs) | Total Flow in River Avon (cumecs) | Comments                   |
|---------------------|--------------------|----------------------|----------------------------|-----------------------------------|----------------------------|
| Stratford-upon-Avon | River Avon         | 4.1*                 | 0.2                        | 3.9                               | Downstream extent of reach |

\*Pro Rata

- 6.1.5 The introduction of the navigation can be designed to have a minimal impact upon the water regime of the river with the potential for enhancements to be considered.

## 6.2 Implications from Environmental Review for ANS Design & Delivery

### Landscape

- 6.2.1 Construction of the project will result in incongruous activity in the context of the agricultural land use which is characteristic of the project area. These will however be short term in nature and localised given the large scale of the landscape character type within which it sits.
- 6.2.2 Although minimal and confined to lock sites, the loss of trees and other vegetation in the area due to the project is likely to detract from the landscape character of the immediate surrounding area. The inclusion of new elements of infrastructure will result in a permanent change to the visual amenity and landscape character.

### Heritage

- 6.2.3 There is the potential for effects on historic environment assets as a result of intrusive groundworks relating to the construction of the locks and a possible a new canal cutting, and either boat lifting device or series of locks to connect with the Grand Union Canal. The setting of historic environment assets may also possibly be affected by the construction of this new infrastructure, as well as by river traffic during operation of the river. Specifically, the proposals may have the most significant effects on Barford Conservation Area, Warwick Castle Grade I Registered Park and Garden, Charlecote Park and Charlecote Mill.
- 6.2.4 Although the scheme will be designed to avoid the general need for dredging, the scheme is likely to require some dredging to increase the depth of the river in certain locations. Such activity has the potential to disturb and remove riverine/alluvial deposits which may contain significant archaeological and paleoenvironmental remains. Access for construction vehicles and construction compounds could also potentially affect historic environment assets by temporarily affecting their setting or by causing permanent physical change.

### Ecology

- 6.2.5 The proposals may result in changes to habitat and species composition within the River Avon, which may have further reaching effects in relation to other watercourses which the river is currently, and would be, connected to.
- 6.2.6 In addition, direct habitat loss as a result of the project infrastructure, such as locks, and a potentially new canal section is likely to occur. However, new lock cuts and/or canal sections will significantly add to the amount of bankside shallows and diverse environment. Further investigation is required to assess the impacts on notable species and statutory designations.
- 6.2.7 Conclusions, mitigation measures and next steps are further detailed in the attached Environmental review.

# 7 Economic Impact - Avon Navigation Scheme

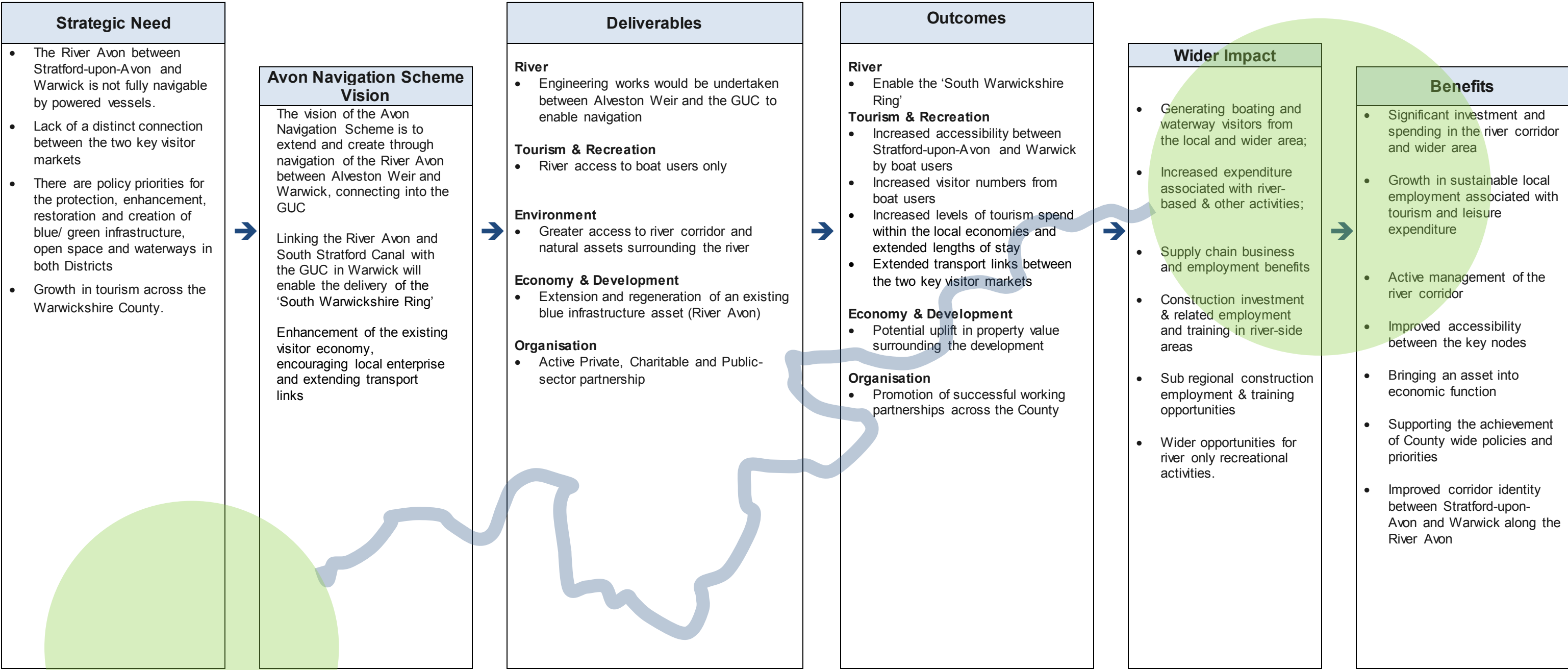
## 7.1 Introduction

7.1.1 This section presents the estimated economic impact of delivering the Avon Navigation Scheme only. It presents a logic model, setting out the strategic need, vision, deliverables, outcomes and benefits of developing the ANS.

## 7.2 Logic Model

7.2.1 A 'Logic Model' provided in **Figure 6.1** identifies the areas strategic priorities and shows how the project deliverables provide the required wider benefits and outcomes that reinforce the Strategic need.

Figure 7-1: ANS Logic Model



## 7.3 Costs

- 7.3.1 The following paragraphs detail the estimated costs of delivering the associated infrastructure of the ANS, distinguishing between the cost of developing the navigation by way of the full river (River Only) and the potential to cut across the Barford Loop with a canal. (River with Canal at Barford).
- 7.3.2 These costs reflect use of the project parameters noted in **Table 2-1** with the Canals and Rivers Trust (CRT) tool. The CRT tool is designed to provide assistance in project development and does not replace the role of a Quantity Surveyor (QS). These provide a high-level indication of the potential costs of establishing full navigation by powered vessels along the River Avon between Alveston and the Grand Union Canal.
- 7.3.3 Both sets of costs include a 30% increase per reach to reflect potential access constraints to construction along the concerned stretch of river. The constraint to construction is evident from the consultation process as discussed in **Section 5**.
- 7.3.4 Costs do not include additional design, planning, Compulsory Purchase Order (CPO), legal or environmental reports which may be required to establish navigation.
- 7.3.5 Following standard guidance<sup>37</sup>, it is appropriate at this stage of ANS development to assume a level of optimism bias (OB). Standard civil engineering projects are given an OB of 44% to begin with, which is gradually reduced as specific risks are addressed through the procurement and contracting stages.
- 7.3.6 The estimated cost of delivering the ANS is shown in **Table 7-1** distinguishing between the costs for the Full River route i.e. no canal cut at Barford Loop, and the River with Canal at Barford Loop.

Table 7-1: Total Cost – ANS

|                                  | Cost (£m) | Incl. Optimism Bias (44%) |
|----------------------------------|-----------|---------------------------|
| Full River                       | £19.12    | £27.61                    |
| River with Canal at Barford Loop | £20.48    | £29.60                    |

- 7.3.7 For the purpose of this report the CRT model-based estimates above have been used.
- 7.3.8 It is noted that the ANT has completed a separate cost analysis based on current practice and its experience of waterway restoration to date. While these exclude provision for optimism bias, these estimate the difference between the two approaches to be £3m. This is attached for information at **Appendix F**

## 7.4 Quantitative Impacts

- 7.4.1 The following section summarises the quantitative impact of developing either route. The construction of the ANS will generate a short-term impact on the local economy, supporting construction and related supply chain jobs at a sub-regional level. The short-term economic benefits of this nature are relative to the overall capital expenditure on development of the ANS i.e. the lower or higher the expenditure, the lower or higher the economic benefit.

<sup>37</sup> Greenbook Supplementary Guidance. Available at:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/191507/Optimism\\_bias.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/191507/Optimism_bias.pdf)

- 7.4.2 The assumptions used to calculate construction benefits are detailed in **Appendix F**  
**Appendix G**

### Construction – River Only

- 7.4.3 **Table 7-2** below displays the short-term construction impact on the local economy of developing the river only route.

Table 7-2: Construction Impact – River Only

|              | Supported Construction Jobs | Training and Apprenticeships | Investment in Training and Skills (£) | Additional GVA (£m) |
|--------------|-----------------------------|------------------------------|---------------------------------------|---------------------|
| Gross Jobs   | 142                         |                              |                                       |                     |
| Net Jobs     |                             |                              |                                       |                     |
| Local Area   | 128                         | 5                            | 49,910                                | 3.61                |
| Warwickshire | 110                         | 4                            | 42,818                                | 3.10                |
| England      | 109                         | 4                            | 42,540                                | 3.08                |

- 7.4.4 The results indicate that construction of the ANS by the river route generates up to £3.61m in additional GVA to the local economy through the support of up to 128 construction jobs and 5 training or apprenticeship positions.

### Construction – River with Canal at Barford Loop

- 7.4.5 **Table 7-3** below displays the short-term construction impact on the local economy of developing the river with a canal cut across the Barford Loop.

Table 7-3: Construction Impact – River with Canal at Barford Loop

|              | Supported Construction Jobs | Training and Apprenticeships | Investment in Training and Skills (£) | Additional GVA (£m) |
|--------------|-----------------------------|------------------------------|---------------------------------------|---------------------|
| Gross Jobs   | 152                         |                              |                                       |                     |
| Net Jobs     |                             |                              |                                       |                     |
| Local Area   | 138                         | 6                            | 49,910                                | 3.87                |
| Warwickshire | 118                         | 5                            | 42,818                                | 3.32                |
| England      | 117                         | 5                            | 42,540                                | 3.30                |

- 7.4.6 The results indicate that construction of the ANS with the associated canal cut, generates up to £3.87m in additional GVA to the local economy through the support of up to 138 construction jobs and 6 training or apprenticeship positions.

## Operational Impacts

- 7.4.7 The following section summarises the operational benefits of the ANS. This is derived from increased boat patronage, leading to increased expenditure and related employment in the visitor economy.
- 7.4.8 ANT data shows some 4,197 boat movements<sup>38</sup> along the navigable stretch of the River Avon to Stratford-upon-Avon. Data from the CRT Annual Lockage Report 2017<sup>39</sup> shows a total of 5,284 boat movements at the Calcutt Lock on the GUC, the closest measuring point to the proposed connection and flight of locks. Further detail is shown in **Table 7-4**.

Table 7-4: River Activity Data

| River Avon     | Per Annum |
|----------------|-----------|
| Moored Boats   | 1,238     |
| Visits         | 1,879     |
| Boat Movements | 4,197     |
| GUC            | Per Annum |
| Boat Movements | 5,284     |

- 7.4.9 The ANS operational economic impact assessment is based on additional boat trips made as a result of the enhanced navigation and connections to new destinations.
- 7.4.10 As well as encouraging increased boat movements at Tewkesbury, it is assumed that the development of the South Warwickshire Ring would encourage an additional 4,000<sup>40</sup> boaters per annum to the area based on the current patronage of surrounding waterways. It is also assumed that a proportion of the current traffic using the GUC and the navigable sections of the River Avon will use the new stretch of navigation.
- 7.4.11 These assumptions are based on current boat movements as stated above and discussions with ANT. The operational assumptions for ANS are detailed in **Table 7-5**. The percentage of boat users diverting to the new stretch of navigable waterway at each reach is linked to the attractions at the end of each reach. e.g. it is estimated that Reaches 1 and 3 would be more attractive, as they finish at main visitor attractions, Charlecote Park and Warwick Castle, respectively. The model reflects a conservative view, as it is expected that a number of boat trips will visit the entire navigation throughout the year.

Table 7-5: Navigation Assumptions

|                      | Reach 1 | Reach 2 | Reach 3 | Reach 4 | Total |
|----------------------|---------|---------|---------|---------|-------|
| % of Avon boat users | 20%     | 10%     | 20%     | 50%     |       |
| % of GUC boat users  | 0%      | 0%      | 0%      | 10%     |       |
| Boats                | 839     | 420     | 839     | 2,627   | 4,725 |

<sup>38</sup> For the purposes of this report, movements are treated as trips. The movements are derived from the passages of Tewkesbury Lock, into and out of the Avon.

<sup>39</sup> Annual Lockage Report 2017. Available at: <https://canalrivertrust.org.uk/specialist-teams/managing-our-water/annual-lockage-report>

<sup>40</sup> Based on the boating patronage of the surrounding waterways (GUC and navigable section of the Avon)

- 7.4.12 As can be seen from the table above, it is estimated that the new navigation would attract some 4,725 boat trips from existing Warwickshire boat traffic.
- 7.4.13 The CRT completed a study in 2014<sup>41</sup> that showed average expenditure per boat trip per head of £1,510. The report also indicates an average of 2 people per boat making an average of 14 trips a year. This equates to around £3,322 of expenditure per boat per year. It has been assumed that the ANS could capture up to a 1/2 of these trips, equal to a total annual expenditure of £1,661.
- 7.4.14 Initially it is anticipated that the diverted boating traffic (4,725) would have an impact on the local economy. The additionality assumptions used to calculate the results in Table 7-6 can be found in **Appendix H**.

Table 7-6: Impact from diverted boats

| Parameter               | Result |
|-------------------------|--------|
| Spend Per Day Per Head  | £108   |
| Average Trips per Year  | 7      |
| Spend per Head per Trip | £755   |
| Average People per Boat | 2      |
| Spend Per Boat per Year | £1,661 |
| Additional Boats        | 4,725  |
| Gross Expenditure       | £7.85  |
| Gross Jobs              | 101    |
| <b>Net Jobs</b>         |        |
| Local Area              | 87     |
| Warwickshire            | 18     |
| England                 | 8      |
| <b>GVA</b>              |        |
| Local Area              | £2.1   |
| Warwickshire            | £0.4   |
| England                 | £0.2   |

- 7.4.15 The results indicate that the diverted boating traffic would generate some £7.85m of expenditure in the local area per annum. This would support up to 87 net jobs in the local area, stimulating some £2.1m in GVA.
- 7.4.16 The impact of this expenditure against the anticipated uplift in boating patronage on this stretch of the River Avon is shown in **Table 7-7** below.

Table 7-7: Impact of Additional Boat Users

| Parameter               | Additional Boaters |              |            |
|-------------------------|--------------------|--------------|------------|
|                         | Low 2,500          | Medium 4,000 | High 7,000 |
| Spend Per Day Per Head  | £108               | £108         | £108       |
| Average Trips per Year  | 7                  | 7            | 7          |
| Spend per Head per Trip | £755               | £755         | £755       |
| Average People per Boat | 2                  | 2            | 2          |

<sup>41</sup> Boat Owners Survey July 2014 – BDRC Continental – CRT



| Parameter               | Additional Boaters |              |            |
|-------------------------|--------------------|--------------|------------|
|                         | Low 2,500          | Medium 4,000 | High 7,000 |
| Spend Per Boat per Year | £1,661             | £1,661       | £1,661     |
| Additional Boats        | 2,500              | 4,000        | 7,000      |
| Gross Expenditure (£m)  | £4.15              | £6.64        | £11.62     |
| Gross Jobs              | 54                 | 86           | 150        |
| <b>Net Jobs</b>         |                    |              |            |
| Local Area              | 46                 | 74           | 129        |
| Warwickshire            | 51                 | 81           | 142        |
| England                 | 43                 | 68           | 120        |
| <b>Annual GVA (£m)</b>  |                    |              |            |
| Local Area              | £1.1               | £1.8         | £3.1       |
| Warwickshire            | £1.2               | £2.0         | £3.4       |
| England                 | £1.0               | £1.7         | £2.9       |

7.4.17 The results indicate that an additional uplift in the number of boat trips by 4,000 per annum, generates an annual GVA of £1.8m to the local area, supporting up to 74 net jobs within the visitor economy per annum.

7.4.18 Additionally, the results have been presented to reflect low and high sensitivities were the increase or decrease in additional boaters to be 2,500 and 7,000 respectively.

## 7.5 Qualitative Impacts

7.5.1 The qualitative impacts of delivering the ANS can be summarised as follows:

- Increased level of skills to the area as job opportunities arise in relation to the construction and operation of the scheme or as a response to the scheme;
- Increased awareness of the history of Stratford-upon-Avon and Warwickshire;
- Increased awareness of the history and heritage of the River Avon;
- Increased national and international profile of Warwickshire; and
- Increased national and international investment interest in river or canal regeneration and development across the UK.

## 7.6 Total Economic Impact

7.6.1 The estimated total economic impact (Construction and Operation) of the ANS is summarised in **Table 7-8** below.

Table 7-8: Total Economic Impact - ANS

|                                   | Construction (Temporary Impact) |                  |
|-----------------------------------|---------------------------------|------------------|
|                                   | River Only                      | River with Canal |
| Estimated Cost <sup>42</sup> (£m) | £27.61                          | £29.60           |
| Gross Construction Jobs           | 142                             | 152              |
| Net Construction Jobs             |                                 |                  |

<sup>42</sup> Including optimism bias

|              | Construction (Temporary Impact) |                  |
|--------------|---------------------------------|------------------|
|              | River Only                      | River with Canal |
| Local Area   | 128                             | 138              |
| Warwickshire | 110                             | 118              |
| England      | 109                             | 117              |
| GVA (£m)     |                                 |                  |
| Local Area   | 3.61                            | 3.87             |
| Warwickshire | 3.10                            | 3.32             |
| England      | 3.08                            | 3.30             |

|                                    | Operation (Long Term Annual Impact) |              |             |
|------------------------------------|-------------------------------------|--------------|-------------|
|                                    | Low 7,225                           | Medium 8,725 | High 11,725 |
| Boat movements/p. a                |                                     |              |             |
| Net Operational Jobs <sup>43</sup> |                                     |              |             |
| Local Area                         | 133                                 | 161          | 217         |
| Warwickshire                       | 50                                  | 69           | 107         |
| England                            | 20                                  | 27           | 42          |
| GVA (£m)                           |                                     |              |             |
| Local Area                         | 3.2                                 | 3.9          | 5.2         |
| Warwickshire                       | 1.2                                 | 1.7          | 2.6         |
| England                            | 0.5                                 | 0.7          | 1.0         |

- 7.6.2 The total economic impact shows that the ANS would stimulate a temporary £3.6m uplift in additional GVA to the local economy<sup>44</sup>. Furthermore, the ANS is anticipated to generate an additional annual economic uplift of £3.9m to the local economy through the support of up to 161 net operational jobs derived from additional tourism expenditure.

<sup>43</sup> Number of jobs supported in each spatial area per annum by the increased visitor expenditure.

<sup>44</sup> Using River only

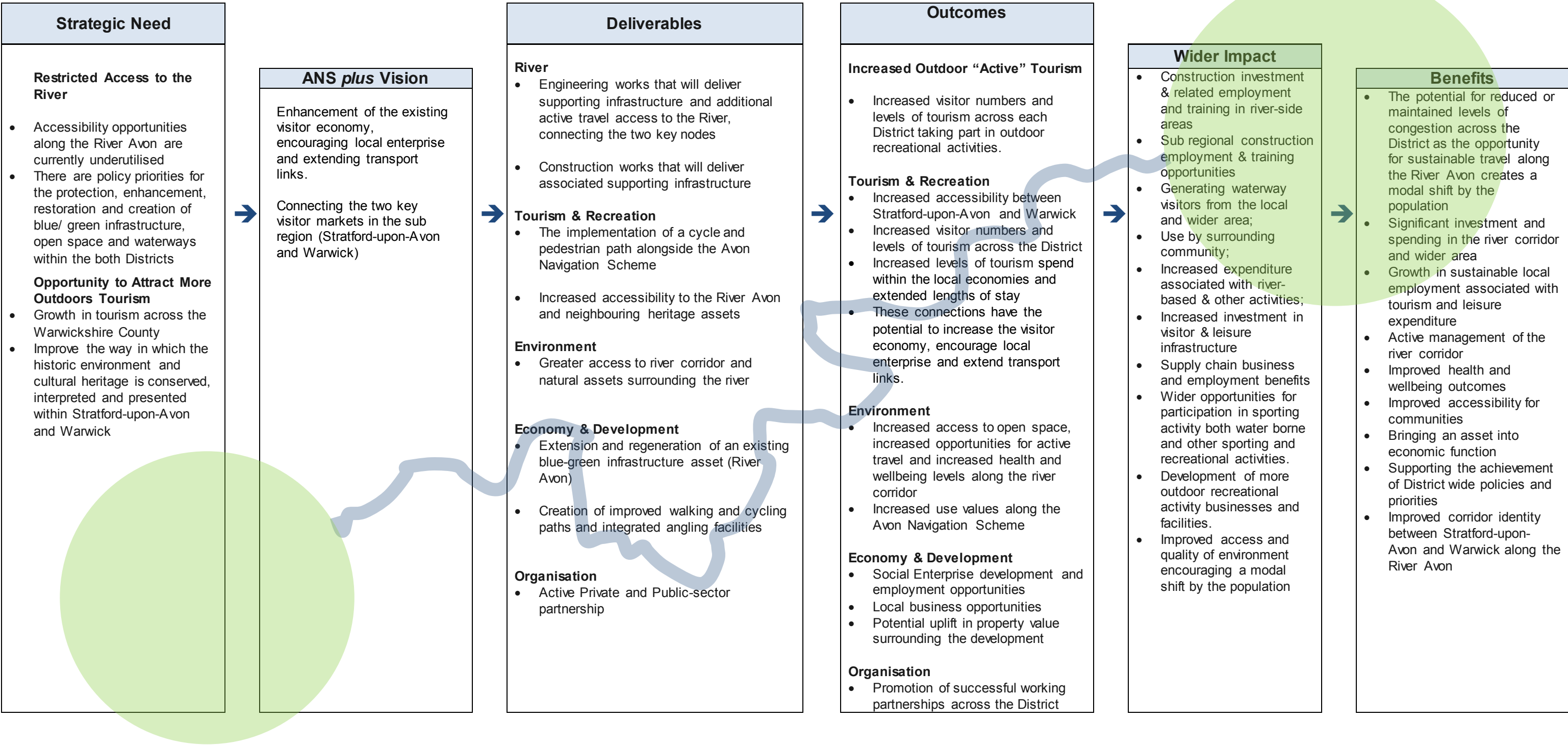
## 8 Economic Impact – Complementary Investment

### 8.1 Introduction

- 8.1.1 The report thus far has considered the socioeconomic benefits of delivering the Avon Navigation Scheme in isolation. However, it is recognised that establishing navigation on the stretch of the River Avon from Alveston through Warwick to connect with the GUC, will act as a catalyst for land-based activity. This section considers the potential for such investment as distinct from that generated by the ANS.
- 8.1.2 A marked increase in the economic benefit of opening the River Avon to navigation, requires an extended range of supporting active travel and other infrastructure, accompanied by sensitive related development at key points along the river. This enables the river at this point to be more accessible to the wider public and visitors to the area. Footpath or similar access is essential to this, as it allows pedestrian and cycle access to the River Avon where possible, creating an additional link between Stratford-upon-Avon and Warwick, helping to bridge the gap between the two visitor markets.
- 8.1.3 The following analysis considers the potential increase in the volume of day and overnight trips from this improved accessibility. It also analyses the potential for further economic benefit to be generated from supporting infrastructure such as marinas to support a new navigation and enhance its profile as a visitor attraction.

8.2 ANS *plus* Logic Model

Figure 8-1: ANS *plus* Logic Model



## 8.3 Total Costs

### Active Travel Access

- 8.3.1 As highlighted in the baseline section, there are limited active travel connections between Stratford-upon-Avon and Warwick.<sup>45</sup>
- 8.3.2 Active travel access would require integration of a footpath network with existing pathways along the Avon corridor. It has been identified that this would require an additional 5,800m<sup>46</sup> of footpath to connect the two key visitor markets. The cost is shown in **Table 8-1**.

Table 8-1: Active Travel Access Cost

| Active Travel Cost (£m) |       | m2     | Cost per m2 (£) |
|-------------------------|-------|--------|-----------------|
| Cost exc. OB            | £1.46 | 11,600 | £126            |
| Cost Inc. OB at 44%     | £2.09 | 11,600 | £181            |

### Marinas & Associated Infrastructure

- 8.3.3 It has been assumed for the purpose of this analysis that there would be the potential for development of up to 3 additional marinas along the route, creating some 500 berths. The largest of the three would likely to be developed at the flight of locks accessing the GUC.
- 8.3.4 The berths are assumed as new developments with water and electric connections, all with supporting service infrastructure. The estimated cost of this follow-on development is indicated in **Table 8-2** below.

Table 8-2: Follow on Commercial Development – Marinas<sup>47</sup>

|            | Cost (£m) |
|------------|-----------|
| 500 berths | £7.31     |

- 8.3.5 In addition, it is assumed that leisure and associated retail opportunities would come forward near the flight feature to the Edmondscote aqueduct. For indicative purposes, it has been assumed that this investment would be similar to that at the Falkirk Wheel, with some 100sqm of retail and 300sqm of leisure (mainly food and beverage outlet(s)). The estimated cost of this is shown in **Table 8-3**.

Table 8-3: Follow on Commercial Development – Leisure & Retail

|        | Size (sqm) | Cost (£m) |
|--------|------------|-----------|
| Retail | 100        | £0.13     |

<sup>45</sup> The main cycling route (42) follows main roads, which can be deemed as potentially unsafe and/or unattractive

<sup>46</sup> 11,600m<sup>2</sup> on a 2m wide stretch

<sup>47</sup> CRT model

|              | Size (sqm) | Cost (£m)    |
|--------------|------------|--------------|
| Leisure      | 300        | £0.83        |
| <b>Total</b> | <b>400</b> | <b>£1.06</b> |

## 8.4 Quantitative Impacts

### Construction of active travel infrastructure

- 8.4.1 The construction benefits derived from active travel infrastructure follow the principles outlined in **Appendix B**. Related construction benefits are shown in **Table 8-4**.

Table 8-4: Active Travel Construction Impact

|              | Supported Construction Jobs | Training and Apprenticeships | Investment in Training and Skills (£) | Additional GVA (£m) |
|--------------|-----------------------------|------------------------------|---------------------------------------|---------------------|
| Gross Jobs   | 8                           |                              |                                       |                     |
| Net Jobs     |                             |                              |                                       |                     |
| Local Area   | 7                           | 0                            | 2,635                                 | 0.19                |
| Warwickshire | 6                           | 0                            | 2,261                                 | 0.16                |
| England      | 6                           | 0                            | 2,246                                 | 0.16                |

### Construction – Marinas & Associated Infrastructure

- 8.4.2 The estimated economic impact from construction of this 'enabled' development is shown in **Table 8-5**.

Table 8-5: Construction Impact – Private Sector Investment – Marinas

|              | Supported Construction Jobs | Training and Apprenticeships | Investment in Training and Skills | Additional GVA |
|--------------|-----------------------------|------------------------------|-----------------------------------|----------------|
| Gross Jobs   | 38                          |                              |                                   |                |
| Net Jobs     |                             |                              |                                   |                |
| Local Area   | 34                          | 1                            | 13,206                            | 0.96           |
| Warwickshire | 29                          | 1                            | 11,330                            | 0.82           |
| England      | 29                          | 1                            | 11,256                            | 0.81           |

- 8.4.3 As can be seen from the table above, the private sector investment in supporting operational infrastructure would support up to 34 net construction jobs in the local area, generating around 1 apprenticeship opportunity. This would generate additional GVA of £0.96m for the local economy.

## Operational Impacts

- 8.4.4 The development of supporting infrastructure and enabled facilities will generate further economic benefit throughout its operation, the results of which are summarised in **Table 8-6**.

Table 8-6: Operational benefits derived from Marinas and Commercial Outlets

|              | Supported Operational Jobs | Training and Apprenticeships | Investment in Training and Skills | Additional GVA |
|--------------|----------------------------|------------------------------|-----------------------------------|----------------|
| Gross Jobs   | 22                         |                              |                                   |                |
| Net Jobs     |                            |                              |                                   |                |
| Local Area   | 20                         | 1                            | 7,630                             | 0.43           |
| Warwickshire | 17                         | 1                            | 6,546                             | 0.37           |
| England      | 17                         | 1                            | 6,504                             | 0.37           |

- 8.4.5 As **Table 8-6** shows, operation of potential commercial assets would support an estimated 20 net additional jobs per annum, stimulating an annual economic benefit of up to £0.43m in GVA in the local economy.

## Visitor Market Impacts

- 8.4.6 From delivery of supporting infrastructure, establishment of active travel links between Stratford and Warwick, and enabling River Avon access more broadly, it is anticipated that the river corridor at this point would become increasingly attractive to residents and those of the wider region, as well as to visitors to the area. This effect would be additional to that generated by the ANS in isolation.
- 8.4.7 **Table 8-7** shows the number of day trips and night stays to each centre at either end of the River Avon at this point. These figures provide the basis for estimating the potential increase in visits to the area attributable to such access.

Table 8-7: Day Trips and Night Stays<sup>48</sup>

|                     | Day Trips | Night Stays |
|---------------------|-----------|-------------|
| Stratford-upon-Avon | 556,000   | 1,335,000   |
| Warwick             | 336,000   | 648,000     |

- 8.4.8 **Table 8-8** shows the average expenditure per day trip and night stay by visitors to each area. Average visitor spend is typically higher in Stratford-upon-Avon in comparison to Warwick, which reflects the number of overnight stays in the area.

<sup>48</sup> Experian Data Analysis – 2016



Table 8-8: Average Expenditure per Trip/Stay<sup>49</sup>

|                     | Average Spend Per Day<br>Trip | Average Spend Per Night<br>Stay |
|---------------------|-------------------------------|---------------------------------|
| Stratford-upon-Avon | £206.83                       | £372.30                         |
| Warwick             | £119.05                       | £214.29                         |
| Average             | £162.94                       | £293.29                         |

8.4.9 This information allows an analysis of the uplift in visitor numbers generated by open river access to be calculated. This is shown in **Table 8-9**.

Table 8-9: Tourism Analysis Results

| Day Trip<br>%<br>Change              | Night<br>Trip %<br>Change | Day Trip<br>Change | Night<br>Trip<br>Change | Day Spend<br>(£m) | Night Spend<br>(£m) | Total<br>Increase in<br>Spend<br>(£m) |
|--------------------------------------|---------------------------|--------------------|-------------------------|-------------------|---------------------|---------------------------------------|
| <b>Baseline growth</b>               |                           |                    |                         |                   |                     |                                       |
| 2%                                   | 2%                        | 17,840             | 39,660                  | 2.91              | 11.63               | 14.54                                 |
| <b>Anticipated Growth (15 years)</b> |                           |                    |                         |                   |                     |                                       |
| 6%                                   | 3%                        | 53,520             | 59,490                  | 8.72              | 17.45               | 26.17                                 |

8.4.10 **Table 8-9** above shows the general level of anticipated growth in tourism in the area (Stratford-upon-Avon and Warwick) based on historic growth rates.

8.4.11 It is expected that the ANS plus associated supporting and green infrastructure would create an enhanced visitor market and greater tourism offer than currently available. The resulting effect is anticipated to increase the growth in day and overnight trips, with the growth in day trips being more pronounced due to the proximity of large populations such as Birmingham and Coventry.

8.4.12 The table then shows the tourism growth estimated over a period of 15 years as a result of the complementary infrastructure i.e. 6% growth in day visitor numbers and 3% growth in the number of overnight stays. This would generate an estimated £26.17m uplift in visitor spend to the local economy annually.

8.4.13 The results of applying these assumptions is shown in **Table 8-10** below.

Table 8-10: Additional Jobs by Uplift Scenario (day trips/ night stays)

| Day Trip Change / Night Trip Change (%) |         |
|---|---------|
|   | 6%/3%   |
| Increase in Visitor Spend (£m)          | £26.17  |
| Support for 1 Year Employment           | £77,322 |
| Gross Jobs                              | 338     |
| Net Jobs                                |         |
| Local Area                              | 291     |
| Warwickshire                            | 199     |

<sup>49</sup> Experian Data Analysis – 2016

| Day Trip Change / Night Trip Change (%) |       |
|---|-------|
|   | 6%/3% |
| England                                 | 77    |
| GVA                                     |       |
| Local Area                              | 7.02  |
| Warwickshire                            | 4.81  |
| England                                 | 1.86  |

- 8.4.14 As can be seen from the table above, an increase in visitor spend (as a result of enhanced navigation and greater river access) by £26.17m, will support an estimated 291 tourism jobs in the local area. In Warwickshire, the increase in spending would support up to 199 tourism related jobs and in England this would support 77 tourism related jobs.
- 8.4.15 As a result of the additional expenditure and supported jobs, there would be an estimated annual economic benefit of £7.02m GVA to the local area.

## 8.5 Qualitative Impacts

### Qualitative Impacts – Marinas

- 8.5.1 Marinas associated with the ANS could potentially have the following positive qualitative impacts<sup>50</sup>:
- Increased opportunity for river access and boat hire;
  - Improved sense of community along the River Avon;
  - Improved health and safety along stretches of the River Avon;
  - An increase in an alternative source of affordable housing within an area of high valued properties;
  - Increased opportunity for boat maintenance and repair services; and
  - Increased opportunity for regulation of the River Avon's use and maintenance.

### Qualitative Impacts – Towpaths

- 8.5.2 Footpaths/cycleways associated with the ANS scheme could have qualitative impacts including the following:
- Increased health and wellbeing of the local community;
  - Improved public access and engagement with the River Avon;
  - Increased awareness of the historic and ecological importance of the River Avon, Stratford-upon-Avon and Warwick;
  - Improved access to settlements, businesses and tourist attractions along the towpath; and

<sup>50</sup> A number of these benefits also arise from the Navigation Authority, as well as the supporting infrastructure.

- Increased opportunity for a modal shift from vehicle to walking or cycling within the local context.

## 8.6 Total Economic Impact

8.6.1 The total economic impact estimated from the complementary investment is shown in **Table 8-11**. This includes the estimated cost of active travel access and supporting infrastructure (marinas and commercial elements). The total benefits are based on a visitor expenditure impact of £26.17m i.e. an annual growth of 3% in day visitors and 6% in night trips.

Table 8-11: Total Economic Impact – Complementary Investments (ANS Plus)

|   | <b>Construction<br/>(Temporary Impact)</b> |                |
|---|--|----------------|
|   | <b>Active Travel</b>                       | <b>Marinas</b> |
| Cost (Inc OB for Active Travel)<br>(£m) | £2.09                                      | £7.31          |
| Gross Jobs                              | 8  | 38             |
| Net Jobs                                |  |                |
| Local Area                              | 7  | 34             |
| Warwickshire                            | 6  | 29             |
| England                                 | 6  | 29             |
| GVA (£m)                                |  |                |
| Local Area                              | 0.19                                       | 0.96           |
| Warwickshire                            | 0.16                                       | 0.82           |
| England                                 | 0.16                                       | 0.81           |

|   | <b>Operation<br/>(Long Term Annual Impact)</b> |
|---|--|
| <b>Day Trip / Night Trip Growth (%)</b> | <b>6% / 3% Increase</b>                        |
| Net Operational Jobs                    |  |
| Local Area                              | 291  |
| Warwickshire                            | 199  |
| England                                 | 77   |
| GVA (£m)                                |  |
| Local Area                              | 7.02   |
| Warwickshire                            | 4.81   |
| England                                 | 1.86   |

8.6.2 The tables above show the total economic impact anticipated from the development of the complementary infrastructure. The first table shows the temporary impact stimulated by the investment into an active travel network and additional private sector investment into supporting marina infrastructure. The results show that the active travel construction would generate an uplift of £0.19m in additional GVA to the local economy, whilst the marinas construction would generate an additional uplift of £0.96m to the local economy.

- 8.6.3 The long term operational impacts show that an increase in the number of day and overnight trips by 3% and 6% respectively, support the employment of up to 291 net operational jobs in the local area. This would be expected to stimulate some £7.02m in GVA to the local economy.

## 9 Conclusions and Next Steps

### 9.1 Conclusions

- 9.1.1 The socioeconomic study shows that the effects of enabling navigation in isolation from linked bankside access improvements on the River Avon are positive but that the scale of benefit tends to be limited to growth in marine and boating markets. Wider benefits are derived from the integration of complementary investments such as access improvements, marinas and associated infrastructure.
- 9.1.2 The ANS project, while technically feasible, faces challenges to its delivery including; ownership, environmental issues and engineering constraints. These have been identified in the analysis through a consultation process, highlighting where there is support for the navigation as well as concerns that need to be addressed in the design process. It is likely that the ANS would need to be developed as a medium to long-term project, mitigating issues with individual stakeholders.
- 9.1.3 In particular, the ANS must consider the implications of navigation on particular features, including: the tail race and operational viability of Charlecote Mill; the deer booms at Charlecote Park; and have due regard to the listed structures in the vicinity of Warwick Castle, especially the ruins of Old Warwick Castle Bridge. It also needs to reach an agreed solution to through passage and the related commercial concerns expressed by the operators of Warwick Castle and Charlecote House.
- 9.1.4 The report finds that the ANS can have a positive impact on the local economy, with its operation supporting up to 92 local jobs within the tourism industry per annum, generating around £2.2m a year in GVA<sup>51</sup>. However, as shown in the report, additional active travel and associated infrastructure such as public access to the river and marinas, could have the potential to extend this benefit to a wider proportion of the local population and extend visitor markets further.

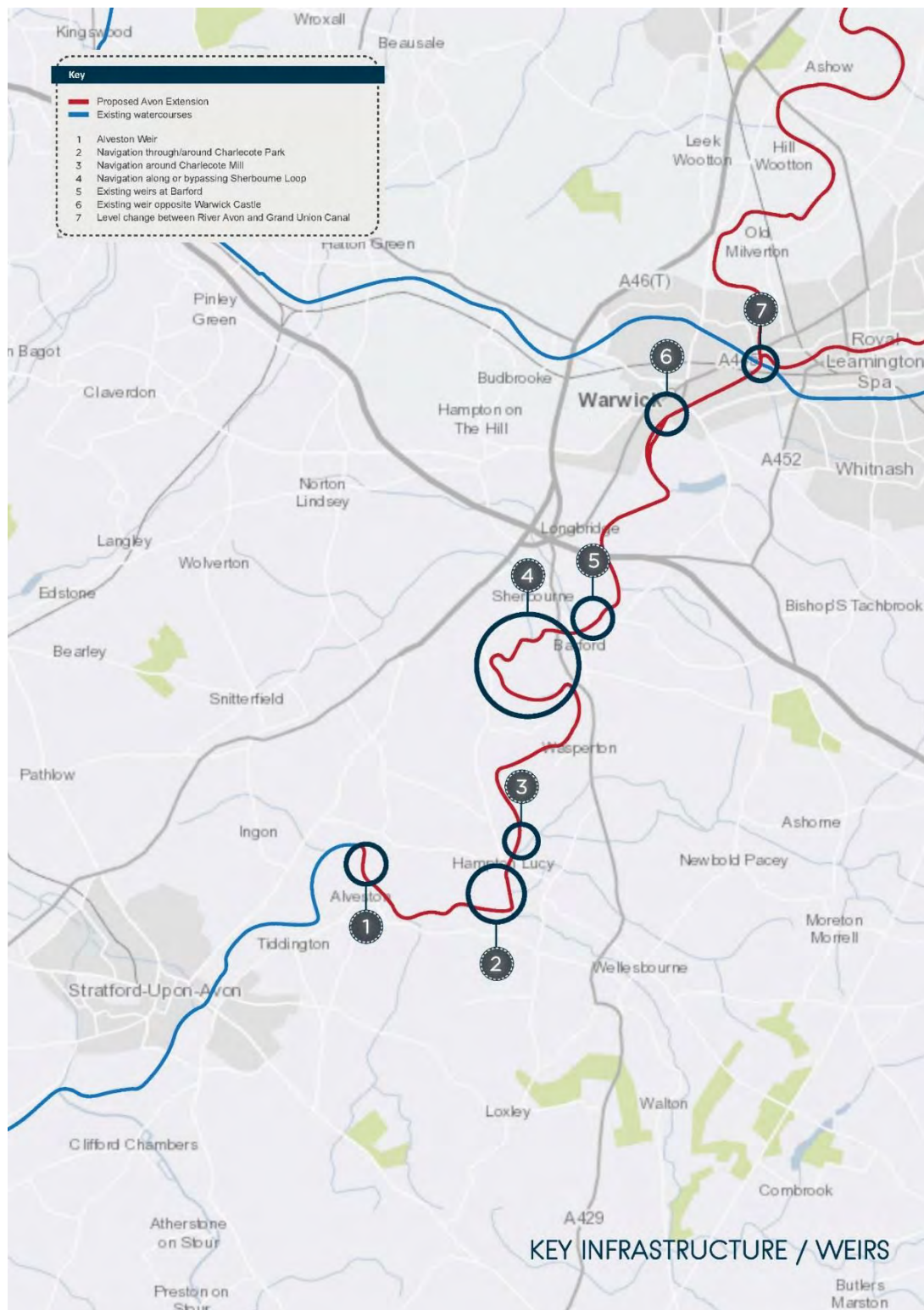
### 9.2 Next Steps

- 9.2.1 An incremental approach to the re-establishment of navigation on the Avon is recommended. This recognises existing ownership constraints, the present restrictions and objectives of the development plan, and critically, the fact that the Avon corridor in this location is not recognised or treated as a recreation, visitor or business asset in a consistent way.
- 9.2.2 A second but equally significant priority is to establish the area in the eyes of the local population and visitors as a place they would like to visit, recreate in, use or appreciate in other ways, drawing on its outstanding landscape values, its history and its point of connection between Stratford-upon-Avon and Warwick. This would combine various stages:
- Preparation of a collaborative Supplementary Planning Document (SPD) that would seek to establish in the first instance, a continuous active travel passage between Stratford-upon-Avon and Warwick encouraging access to the river where possible. The SPD will create the initial drive needed to gain better access to the River Avon and a consistent access between the two key nodes.
  - The plan should combine ambitions from within each of the policies mentioned in the body of the report, with the view of creating access to open spaces whilst establishing a clear conduit between two tourism hubs. The plan should be sensitive to the design of

<sup>51</sup> Based on 2,500 boaters using the stretch.

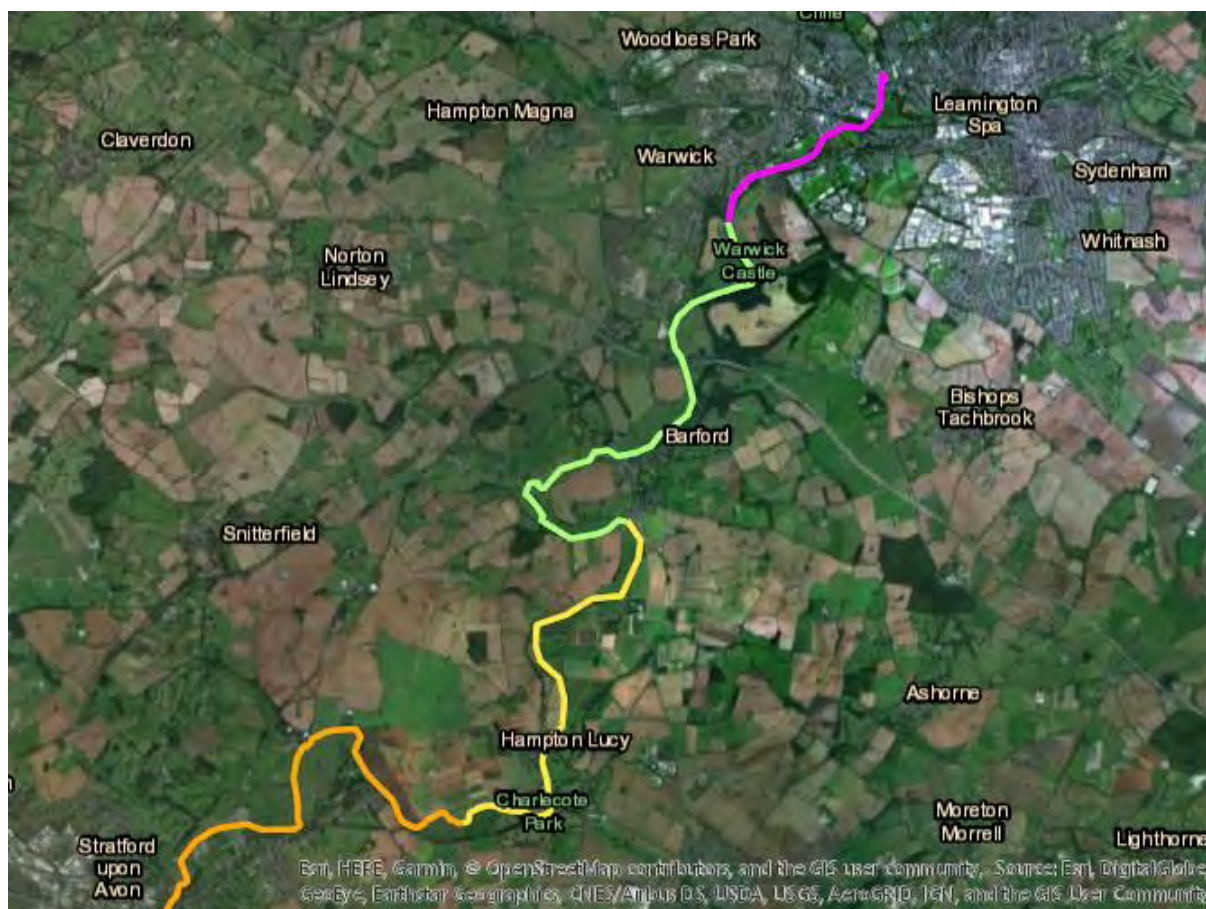
this access, respecting the conservative development nature of the key nodes along the corridor.

## Appendix A Maps



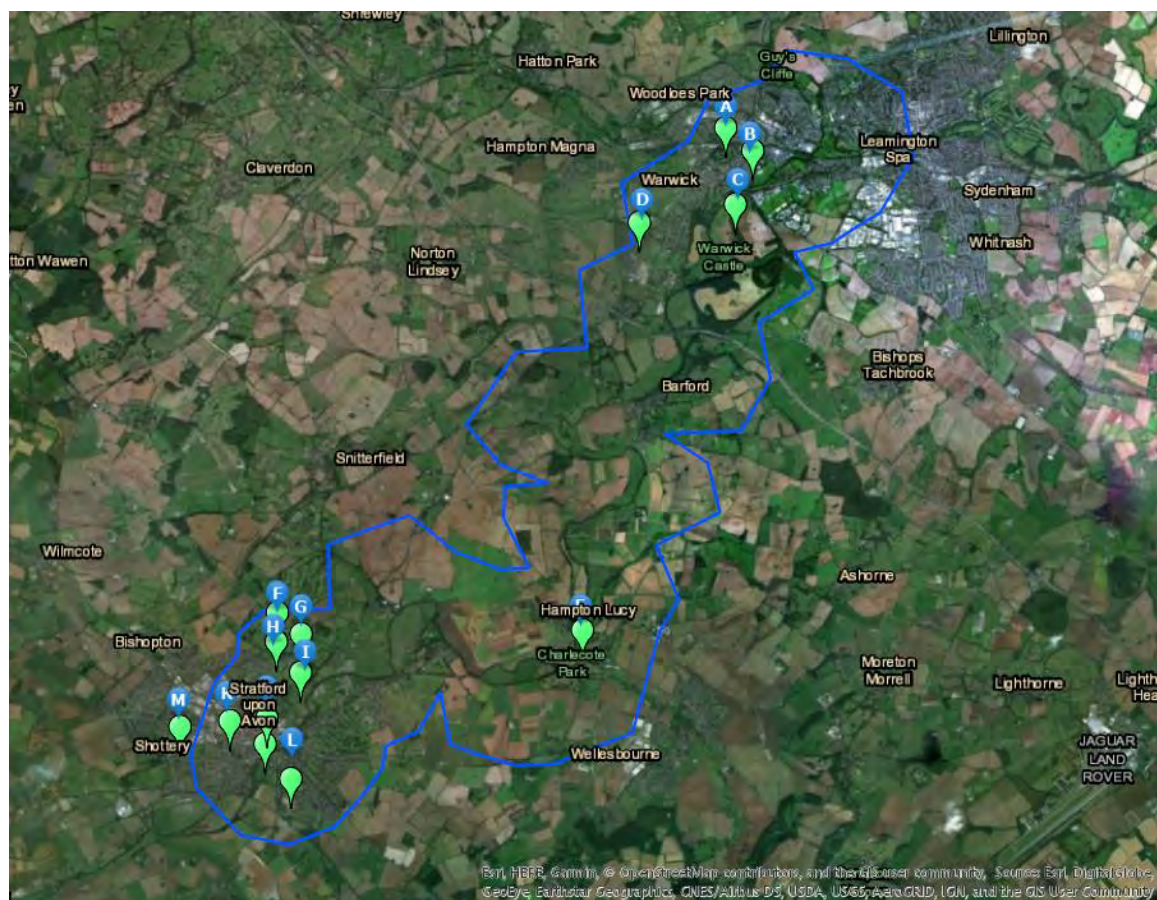


## Appendix B Map of the Proposed Navigation 2



- Reach 1 
- Reach 2 
- Reach 3 
- Reach 4 

## Appendix C Green Spaces



| Green Spaces | Name   |
|--------------|--|
| A            | Priory Park                                  |
| B            | St Nicholas Park                             |
| C            | Castle Park                                  |
| D            | Chase Meadow Park                            |
| E            | Charlecote Park                              |
| F            | The Welcombe Hills                           |
| G            | Rowley Fields                                |
| H            | Clopton Park Local Nature Reserve            |
| I            | Warwick Road Lands                           |
| J            | The Recreation Grounds                       |
| K            | Firs Gardens                                 |
| L            | Bridgetown Community Woodland and Meadowland |
| M            | Shotton Fields*                              |

## Appendix D Policy Review

### Policy Support

The Avon Navigation Scheme has broad Policy support from constituent local authorities. The proposed alignment is recognised in statutory spatial planning documents. Significantly the waterway can also help fulfil the broader strategic objectives of wider stakeholders.

The table below shows how the Avon Navigation Scheme can deliver economic, social, community and environmental benefits that help further the areas strategic objectives.

Policy Framework to Meet Project Objectives

| Document  | Key Policies and Priorities   | Implications for Avon Navigation Scheme   |
|---|---|---|
| <b>Coventry &amp; Warwickshire Local Enterprise Partnership (CWLEP)</b><br><br><b>2016 Strategic Economic Plan<sup>52</sup></b> | <p>The Coventry &amp; Warwickshire Strategic Economic Plan (CWSEP), sets out how the Partnership will grow the economy over the short, medium and longer term. The Plan understands that key strategic actions will play a significant role in stimulating growth, prosperity and competitiveness of the local economy. The key strategic actions relating to this project's objectives are highlighted below:</p> <p><b>Strategic Programme: Unlocking Growth Potential – Urban Core Development</b><br/>An important part of the Strategic Economic Plan is to ensure that there are appropriate and available employment sites to allow existing businesses to grow and to attract inward investment. Transport infrastructure and urban centre improvements are noted by CWSEP to play a crucial role in bringing major sites forward for development and attracting business investment.</p> <p>As part of unlocking the Growth Potential, several sites and infrastructure items have been highlighted for provisional allocations (as part of the Growth Deal, starting in 2016/17 and beyond). Items include delivery of the A46/A425/A4177 Stanks Road network scheme, improving links to UK Central, Birmingham Airport and High Speed 2 (HS2), and investment in start-up facilities in Stratford-upon-Avon.</p> <p><b>Strategic Programme: Culture and Tourism –</b><br/>The Culture and Tourism strategic programme focuses on the opportunity of ensuring that the benefits of an enhanced visitor economy are felt throughout Coventry &amp; Warwickshire. Part of</p> | <p>The CWSEP Strategic Economic Plan (2016) provides a strategic basis for the project, noting the need for infrastructure improvements and growth of the visitor economy around key nodes of the Navigation Scheme such as Stratford-upon-Avon.</p> <p>The Avon Navigation Scheme may encourage further investment in sites along the waterway, whilst adding to the overall infrastructure improvements and beneficial projects within the area.</p> <p>The development of the project will enable the delivery of the South Warwickshire Ring. This in turn may further promote and attract investment within tourism sector, thereby having positive impact on tourism and growth targets for the region.</p> |

<sup>52</sup> <https://www.stratford.gov.uk/doc/205795/name/cw%20lep%20strategic%20economic%20plan%202016.pdf>



| Document  | Key Policies and Priorities   | Implications for Avon Navigation Scheme   |
|---|---|---|
|   | doing this is noted to be by further developing the renowned offer that is "Shakespeare's Stratford".   |   |
| <b>Warwickshire County Council</b><br><br><b>Warwickshire Local Transport Plan 2011 - 2026<sup>53</sup></b> | <p>Warwickshire's third Local Transport Plan (LTP3) sets out the County Council's Transport Goals to provide the framework for how the transport network will be improved across Warwickshire to help meet wider objectives, including supporting economic growth, tackling climate change and promoting equality of opportunity.</p> <p>The following goals are of relevance to the Navigation Scheme:</p> <p>LTP3 has several overall objectives for Warwickshire:</p> <ol style="list-style-type: none"> <li>1. To promote greater equality of opportunity for all citizens in order to promote a fairer, more inclusive society;</li> <li>2. To seek reliable and efficient transport networks which will help promote full employment and a strong, sustainable local and sub-regional economy;</li> <li>3. To reduce the impact of transport on people and the [built and natural] environment and improve the journey experience of transport users;</li> <li>4. To improve the safety, security and health of people by reducing the risk of death, injury or illness arising from transport, and by promoting travel modes that are beneficial to health;</li> <li>5. To encourage integration of transport, both in terms of policy planning and the physical interchange of modes; and</li> <li>6. To reduce the area transport's emissions of carbon dioxide and other greenhouse gases, as well as addressing the need to adapt to climate change.</li> </ol> <p>The key challenges faced by Warwickshire as identified by the LTP3 are as follows:</p> <ol style="list-style-type: none"> <li>1. Transport and the Economy;</li> <li>2. Transport and Climate Change in Warwickshire;</li> <li>3. Safety, Security and Health in Warwickshire;</li> <li>4. Equality of Opportunity in Warwickshire; and</li> <li>5. Quality of Life in Warwickshire.</li> </ol> | <p>The delivery of the Avon Navigation Scheme can support the overall objectives of LTP3 through the promotion and enabling of sustainable forms of transport whilst providing increased levels of accessibility along the length of the scheme.</p> <p>The landscape setting of the Navigation Scheme shall improve the journey experience of transport users (including that of air quality) along the stretch when compared to other routes to key nodes.</p> <p>Increased levels of accessibility can help towards narrowing the gaps between economic growth rates for different areas by ensuring that transport does not act as a barrier to opportunity.</p> <p>The Avon Navigation Scheme shall not hinder proposals within the proximity of the River.</p> <p>Proposals for Stratford-upon-Avon of relevance to the scheme include the potential development of a scheme to improve provision for cyclists between Tiddington and Stratford-upon-Avon town centre.</p> <p>Proposals of relevance to the Scheme from the Warwick, Leamington Spa, Kenilworth and Whitnash Urban Area combined strategy include: developing dedicated cycle infrastructure on key links to town centres, employment sites, educational establishments and public transport interchanges in Leamington Spa and Warwick.</p> <p>The Avon Navigation Scheme has relevance to the completion of the</p> |

<sup>53</sup> <https://apps.warwickshire.gov.uk/api/documents/WCCC-630-116>

| Document  | Key Policies and Priorities  | Implications for Avon Navigation Scheme  |
|---|--|--|
|   | <p>The Plan notes that a key challenge for this LTP is to improve connectivity by public transport to edge of centre or out of town destinations in ways which are commercially viable in the long term. A further challenge is to ensure that future developments are located in areas which maximise accessibility by all modes.</p> <p>A substantial increase in housing is planned across Warwickshire and neighbouring authorities over the period of the Plan. A key challenge of this is to ensure that adequate transport infrastructure and services are provided to enable sustainable growth.</p>   | <p>Warwick to Leamington Spa corridor cycle improvements, provision of improved cycle parking within the main urban areas and making sure cycle parking continues to meet demand, including assessing the need for long-stay cycle parking facilities at key transport interchanges. All of these improvements will deliver additional infrastructure around the Navigations key nodes, allowing vital active travel commuter routes to be linked within Warwickshire.</p> <p>As housing development is realised throughout the immediate area, increased footfall in and around the Navigation would be expected. The provision of active travel infrastructure along the proposed route will help to ease that anticipated transport demand arising from the housing developments.</p> |
| <p><b>Warwickshire County Council</b></p> <p><b>Warwickshire Local Transport Plan 2011 - 2026</b></p> <p><b>The Southern and Western Warwickshire Area Strategy</b></p> | <p>The Southern and Western Warwickshire Area Strategy includes the main settlement of Stratford-upon-Avon. Objectives for the area are as follows:</p> <ul style="list-style-type: none"> <li>▪ To support the World Class Stratford initiative and the broader local economy by reducing the dominance of vehicular traffic in Stratford town centre, whilst ensuring good accessibility for residents and visitors;</li> <li>▪ To improve quality of life in Stratford-upon-Avon by managing access for deliveries and coaches, and promoting facilities for bus layover at the proposed Stratford Bus/Rail Interchange;</li> <li>▪ To tackle congestion by improving public transport, providing better facilities for cycling and walking and developing innovative traffic management measures;</li> <li>▪ To support new housing and employment growth by identifying and securing funding for appropriate transport improvements across Stratford-on-Avon District;</li> <li>▪ To support access to services and facilities, particularly for those without access to a car; and</li> <li>▪ To deliver improvements that reduce the environmental impact of traffic within the District and improve local air quality in existing Air Quality Management Areas.</li> </ul> | <p>The delivery of the Avon Navigation Scheme will support the Southern and Western Warwickshire Area Strategy, which includes the main settlement of Stratford-upon-Avon.</p> <p>The provision of active travel infrastructure along the proposed Navigation Scheme will support increased accessibility levels to the wider area.</p>  |

| Document   | Key Policies and Priorities   | Implications for Avon Navigation Scheme   |
|--|---|---|
| <p><b>Warwickshire County Council</b></p> <p><b>Warwickshire Local Transport Plan 2011 - 2026</b></p> <p><b>The Warwick, Leamington Spa, Kenilworth and Whitnash Urban Area Strategy</b></p> | <p>The Warwick, Leamington Spa, Kenilworth and Whitnash Urban Area Strategy objectives are as follows:</p> <ul style="list-style-type: none"> <li>Stabilise and grow the local economy of the area;</li> <li>Support future housing and employment growth within the District;</li> <li>Support access to services and facilities, particularly for those without access to a car; and</li> <li>Reduce the environmental impact of traffic within the District and improve local air quality.</li> </ul>  | <p>The delivery of the Avon Navigation Scheme will support the Warwick, Leamington Spa, Kenilworth and Whitnash Urban Area Strategy. The Navigation Scheme aims to support sustainable growth in the local economy, enabling employment delivery along its length and provide an opportunity for a modal shift away from car use.</p>   |
| <p><b>Warwick District<sup>54</sup> Local Plan 2011-2029</b></p> <p><b>Development Strategy</b></p>  | <p>The purpose of the Warwick District Local Plan is to set out the long-term spatial vision for how the towns, villages and countryside in the district will develop and change and how this vision will be delivered through a strategy for promoting, distributing and delivering sustainable development.</p> <p>The following Policies are of relevance to the Navigation Scheme:</p> <p><b>Strategic Policy DS3: Supporting Sustainable Communities</b> – The Council will promote high quality new development and will expect development that enables new communities to develop and sustain themselves. As part of this, development will provide for the infrastructure needed to support communities and businesses, including: physical infrastructure (such as transport and utilities), social infrastructure (such as education, sports facilities and health) and green infrastructure (such as parks, open space and playing pitches).</p> <p><b>Strategic Policy DS4: Spatial Strategy</b> – The District Council's Spatial Strategy focuses on the growth of the main urban areas such as Warwick. In addition, housing and employment growth is expected to be distributed across the District.</p> <p><b>Policy DS5: Sustainable Development</b> – When considering development proposals, the Council will take a positive approach that reflects the presumption in favour of sustainable development contained in the National Planning Policy Framework (NPPF).</p> <p><b>Policy DS9: Employment Sites to be Allocated</b> - To meet the employment land needs of the</p> | <p>The Warwick District Local Plan details the long-term vision for the area in which the Navigation Scheme shall sit and as such, should be developed in accordance with.</p> <p>The development of the River Avon Navigation Scheme seeks to engage communities within the area in both a personal and professional capacity, achieved through enhanced green space development and increased enterprise opportunities. In addition, the proposed engineering of the navigation shows that the water level will be protected and managed in such a way which will protect the valuable resource that businesses along the River Avon require.</p> <p>The extension of River Avon has further potential to support sustainable communities as specified in <b>Strategic Policy DS3</b>. By the means of giving communities around the river bank the opportunity to shape their localities, while indirectly influencing investment in housing, commercial activities, tourism and employment.</p> <p>The high level environmental impact review will highlight the impact upon the local environment that the Avon Navigation Scheme would generate. Therefore, the combined results of this study and the environmental review will allow the Council to have oversight of</p> |

<sup>54</sup> [https://www.warwickdc.gov.uk/downloads/file/4623/new\\_local\\_plan\\_-\\_consolidated\\_version](https://www.warwickdc.gov.uk/downloads/file/4623/new_local_plan_-_consolidated_version)

| Document   | Key Policies and Priorities   | Implications for Avon Navigation Scheme  |
|--|---|--|
|  | <p>district, an additional 19.7 hectares of employment land for B class uses has been allocated at strategic sites.</p> <p><b>Policy DS11 Allocated Housing Sites</b> – This Policy details sites which are allocated for housing development, associated infrastructure and uses.</p> <p><b>Policy DS12 Allocation of Land for Education</b> – This Policy details sites allocated for educational uses and other compatible uses. This includes, on each site, the provision of a secondary school, 6th form centre and, if deemed the most appropriate location, a primary school.</p> <p><b>Policy DS17: Supporting Canal-side Regeneration and Enhancement</b> – The Council will prepare and adopt a Canal-side Development Plan Document (DPD) to: assess the canals in the district and their environment and setting; identify areas for regeneration along urban sections, particularly for employment, housing, tourism and cultural uses; and identify areas for protection, where these are appropriate, throughout the canal network within the district. This DPD has not yet been produced and as such cannot be assessed at the time of writing this report.</p> | <p>the projects ability to be sustainably developed.</p> <p>The allocation of land surrounding the Navigation is reviewed in accordance with <b>Policy DS9, DS11 and DS12</b> in <b>Chapter 5</b>.</p> <p>Establishing a Canal-side DPD will help interconnect this Socioeconomic Study with the surrounding canals, further enhancing the understanding and capabilities of waterway regeneration in the immediate area. Furthermore, the re-establishment of the Avon Navigation along with supporting policy for development of surrounding canals, creates a solid direction for progressive regeneration in the area.</p> |
| <p><b>Warwick District<sup>55</sup> Local Plan 2011-2029</b></p> <p><b>Prosperous Communities</b></p>  | <p><b>Policy PC0 Prosperous Communities</b> - The Council will promote sustainable economic development to support a vibrant and thriving economy to deliver the jobs the District needs during the plan period</p>   | <p>The development has the potential to act as a catalyst for future enterprise along the route, in turn creating opportunities for the areas communities</p>  |
| <p><b>Warwick District<sup>56</sup> Local Plan 2011-2029</b></p> <p><b>Sustainable Communities</b></p> | <p><b>Policy SC0 Sustainable Communities</b> - New development should be high quality and should ensure that it is brought forward in a way which enables strong communities to be formed and sustained. It is also important that new development protects and enhances the historic, built and natural features that make Warwick District a great place</p> <p><b>Policy BE1 Layout and design</b> - New development will be permitted where it positively</p>   | <p>The design of the Navigation, will be such that it's development will be sensitive to the surrounding landscapes characteristics. It is anticipated that the Navigation will have a positive impact on the amenity of current residents and its re-establishment prepares for future increases in the number of residents within its vicinity.</p> <p>The Navigation Scheme seeks to improve the availability of open space</p>   |

<sup>55</sup> [https://www.warwickdc.gov.uk/downloads/file/4623/new\\_local\\_plan\\_-\\_consolidated\\_version](https://www.warwickdc.gov.uk/downloads/file/4623/new_local_plan_-_consolidated_version)

<sup>56</sup> [https://www.warwickdc.gov.uk/downloads/file/4623/new\\_local\\_plan\\_-\\_consolidated\\_version](https://www.warwickdc.gov.uk/downloads/file/4623/new_local_plan_-_consolidated_version)



| Document   | Key Policies and Priorities   | Implications for Avon Navigation Scheme  |
|--|---|--|
|  | <p>contributes to the character and quality of its environment through good layout and design.</p> <p><b>Policy BE3 Amenity</b> - Development will not be permitted that has an unacceptable adverse impact on the amenity of nearby uses and residents and /or does not provide acceptable standards of amenity for future users and occupiers of the development.</p> <p><b>Policy HS5 Directing Open Space, Sport and Recreation Facilities</b> - The Council will support proposals for new and improved open space, sport and recreation facilities</p> <p><b>Policy HS6 Creating Healthy Communities</b> - Development proposals will be permitted provided that they are associated with delivering health benefits to the community</p> <p><b>Policy CC1 Planning for Climate Change Adaptation</b> - All development is required to be designed to be resilient to, and adapt to the future impacts of, climate change through the inclusion of adaptation measures</p> <p><b>Policy HE1 Designated Heritage Assets and their setting</b> - Development will not be permitted if it would lead to substantial harm to or total loss of the significance of a designated heritage asset, unless it is demonstrated that the substantial harm or loss is necessary to achieve substantial public benefits that outweigh that harm or loss</p> <p><b>Policy NE4 Landscape</b> - New development will be permitted that positively contributes to landscape character.</p> <p><b>Policy NE5 Protection of Natural Resources</b> - Development proposals will be permitted provided that they ensure that the district's natural resources remain safe, protected, and prudently used</p> <p><b>Policy NE7 Use of Waterways</b> - The waterways can be used as tools in place making and place shaping, and contribute to the creation of sustainable communities</p> | <p>and recreational activities in between Stratford-upon-Avon and Warwick. In doing so, the project will permit a greater number of leisure and recreational options in which the community can utilise to lead healthier lifestyles.</p> <p>It is proposed that the Navigation will open opportunities for a modal shift in transport. Given the right behavioural shift, this transformation facilitates a reduction in road traffic, thus helping the local area to adapt to Climate Change.</p> <p>The proposed design which PBA are working with seeks to mitigate any harm to heritage assets, their setting, surrounding landscapes and the areas natural resources. Instead, the Navigation seeks to pursue a development which encourages more people to safely explore the areas natural and built environment, whilst ensuring that the natural resources, mainly the water supply utilised by local enterprises, are protected</p> |
| <b>Strategic Urban Extension South of Royal Leamington Spa and Warwick: Design Guide</b> | The Design Guide was prepared by WYG on behalf of Warwick District Council. Its primary purpose is to ensure that development in the areas of the Strategic Urban Extension to the South of Royal Leamington Spa and Warwick, as designated in the Publication Draft Local Plan   | The Strategic Urban Extension South of Royal Leamington Spa and Warwick provides a guide for the developing wider context of the area in which the Avon Navigation Scheme shall partially pass through.  |

| Document  | Key Policies and Priorities  | Implications for Avon Navigation Scheme  |
|---|--|--|
| <b>January 2016<sup>57</sup></b>  | <p>2014, come forward in accordance with the Garden Suburb<sup>58</sup> ambitions for the area.</p> <p>The Design Guidance is intended to be a reference document for Councils and developers pursuing applications within the Sustainable Urban Extension area.</p> <p>The overall aim of the extension is as follows:</p> <p><i>“The Strategic Urban Extension will create integrated and vibrant new communities, echoing the garden suburb principles. They will bridge the urban and rural edge and link in the richness of landscape. Tree lined connections and well managed spaces will ensure all can access and enjoy a healthy and sustainable lifestyle, binding the existing and new communities together.”</i></p> <p>As part of the connectivity elements of the garden suburbs, there is the aim to connect with key destinations within and outside of the Garden Suburb area such as the Canal Network and National Cycle Network.</p> |  |
| <b>Warwick District Council Open Space Supplementary Planning Document (SPD)</b><br><br><b>June 2009<sup>59</sup></b> | <p>The Council's Open Space SPD sets the standards for informal and formal open space which developments should meet within the District. The SPD is underpinned by a range of national, regional and local policy documents and strategies.</p> <p>The document classifies River/Canal corridors a form of Green Space which is aesthetically attractive and can provide valuable semi natural habitats of wildlife interest within an urban and rural context.</p> <p>Further to this, the SPD states the following:</p> <p><i>“Green space can provide neutral territory where different groups of people can meet and play, so contributing to social inclusion. Through the opportunities it provides for peace, reflection and leisure activity, green space can also enhance physical and mental health. The proximity of</i></p>   | <p>The Avon Navigation Scheme will continue to support the SPD's ambitions for Green Space and Open Space provision across the District.</p> <p>The Scheme shall promote leisure activities, increase accessibility levels to the River and contribute towards social inclusion.</p> |

<sup>57</sup> [https://www.warwickdc.gov.uk/downloads/file/4685/design\\_guidance\\_for\\_the\\_strategic\\_urban\\_extension\\_south\\_of\\_royal\\_lemington\\_spa\\_and\\_warwick](https://www.warwickdc.gov.uk/downloads/file/4685/design_guidance_for_the_strategic_urban_extension_south_of_royal_lemington_spa_and_warwick)

<sup>58</sup> A “Garden Suburb will integrate with surrounding communities and provide the full range of housing choices and local services for new and existing communities. Families, singles, young couples, older people and those with special housing needs can benefit from living in an environmentally-friendly green setting that will mature and improve over time” (Garden Towns, Villages and Suburbs: A prospectus for Warwick District Council, May 2012, pg. 7).

<sup>59</sup> [https://www.warwickdc.gov.uk/downloads/file/1309/open\\_space\\_spd](https://www.warwickdc.gov.uk/downloads/file/1309/open_space_spd)

| Document  | Key Policies and Priorities   | Implications for Avon Navigation Scheme   |
|---|---|---|
|   | <i>green space also raises property values and can therefore provide a spur to regeneration."</i>   |   |
| <b>Stratford-on-Avon District Council</b><br><br><b>Corporate Strategy 2015-2019<sup>60</sup></b> | <p>The Corporate Strategy for the Stratford-on-Avon District details the vision of the District to be:</p> <p><i>"recognised as a place of opportunity and economic prosperity in order to provide a better quality of life for all who live, work and visit."</i></p> <p>The three main objectives of the Strategy are as follows:</p> <ul style="list-style-type: none"> <li>▪ A flourishing local economy;</li> <li>▪ People and their environment; and</li> <li>▪ Responsible community leadership.</li> </ul> <p>In order to meet the objectives, the Council will:</p> <ul style="list-style-type: none"> <li>▪ Work with partners and local businesses to create jobs through business retention, growth and new inward investment from the UK and abroad;</li> <li>▪ Work with partners to protect the character of the environment and support activities to improve the health and wellbeing of our local communities; and</li> <li>▪ Support our communities and the diversity of local interests within them. When opportunities arise, we shall embrace innovative solutions to provide the best results for residents and the Council.</li> </ul> | <p>The Avon Navigation Scheme should support the Corporate Strategy for the Stratford-on-Avon District by working alongside its objectives of enabling tourism opportunities along the River, increasing accessibility levels along the Scheme and working with the communities' response to the Scheme through the Consultation process.</p> |
| <b>Stratford-on-Avon District Council</b><br><br><b>Site Allocations Plan (TBC)<sup>61</sup></b>  | <p>The Site Allocations Plan (SAP) is a planning document that will form part of the Development Plan for Stratford-on-Avon District. This document is undergoing scoping and initial options, as such it was not available for review at the time of writing this report.</p> <p>It is noted that sufficient housing provision has been made in the Core Strategy and through planning permissions to meet the housing requirement identified for the current plan period to 2031. As a result, the focus of the SAP will be on the identification of 'reserve sites' in accordance with <b>Policy CS16</b> in the Core Strategy.</p>  | <p>As the SAP was not available at the time of writing this report, the Avon Navigation Scheme Socioeconomic Study shall take account of the allocations and provisions noted with the Core Strategy.</p>   |

<sup>60</sup> <https://www.stratford.gov.uk/doc/175656/name/Corporate%20Strategy%202015%202019.pdf>

<sup>61</sup> <https://www.stratford.gov.uk/planning-regeneration/site-allocations-plan.cfm>

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| <b>Stratford-on-Avon District Council</b><br><br><b>Core Strategy 2011 -2031<sup>62</sup></b> | <p>The Core Strategy sets out the Councils development strategy and planning policies including the allocation of strategic employment and housing site and guidance on provision on infrastructure and services.</p> <p>The aim of the Strategy for Stratford-upon-Avon is as follows:</p> <p><i>“The aspiration for Stratford-upon-Avon is for it to have enhances its roles as a town of international standing that satisfies the expectation of residents, business and visitors. More Tourists will visit the town and stay longer, in part achieved through and expansion of its cultural offer. The towns role as the main shopping and services centre in the District will have been strengthened. Significant progress will have been made on the regeneration of an extensive area of mostly outworn and underused lands adjacent to the canal. New and existing companies will have location on high quality employment land on the periphery of the town, with excellent access to the strategic road network. A new link to the strategic network from the south of the River Avon will have been provided via a western/south western relief road. Traffic in the Town centre will be managed more effectively to reduce its impact on the environment”.</i></p> <p>The strategic objectives represent the key delivery outcomes that the Core Strategy should achieve by 2031. The following are of relevance to the Navigation Scheme:</p> <ul style="list-style-type: none"> <li>▪ The rural character of the District will have been maintained and enhanced. The Green Belt and countryside of the District will have been protected from inappropriate development (1);</li> <li>▪ The historic character of the District will have been maintained and enhanced. Sites of historic importance will have been protected from harmful development (2);</li> <li>▪ The character and local distinctiveness of the District will have been reinforced by ensuring new development is of high quality design, considering the intrinsic and special value of its landscapes and townscapes (3);</li> <li>▪ The District will have reduced its greenhouse gas emissions, contributing to the national target for reduction, through a range of</li> </ul> | <p>The Core Strategy provides a Strategic basis for the delivering of the Avon Navigation Scheme. The Core Strategy sets out Policy support for the delivery of the Navigation Scheme and supporting infrastructure.</p> <p>The path of the Avon Navigation Scheme itself is not identified as an Area of Restraint (<b>Policy CS.13</b>) however, there are a number of land parcels towards Reach 1 which are. As such, the Navigation Scheme will accord with the principles of <b>Policy CS.13</b> increasing accessibility and enhancing the existing character and visual amenity of the area.</p> <p>This study, through analysis of the socioeconomic impacts and consultation with stakeholders, seeks to establish the appropriateness of the River Avon's development.</p> <p>Many of Warwickshire's visitors come to the area for its renowned historic appeal, therefore maintaining and promoting the district's historic character is off the upmost important in retaining visitation numbers. Hence, the River Avon's navigable expansion aims to not only protect the historic sites which it encounters on its way upstream but promote them through allowing greater access.</p> <p>Through the development of active travel infrastructure along the banks of the River Avon, a model shift is expected to occur. Currently, the main</p> |

<sup>62</sup> <https://www.stratford.gov.uk/templates/server/document-relay.cfm?doc=173518&name=SDC%20CORE%20STRATEGY%202011%202031%20July%202016.pdf>

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|          | <p>measures such as the location and design of development, provision of renewable and low carbon energy schemes, and promoting opportunities for low carbon travel (5);</p> <ul style="list-style-type: none"> <li>Community facilities and open space will have been improved across the District. Through collaborative working between District, Town and Parish Councils and key partners in education, public safety, health and other services, opportunities to improve the health and wellbeing of the District's communities will have been realised as a result of the development process (8); and</li> <li>The value of tourism to the District will have increased substantially, initially by 25% during the period 2011-2015, through the District Council working with its private sector partners, including Shakespeare's England. Stratford-upon-Avon will have re-established its position in the top 20 UK towns and cities for international visitors (10).</li> </ul> <p>The following Policies are of relevance to the Navigation Scheme:</p> <p><b>Policy CS.1: Sustainable Development</b> – The Council supports and will apply the principle that planning to secure a high-quality environment, managed economic growth and social equity are of equal importance.</p> <p>All development proposals should contribute towards the character and quality of the District and to the well-being of those who live and work in and visit the District.</p> <p><b>Policy CS.2: Climate Change and Sustainable Construction</b> – Proposals for development are required to demonstrate that, dependent on their scale, use and location, measures are included that mitigate and adapt to the impacts of climate change. The Policy further suggests specific measures which developments could adopt to sufficiently mitigate and adapt to climate change.</p> <p><b>Policy CS.4: Water Environment and Flood Risk</b> – Development proposals are to consider the predicted impact of climate change on the District's water environment. Measures to meet this include sustainable use of water resources, minimising water consumption, protecting and improving water quality, and minimising flood risk from all sources, as set out in the most up-to-date Strategic Flood Risk Assessment (SFRA). The Policy further states additional requirements</p> | <p>National Cycling Route from Stratford to Warwick involves taking a country road, which may put current commuters of cycling between the two nodes from a safety perspective. In addition, the investment into this type of infrastructure along the River Avon, may encourage current car commuters between the two nodes to take up cycling, potentially reducing congestion on the main roads and thus greenhouse gas emissions within each of the Districts.</p> <p>Further to this, the River Avon's reestablishment will deliver more open space, acting as an enabler to improved health and wellbeing throughout the communities it passes.</p> <p>Integral to achieving a place in the top 20 UK towns and cities for international visitors, is maintain and investing in the areas assets which will entice international visitors. Opening up the South Warwickshire Canal Ring will facilitate shorter canal journeys in-between to culturally rich destinations. As a result, it is anticipated that tourists will be attracted by the enhance options available in the area.</p> <p>The socioeconomic established within this study will comply with <b>Policy CS1</b>. It is pertinent that a realistic and positive outcome is established, reflecting the character of the district, before development of the River Avon is commenced.</p> <p>There is potential for the construction waste element of the river to have a positive impact rather than a wholly negative one. This would be achieved through a Circular Economic Analysis of the construction process, something which is currently out of the current scope of work. However, initial findings show the possibility of reutilising and selling material extracted from dredging the river, which in turn reduces the cost of the construction both financially and environmentally.</p> |



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|          | <p>around flood risk areas, surface water runoff, sustainable urban drainage systems, enhancing and protecting the water environment and water quality.</p> <p>In accordance with the Water Framework Directive's objectives, development must not affect the water bodies' ability to reach good status or potential as set out in the Rivers Severn, Humber and Thames River Basin Management Plans (RBMP).</p> <p><b>Policy CS.5: Landscape</b> – The landscape character and quality of the District should be maintained by ensuring that development takes place in a manner that minimises, mitigates and where possible it enhances its impact on the landscape. The Policy makes specific reference to landscape character and enhancement, visual impacts and trees, woodland and hedges.</p> <p><b>Policy CS.6: Natural Environment</b> – Development are expected to contribute towards a resilient ecological network throughout the District that supports ecosystems and provides ecological security for wildlife, people, the economy and tourism.</p> <p>Developments that are likely to have an adverse effect either directly, indirectly or cumulatively upon a site designated through the EC Habitats Directive or Birds Directive will not be permitted.</p> <p>The Policy makes specific reference to biodiversity and geodiversity.</p> <p><b>Policy CS.7: Green Infrastructure</b> – The existing Green Infrastructure network in the District will be promoted through the principles of protection, enhancement, restoration and creation.</p> <p>The availability of open spaces, waterways and other green infrastructure features will be maintained and improved as a contribution towards:</p> <ol style="list-style-type: none"> <li>1. Quality of life and attractive communities;</li> <li>2. Biodiversity and the provision of habitats;</li> <li>3. Landscape character and quality;</li> <li>4. Non-vehicular modes of movement; and</li> <li>5. Sustainable drainage, flood management, carbon sinks and other climate change mitigation and adaptation measures.</li> </ol> | <p>Sensitive design of the River Avon Scheme will help to further develop the socioeconomic case for its progression.</p> <p>It is expected that Green Infrastructure in the form of cycling and walking paths will be developed in conjunction with the River Avon Scheme. By opening up the Navigation, the District unlocks the potential to develop additional Green Infrastructure following the banks of the River. As a result of the Schemes development, additional benefits are established which achieve the areas Green Infrastructure priorities.</p> <p>The River Avon Navigation Scheme is exactly the type of development which this policy seeks to achieve, through establishing a new blue corridor connecting Stratford-upon-Avon and</p> |

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|          | <p>Access to Green Infrastructure features within settlements and the countryside are to be provided through, for example, local nature reserves, green corridors, waterway ('blue') corridors, allotments and woodland, together with connections between built up areas and the countryside.</p> <p>Further to this, the Council supports the creation of new routes for walking, cycling and horse-riding to improve access to the countryside. Where outdoor recreation facilities are proposed, a management plan will be sought to enhance the Green Infrastructure features of the site</p> <p><b>Policy CS.8 Historic Environment</b> - The District's historic environment will be protected and enhanced for its inherent value and for the enjoyment of present and future residents and visitors. Through a partnership approach, the Council will seek opportunities to promote the historic environment as a catalyst for enhancing the vitality of the District. Stratford-upon-Avon's historic townscape and street scene, and sites associated with William Shakespeare, are to be protected to maintain the town's international and cultural importance.</p> <p><b>Policy CS.9 Design and Distinctiveness</b> - All forms of development will improve the quality of the public realm and enhance the sense of place, reflecting the character and distinctiveness of the locality.</p> <p>High quality design of developments will be achieved by ensuring that all development is attractive, sensitive, distinctive, connected, environmentally sustainable, accessible, safe and healthy.</p> <p>The Council will support high quality design innovation where it reflects and complements the immediate local environment and maximises sustainability benefits.</p> <p><b>Policy CS.10: Green Belt</b> – Per the Policy, the purposes of the Green Belt will be upheld by resisting inappropriate development within it.</p> <p><b>Policy CS.13: Areas of Restraint</b> - Land designated as an Area of Restraint makes an important contribution to the character of the settlement. Development must not harm or</p> | <p>Warwick, interconnecting the waterways within the South Warwickshire Ring.</p> <p>Improved access is at the core of the River Avon Navigation Scheme. If developed, PBA would be more than happy to develop a sustainable management plan of the waterway and green infrastructure, something which is out of the scope of this socioeconomic study, but of importance to the proposed developments maintenance and protection in the future.</p> <p>If developed, the navigation opens the opportunities for day trips between Warwick and Stratford-upon-Avon, by boat. As a result, future visitors and residents alike of both key centres, will get to experience the historic delights of Shakespeare's home in a day.</p> |



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|          | <p>threaten the open nature of such areas, considering any possible cumulative effects. Projects which enhance the character and visual amenity of Areas of Restraint will be encouraged, as will the promotion of beneficial uses such as public access, nature conservation and food production.</p> <p><b>Policy CS.15: Distribution of Development</b> - The distribution of development in Stratford-on-Avon District during the plan period 2011 - 2031 will be based on a pattern of balanced dispersal, in accordance with the distinctive character and function of the wide range of sustainable locations across the District.</p> <p><b>Policy CS.16 Housing Development</b> – The Policy details that during the period of 2011 to 2031 approximately 3,500 homes will be developed in Stratford-on-Avon as part of at least 14,600 additional homes across the District.</p> <p><b>Policy CS.22: Economic Development</b> – the Policy supports development that provides for a wide range of business and commercial activity will be promoted in sustainable locations to support and foster the growth and competitiveness of the District's economy, provide more jobs and improve the vitality of the local business environment. Provision will be made for at least 35 hectares of employment land over the plan period 2011-2031. Opportunities for business development will be provided in the countryside, including farm-based activities.</p> <p><b>Policy CS.24: Tourism and Leisure Development</b> – The role of tourism will be increased by supporting the growth and improvement of existing attractions and by encouraging new attractions and dispersing them throughout the District to support the local economy and to provide the opportunity for local communities to enjoy the benefits that are derived.</p> <p>Increased access to and use of canals and navigable waterways in the District will be encouraged, including the provision of moorings and marinas where it respects and works with the natural features and function of the watercourse. Any proposed extension to or creation of new navigable waterways must ensure there are no overall detrimental impacts on the natural environment. Additional permanent moorings and marinas will only be supported where there is</p> | <p>Key housing developments along the River Avon have been highlighted and analysed in the Planned Development Section.</p> <p>The allocation of land surrounding the Navigation is reviewed in accordance with <b>Policy DS.15, DS.16</b> and <b>DS.22</b> in the <b>Chapter 5</b>.</p> <p>The development of the River Avon enables the area to remain attractive from a leisure perspective, an aspect which is important to enticing labour.</p> <p>Opening the Navigation will create not only a new attraction within the County, but it will establish a new link to various attractions in both Districts, thus promoting the local visitor economy.</p> <p>This study seeks to establish the Socioeconomics of opening the waterways between Stratford-upon-Avon and Warwick, in addition, a high level environmental statement will be provided. Both pieces of work aim to inform the clients of what the overall impacts of implementing the development will be on the local area.</p> |

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|          | <p>adequate access, availability of existing facilities such as transport links or shops, adequate water resources and foul waste infrastructure and it can be demonstrated that the Water Framework Directive status of navigable rivers will not deteriorate. Such schemes should not compromise the use or operation of existing navigable waterway features such as junctions or locks.</p> <p>All forms of tourism and leisure development should be sensitive to the character of the area and designed to maximise the benefits for the communities affected in terms of job opportunities and support for local services.</p> <p>Large-scale proposals for new and major extensions to existing tourism-related development, including accommodation, will need to be justified considering:</p> <ol style="list-style-type: none"> <li>1. the nature of the activity and whether it can only reasonably be located in a rural area;</li> <li>2. the nature of the existing site and its relationship to the local area;</li> <li>3. its impact on the character of the local landscape and settlements, including historic and natural features;</li> <li>4. the benefits that the scheme offers to the local communities;</li> <li>5. the benefits that the scheme would secure to wider economic or environmental interests;</li> <li>6. the relationship between the development and major transport routes and impact on the highway network; and</li> <li>7. the accessibility of the site by existing public transport and the scope to improve services.</li> </ol> <p><b>Policy AS.1 Stratford-upon-Avon –</b> The Policy sets out the following principles in considering development proposals and other initiatives relating to the Stratford-upon-Avon area, of relevance to the Navigation Scheme:</p> <ul style="list-style-type: none"> <li>▪ <b>Environmental:</b> <ol style="list-style-type: none"> <li>1. Enhance the River Avon corridor through the town for its biodiversity, recreational and flood management value;</li> <li>2. Improve linkages between key biodiversity areas and corridors, including the river, the racecourse and Welcombe Hills;</li> </ol> </li> </ul> |   |

| Document   | Key Policies and Priorities   | Implications for Avon Navigation Scheme  |
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|  | <ol style="list-style-type: none"> <li>3. Provide additional access to natural accessible greenspace given the shortfall against the standard set out in Policy CS.25 Healthy Communities;</li> <li>4. Improve the appearance and image of the Stratford Enterprise Park; and</li> <li>5. Apply measures relating to the Air Quality Management Area designated for the town.</li> </ol> <ul style="list-style-type: none"> <li>▪ Social: <ol style="list-style-type: none"> <li>1. Provide additional parks, gardens and amenity greenspace</li> </ol> </li> <li>▪ Economic: <ol style="list-style-type: none"> <li>2. Provide opportunities for existing companies to expand and to attract new companies to the town;</li> <li>3. Support uses which create a diverse and prosperous night-time economy for residents and visitors; and</li> <li>4. Improve the quality and variety of the visitor experience.</li> </ol> </li> </ul> <p><b>Policy CS.25: Healthy Communities</b> - The provision of new and enhanced community, cultural, sport and leisure facilities will be encouraged as a way of promoting healthy, inclusive communities. New open space provision is to be designed to complement and enhance the existing open space provision in the area. Where appropriate, improvements to the quality and/or accessibility of existing provision will be sought.</p> <p><b>Policy CS.26: Transport and Communications</b> - Development will only be permitted if the necessary mitigation is provided against any unacceptable transport impacts which arise directly from that development. This will be achieved, as appropriate, through measures such as the provision of new, and the improvement of existing, pedestrian and cycle routes.</p> <p>The Policy details a number of areas of land which have been safeguarded for transport infrastructure requirements.</p> |  |
| <p><b>Stratford-on-Avon District Council</b></p> <p><b>Development Requirements Supplementary Planning</b></p> | <p>The Council are preparing a Development Requirements Supplementary Planning Document (SPD) to provide additional guidance on the interpretation and implementation of a number of policies within the Core Strategy.</p>   | <p>The production of the SPD by the Council would allow further guidance on topics such as design, parking, affordable housing and planning obligations for developments such as the Avon Navigation Scheme. Such a document would be useful to provide and guide towards the Councils</p> |

| Document   | Key Policies and Priorities   | Implications for Avon Navigation Scheme   |
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| <b>Document (SPD) (TBC)</b>  | At the time of writing this report, the SPD was not available and as such has not been reviewed as part of this work.   | requirements and aspirations for future developments across the District.   |
| <b>Stratford-on-Avon District Council</b><br><br><b>Stratford-on-Avon Neighbourhood Development Plan (NDP) 2011-2031</b><br><br><b>Submission Version - April 2017</b> | <p>The Localism Act of 2011 introduced three new tools to help local communities shape planning in their area. A Neighbourhood Plan establishes a vision and general planning policies, as well as proposals for the future development and use of land in a local area.</p> <p>A Neighbourhood Plan forms part of the district's local development plan and will be a significant consideration when decisions are made on planning applications within the plan's area.</p> <p>A Plan is currently "in progress" for Stratford-upon-Avon. The Submission version (April 2017) for the Development Plan Period 2011 – 2031 has been reviewed.</p> <p>The Stratford-upon-Avon Neighbourhood Development Plan sets out to ensure that future development respects the character of the town, is supported by adequate infrastructure and brings benefits to the community.</p> <p>This vision for the Neighbourhood Area in 2031 is based on extensive consultation and feedback from residents:</p> <ul style="list-style-type: none"> <li>▪ Stratford-upon-Avon will still be instantly recognisable as an historic market town in a beautiful riverside setting. It will have absorbed the additional housing required by SDC but retained its charm and individuality; the historic core will have been sympathetically enhanced and run-down areas redeveloped;</li> <li>▪ For residents, the town will be liveable: compact, walkable, attractive with good public spaces, culture, a strong local economy and housing choice;</li> <li>▪ Stratford-upon-Avon will also continue to act as a centre for the surrounding area for shops, services and jobs;</li> <li>▪ The town will be much better at accommodating and managing visitors;</li> <li>▪ There will have been an integrated approach to investment in infrastructure and transport, traffic will be less intrusive, and congestion will have been reduced and managed effectively;</li> </ul> | <p>The Stratford-on-Avon NDP provides feedback from the local community of what they would like to see happening with the Stratford-on-Avon Neighbourhood throughout the Plan period (2011 - 2031). As such, this document provides an informed basis of the delivery requirements the community have in order to support the delivery of a project.</p> <p>The Avon Navigation Scheme should consider the vision, objectives and policies associated with the NDP to enable a development receptive to the needs of the existing community and their aspirations for the future.</p> |

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|          | <ul style="list-style-type: none"> <li>Tiddington and Alveston will have retained their separate identities; and</li> <li>Stratford-upon-Avon will be greener with more soft landscaping, trees, open spaces and green corridors linking the town to the countryside.</li> </ul> <p>Objectives to achieve the Plans vision, which are of relevance to the Navigation Scheme, are as follows:</p> <ul style="list-style-type: none"> <li>Promoting new high-quality employment opportunities in appropriate locations and encouraging the retention of existing employers in the Neighbourhood Area;</li> <li>Improving the visitor experience in the Town Centre;</li> <li>Protecting the town's heritage;</li> <li>Improving access and movement within the Town Centre;</li> <li>Promoting high quality sustainable design;</li> <li>Promoting a strong and healthy community;</li> <li>To improve pedestrian and cycle connectivity; and</li> <li>Provide green spaces and exercise facilities for the enjoyment of residents and to promote an active community.</li> </ul> <p>Policies of relevance to the Navigation Scheme include the following:</p> <p><b>Policy E3: Promoting Employment Associated with Culture, Media and Tourism</b> - Proposals for cultural, media and tourism-based services within the Neighbourhood Area will be supported.</p> <p><b>Policy TC4: Rother Street and Rother Market</b> - Proposals to encourage Rother Street shopping and the Rother Market to become more established as a key anchor area shall be supported</p> <p><b>TC Project 6: Cycling in the Town Centre</b> - Proposals for safer cycling within the Town Centre will be actively encouraged and implemented in consultation with the County Council and amenity groups.</p> <p><b>Policy BE1: Creating a Strong Sense of Place</b> - All developments must demonstrate a high standard of design and layout. All large-scale developments are expected to achieve this through the following ways:</p> <ol style="list-style-type: none"> <li>Permeability - the ability to move freely and effectively through a development to reach</li> </ol> |   |

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|          | <p>destinations by a choice of access routes, clear definition of public and private spaces and the integration and connection of the development into the surrounding area and adjoining developments;</p> <p>b. Variety - the experience of a choice of varied uses and activities, building types and forms, and the interaction of buildings, uses and people within a development and quality of the public realm; and</p> <p>c. Legibility - the quality and function of a place defined by nodes, landmarks, strong building blocks and lines, linkages and community cohesion.</p> <p><b>Policy BE2: Responding to Local Character</b> - All development proposals must demonstrate how local character has been considered during the conception and evolution of a design.</p> <p><b>Policy BE5: Designing Out Crime</b> - All development proposals are expected to demonstrate how design has been influenced by the need to plan positively to reduce crime, the fear of crime and how this will be achieved.</p> <p><b>Policy BE6: Design Quality</b> - All new development should demonstrate that it has taken account of best practice to achieve high levels of sustainability and safety. Appropriate measures to deal with climate change should be demonstrated together with the use of sustainable drainage systems.</p> <p><b>Policy BE7: Effective and Efficient Use of Land</b> - All development proposals must demonstrate an effective and efficient use of land.</p> <p><b>Policy BE10: Designated Heritage Assets</b> - All proposals must as a minimum preserve the important physical fabric and settings of listed buildings and ancient monuments.</p> <p><b>Policy NE2: River Avon Biodiversity Corridor</b> - Proposals within the Flood Zones of the River Avon will be required to show that they will not damage the river's role as a biodiversity corridor or linkages between the river and other important biodiversity sites. Proposals which positively enhance or contribute to the environmental quality of these areas will be supported.</p> <p><b>INF Project 6: Dedicated Pedestrian and Cycle Routes</b> - A network of new and improved pedestrian and cycle paths will be created within</p> |   |

| Document | Key Policies and Priorities   | Implications for Avon Navigation Scheme |
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|          | <p>the Neighbourhood Area. Development proposals will be expected to demonstrate how pedestrian and cycle links have been incorporated throughout the development and how the development connects to the existing infrastructure.</p> <p><b>Policy CLW3: Protecting and Enhancing Existing Open Spaces</b> - It is important to protect and enhance existing open spaces in order to ensure a suitable quantum and quality of recreational and amenity space is available for the Neighbourhood Area.</p> <p><b>Policy CLW5: Walking and Cycling Routes</b> - The Neighbourhood Area has a wealth of public routes and rights of way which should be protected, enhanced, expanded and positively utilised in all new development. New development must demonstrate how walking and cycling opportunities have been incorporated and connections made to existing routes.</p> <p><b>CLW Project 2: Promoting New Strategic Green Open Spaces</b> - In order to ensure that there is sufficient green open space for the growing population the following proposals, of relevance to the Navigation Scheme, will be promoted:</p> <ol style="list-style-type: none"> <li>A green corridor or 'necklace' around Stratford-upon-Avon incorporating footpaths and cycle routes that are connected and accessible to all users. The necklace should include extensive native tree planting to encourage biodiversity and enhance the natural environment. Developments on the edge of town must demonstrate how they contribute to the creation of the green necklace and how they connect to it; and</li> <li>The integration and connection between developments for pedestrians and cyclists in order to enhance permeability between green open spaces.</li> </ol> <p><b>Policy CLW8: Reducing Levels of Air, Noise and Water Pollution</b> - Where appropriate, development proposals will be required to demonstrate how measures to minimise the impact of pollution have been considered.</p> <p><b>Policy SSB1: Canal Quarter Regeneration Zone</b> - Developments that would deliver an enhancement to the canal corridor through the release of previously developed land and buildings for redevelopment comprising mixed</p> |   |



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|          | <p>uses will be supported. In particular it is expected that:</p> <ul style="list-style-type: none"> <li>a. Existing commercial uses and development would be relocated from the canal side to more appropriate locations such as the proposed Employment Site in Core Strategy Proposal SUA.2;</li> <li>b. New development along the canal would be primarily residential, of no more than 4 stories, with some supporting mixed uses;</li> <li>c. A linear park of at least 5m in width on at least one side of the canal would be provided incorporating landscaping and pedestrian and cycle access; and</li> <li>d. New development would front onto the canal to enhance appearance and make a safer and more inclusive environment.</li> </ul> |   |

## Appendix E List of Stakeholders

|   |
|---|
| Alveston Residents Group                              |
| Avon Boating  |
| Avon Navigation Trust                                 |
| Canal & River Trust                                   |
| Canal and River Tours                                 |
| Charles Cadogan (South Bank Farmer)                   |
| Charlecote Parish Council                             |
| Chris Taylor (Owner of Castle Park, Warwick)          |
| Councillor Colin Quinney                              |
| Councillor Kate Rolfe                                 |
| Councillor Peter Richards                             |
| Coventry and Warwickshire LEP                         |
| Dave Webb   |
| David Tucker  |
| Derrick William Clark (North Bank Farmer)             |
| Environment Agency                                    |
| Hampton Lucy Parish Council                           |
| Highways England                                      |
| Historic England                                      |
| Jamie Dewhurst (North Bank Farmer)                    |
| Jephson's Farm  |
| Jeremy Clay (North Bank Farmer)                       |
| Karl Grevatt – Hampton Lucy Miller at Charlecote Mill |
| Leamington Spa Angling Association                    |
| Liz Ogg (Westham Farmer)                              |
| National Trust  |
| Natural England                                       |
| Robin Smith-Ryland                                    |
| Shakespeare's England                                 |
| Stratford-On-Avon District Council                    |
| Tim Morgan (Westham Farmer)                           |
| Vale Fresco (Nick Mauro)                              |
| Warwick Boat Club                                     |
| Warwick Castle (Merlin Entertainment)                 |
| Warwick Castle Park Trust                             |
| Warwick Chamber of Trade                              |
| Warwick District Council                              |
| Warwick Society                                       |
| Warwick Town Council                                  |
| Warwickshire County Council                           |
| Warwickshire Wildlife Trust                           |

## Appendix F ANT Costs

### NOTES TO CONSTRUCTION ESTIMATE – ANS

14-10-18

Current prices and costs are from a number of sources:

ANT ( A )

CRT ( C )

Hawkesford's Estate Agents ( H )

Faithful & Gould ( FG )

Mabey Hire ( MH )

The Constructive Group ( CG ) ( Crouch Waterfall )

Mike Sheard, Proj Mgr ( MS )

Industry Standard ( IS )

The Inland Waterways Association ( IW )

All are considered to be generously biased high.

1. The costs of Locks, Weirs, Bridges, Cuts, Extraction, Disposal and Land Purchase have been estimated, including allowances for all labour, materials, plant and legal permissions.
2. Volumes, quantities and dimensions are biased high with obvious potential savings of materials, excavation and disposal ignored. For example the Barford Canal and other sites are likely to yield saleable materials but no account has been taken of this. All spoil is assumed to be taken off-site.
3. The cost of site investigation and refinement of mass concrete lock design and construction method has been included for Warwick lock flight ( CG ).
4. An allowance has been made in the main figure for the cost of reports or studies, EIS, etc., which local authorities may require. The experience of ANT suggests that a budget figure of £50k per site should be used.
5. An allowance of 5% has been added to the full cost to cover for Consultant Engineering, Architect Fees and Project Management ( MS ).
6. An allowance of £300,000 has been included as the estimate for obtaining the high level legal authority, Transport and Works Order, etc.
7. No account has been made of the possible need for and the cost of archaeology on any of the sites. The Warwick Castle lock site is perhaps the most potentially sensitive.
8. No account at this stage has been taken of the cost of environmental enhancements. In particular these may include the old river channel at Hampton Lucy and a possible new shallow channel at Barford. These are likely to involve relatively simple earthmoving and offer benefits for little expense.
9. Dredging is difficult to estimate since no need for any major dredging is apparent nor is it proposed. A budget figure is however included ( A ).
10. Two models of lock design are developed for the Tiddington site, a Shallow and Deep design. These are then applied as relevant to individual sites with costs in proportion to gate height.
11. The Shallow version is assumed to be built in or close alongside the river channel and require little or no land acquisition. Three rows of piles are required: one alongside the bank and two to form the lock island. Allowances are made for cut backs at each end.

12. The Shallow version requires a new shallow weir alongside. These together with lock moorings are costed separately.
13. The Deep Lock version is built alongside an existing weir or on a canal route. These are thus dry land construction sites. Two rows of piles are required to form the lock walls. Allowances are made for cut backs at each end.
14. Piles are proposed to be driven 2.5 M below the finished lock floor (A). Other dimensions, standard draught, lift and freeboard are as shown.
15. Larssen piles to be used for lock structures and weirs. M13 Galvanized for moorings (MH).
16. Concrete is proposed for all gate cills and seatings. Floors for piled locks to be approx 1.0 M reinforced concrete (A).
17. Concrete cost is taken as £70 per cu m (IS). All concrete is estimated to require reinforcement at 1% of cross-sectional area (IS). In practice this is an overestimate since whilst floors need this percentage, areas of mass side walls of fully concrete locks do not. Reinforcement is taken as £75 per cu m of concrete placed (IS). Formwork is estimated at 10% of concrete cost and placement at 50% of concrete plus reinforcement cost (MS).
18. Gates are proposed as steel single leaf wherever possible. To be of buoyant tank construction with sockets in heel post and pin on lock floor. Shallow locks to be fitted with four paddles in top gates. Elsewhere two paddles as current practice. French paddle gear, tubular bars and buoyant paddles (A).
19. Other cost elements, rock for weir reinforcement, tie-backs for lock walls, etc are hopefully self explanatory.
20. Rock for Tiddington Weir stabilisation calculated as follows. Nominal weir length 15 M. Nominal water depth 2 M. Rock slope 1:3. Rock density 2.5. Packing Fraction 80%. Hence:  $15 \times 2 \times 6 \times 0.5 \times 2.5 \times 0.8 = 180$  tonne.
21. The lock and weir costs for other sites are based on the Tiddington costs and are in proportion to the nominal gate height. This cost escalation only fully applies to the bottom gates but is a useful over estimate. Gate height is taken as standard draught plus lift plus freeboard. A number of cost elements are fixed e.g. Lock Floors, Piling below water line, Paddle Gear, etc, however this approach is deemed to provide a sensible margin at this stage.
22. Excavation volumes for lock sites and cuts are mostly taken from the UANT Brochure. The Barford Canal volumes have been recalculated on the following basis. Length = 900 M. Depth of water = 1.5 M. Bed Width = 8.5 M. Surface of water below ground level at central section = 4.5 M. Length of central section = 400 M. Immersed side slope = 1:1. Towpath on east side 3 M wide with 1 M freeboard. Slope above water = 1:3. The ground slope at north and south ends is assumed to result in 50% of centre volume, but in practice will be less.
23. Land areas required are based on desk-top site surveys. It is assumed that at Edmondscote lock flight the flight will swing well away from the line of the canal as it descends in order not to compromise the stability of the canal embankment and aqueduct.
24. The flight of four locks at Edmondscote is perhaps the area of greatest uncertainty. Costs have been prepared on the basis of only the land area required for a navigation passage, but also assuming that all spoil will need to leave the site. This may not be the case. The nature of the site suggests the possible construction of a multi-level marina utilising all extracted material.
25. Two costs are provided for Edmondscote, firstly based on standard ANT piled locks and secondly, the extra cost of non-piled mass concrete structures. The final total assumes mass concrete will be employed at this site.

26. The new canal junction at Edmondscote will involve diverting the fibre optic cable that is laid in the towpath, either down into the canal bed or carried under the new junction footbridge.

27. On the above rules and assumptions two costs have been determined for the project, which reflect the choice of route near Barford, either via a new canal or following the river channel.

Canal Route: £12.2M

River Route: £9.1M

## Appendix G Construction Phase Assumptions

The construction of the project will initially generate benefits to the local economy through the employment and support of construction employees in the surrounding area as described above. In turn, it is expected that there would be an additional uplift of Gross Value Added (GVA)<sup>63</sup> to the local area. This benefit is calculated by dividing the overall cost of the scheme by what it takes to support one construction worker for one year in the region (1 Person Year or Gross Jobs). This is equal to £194,844 in the West Midlands<sup>64</sup>.

Additionality factors are applied to gross construction employment to calculate the net employment estimated in each spatial area. The spatial areas are: Local Area (Stratford-upon-Avon and Warwick); Warwickshire; and England. These can be found in the table below. The additionality factors are explained below:

- **Leakage** – This reflects the proportion of employment opportunities accessed by people living outside the spatial area. Given the connectivity of the local area and the transient nature of construction employment, it is expected that 25% of jobs would go to residents of areas other than Stratford-upon-Avon and Warwick. Furthermore, it is expected that 10% of construction jobs would go to non-Warwickshire residents. It is assumed that all construction work would be contained to Midlands residents;
- **Deadweight** – This is the proportion of activity that would take place regardless of intervention. Given the level of residential development in the Warwick/Leamington Spa area, it is expected that 20% of construction employment would have happened anyway. This gradually increases the larger the spatial area, with deadweight being relatively high in the Warwickshire and England spatial areas;
- **Displacement** – This is the proportion of the employment benefits accounted for by a reduction in benefits elsewhere i.e. the larger the spatial area, the greater the competition for resources (employment), as a result the level of displacement increases; and
- **Multiplier** – This reflects estimated further economic activity associated with additional income and supplier purchases (i.e. indirect and induced expenditure). ONS Input – Output tables for England have been used. Note, it is assumed that Warwickshire will capture 80% of the national multiplier and that the Local Area is 60% of the Warwickshire multiplier.

The number of net jobs is multiplied by the GVA per construction worker in the West Midlands - £28,120<sup>65</sup>, to generate a total GVA for the construction element of the ANS. It may also be appropriate to assume community benefits clauses in construction contracts, resulting in the support of apprenticeships and/or trainees. The CRT model assumes this to be 4%.

|              | Study Area | Warwickshire | England |
|--------------|------------|--------------|---------|
| Leakage      | 25%        | 10%          | 0%      |
| Deadweight   | 20%        | 45%          | 50%     |
| Displacement | 10%        | 15%          | 25%     |
| Multiplier   | 1.68       | 1.85         | 2.06    |

<sup>63</sup> Gross Value Added (GVA) is a measure of economic growth within a particular area.

<sup>64</sup> ONS Employment and Turnover Count – March 2017

<sup>65</sup> ONS Data on GVA by Industry by Region

## Appendix H Operational Phase Assumptions

- 9.2.3** A separate set of additionality factors are then accounted for that differ from the construction industry, these can be found in

### Additionality Factors – Additional Boats

|              | Local Area | Warwickshire | England |
|--------------|------------|--------------|---------|
| Leakage      | 15%        | 2%           | 0%      |
| Deadweight   | 10%        | 80%          | 90%     |
| Displacement | 10%        | 35%          | 50%     |
| Multiplier   | 1.25       | 1.41         | 1.52    |

**Leakage** – This is the proportion of employment opportunities accessed by people living outside the spatial area being considered. Given the connectivity of the local area, it is expected that 15% of jobs would go to people out with Stratford-upon-Avon and Warwick. Due to the relatively lower than average wage expected within each of the analysed industries, it is expected that few people would travel from out with the Warwickshire area to work in the local area. Similarly, it is expected that 0% of the jobs would go to people living out with England.

- **Deadweight** – This is the proportion of jobs that would take place regardless of intervention. Given the popularity of each visitor market (Stratford-upon-Avon and Warwick), it is expected that deadweight would sit at 10%. This gradually increases the larger the spatial area, with deadweight being relatively high in the Warwickshire and England i.e. the number of tourism jobs expected to happen anyway.
- **Displacement** – This is the proportion of the employment benefits accounted for by a reduction in benefits elsewhere i.e. the larger the spatial area, the greater the competition for resources (employment), as a result the level of displacement increases;
- **Multiplier** – This is the estimated further economic activity associated with additional income and supplier purchases (i.e. indirect and induced expenditure). The multipliers have been sourced from the ONS Input – Output tables for England<sup>66</sup>. Note, that the Warwickshire area is 80% of the English multiplier and the Local Area is 60% of the Warwickshire multiplier.

Industry Turnover, Employees and Support for 1 year of Employment<sup>67</sup> (West Midlands)

|                                    | Employees      | Industry Turnover (£,000s) | Support for 1-year Employment (£) |
|------------------------------------|----------------|----------------------------|-----------------------------------|
| Retail                             | 264,388        | 27.14                      | 102,656                           |
| Accommodation + Food Services      | 107,014        | 3.78                       | 35,316                            |
| Arts, Entertainment and Recreation | 89,879         | 22.09                      | 254,887                           |
| <b>Tourism Sector Avg.</b>         | <b>153,760</b> | <b>17.93</b>               | <b>130,953</b>                    |

<sup>66</sup> ONS Input – Output Tables – Based 2014

<sup>67</sup> ONS Employment and Turnover Count – March 2017




Additionality Factors – Additional Boats

|              | Local Area | Warwickshire | England |
|--------------|------------|--------------|---------|
| Leakage      | 15%        | 2%           | 0%      |
| Deadweight   | 10%        | 80%          | 90%     |
| Displacement | 10%        | 35%          | 50%     |
| Multiplier   | 1.25       | 1.41         | 1.52    |

Additionality Factors – Additional Boats

|              | Local Area | Warwickshire | England |
|--------------|------------|--------------|---------|
| Leakage      | 15%        | 2%           | 0%      |
| Deadweight   | 10%        | 50%          | 80%     |
| Displacement | 10%        | 15%          | 25%     |
| Multiplier   | 1.25       | 1.41         | 1.52    |

|   |   |                                     |
|---|---|-------------------------------------|
|  <b>Executive</b><br><b>6 February 2019</b>  |   | <b>Agenda Item No.</b><br><b>12</b> |
| <b>Title</b>  | IT Equipment for Councillors 2019 to 2023   |                                     |
| <b>For further information about this report please contact</b>   | Graham Leach Democratic Services Manager & Deputy Monitoring Officer<br><a href="mailto:graham.leach@warwickdc.gov.uk">graham.leach@warwickdc.gov.uk</a> 01926 456114<br><br>Ty Walter ICT Manager<br><a href="mailto:ty.walter@warwickdc.gov.uk">ty.walter@warwickdc.gov.uk</a> 01926 456651 |                                     |
| <b>Wards of the District directly affected</b>  | None  |                                     |
| <b>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?</b> | No  |                                     |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   |   |                                     |
| <b>Background Papers</b>  |   |                                     |

|  |            |
|--|------------|
| <b>Contrary to the policy framework:</b>   | No         |
| <b>Contrary to the budgetary framework:</b>  | No         |
| <b>Key Decision?</b>   | No         |
| <b>Included within the Forward Plan? (If yes include reference number)</b>   | Yes<br>851 |
| <b>Equality Impact Assessment Undertaken</b>   | No         |
| One is not required because no revision in service is proposed and the additional features will have their own assessment undertaken as part of their development. |            |

| <b>Officer/Councillor Approval</b>     |             |                |
|--|-------------|----------------|
| <b>Officer Approval</b>                | <b>Date</b> | <b>Name</b>    |
| Chief Executive/Deputy Chief Executive | 15/1/19     | Andrew Jones   |
| Head of Service                        |             |                |
| CMT                                    | 15/1/19     |                |
| Section 151 Officer                    | 15/1/19     | Mike Snow      |
| Monitoring Officer                     | 15/1/19     | Andrew Jones   |
| Finance                                | 15/1/19     | Andrew Rollins |
| Portfolio Holder(s)                    | 15/1/19     | Andrew Mobbs   |

| <b>Consultation &amp; Community Engagement</b>   |    |
|--|----|
| The report has been developed with the direction of the Councillor IT Working Party, which comprises of Councillors Boad, Coker, Cooke, Howe, Margrave and Weed. |    |
| <b>Final Decision?</b>   | No |
| <b>Suggested next steps (if not final decision please set out below)</b>   |    |
| The proposed fee for the disposal of the iPads would need to be agreed by Council  |    |

## 1. **Summary**

- 1.1 The report brings forward the recommendations from the Councillor IT Working Party in respect of IT provision to Warwick District Councillors from 2019 to 2023.

## 2. **Recommendation**

- 2.1 That the Executive approve for all Councillors to be provided with a 9.7 inch iPad with 32GB capacity and cellular capability and note the funding of £16,500 will be from the ICT equipment renewal reserve.
- 2.2 The Executive approves mobile data for the Leader, Portfolio Holders, Committee Chairmen, Group Leaders and on the provision of a business case by the Councillor to be considered by the Councillor IT working party.
- 2.3 The Executive notes the information already available to Councillors electronically and welcomes the expansion of this along with additional training and support/promotion.
- 2.4. The Executive approves that printers will not be provided to Councillors unless there is a specific requirement due to a disability as defined within the Members' Allowances Scheme.
- 2.5 The Executive agrees that the current iPads used by Councillors (including their cases they come with) are disposed of at a cost of £150 with them being offered to Councillors, then staff as set out in paragraph 3.10.
- 2.6 The Executive confirms that any WDC printers held by Councillors can be kept, at no charge, by the Councillor if they wish to keep them.
- 2.7 The Executive confirms that after the WDC election, the Councillor ICT working party is retained with membership from each of the Political Groups on the Council plus a member of the Executive.
- 2.8 The Executive supports the production of data handling agreement for Councillors which supplements the current Information Security and Conduct Policy specifically for Councillors and looks forward to considering this at either its March or April meeting.
- 2.9. That the Executive note that in line with agreed Policy so long as Warwickshire County Council are agreeable the Councillor can install the Office 365 and CMIS on their WCC tablet, however this would not provide access to the intranet.

## 3. **Reasons for the Recommendation**

- 3.1 Prior to the 2015 Election officers had very clear guidance that email was the primary application for members and that they wanted to access this on a lightweight, portable device. However, this device still needed to be large enough to read and create documents. This steered us towards a tablet and once that decision was made, there was no real choice but to provide Apple devices for two reasons: security and the availability of Apps. The mapping App and Committee papers app provided at the time were only available on iOS. The choice of Apple was also the preference of ICT's portfolio holder at the time.

- 3.2 The iPads currently used by Councillors are a mixture of devices but the most prevalent model is an iPad Air WiFi & Cellular 32GB. These were purchased with an expected lifespan of four years (the duration of the Council), this was based on the evolution of technology, battery life and that Apple stop providing software updates for older models. This was built into the IT replacement programme and budgetary provision has been made for this.
- 3.3 The Councillor IT Working Party have reviewed this provision ahead of the election next in May 2019 and they support maintaining the flexibility of a mobile tablet device, recognising that many members also had a laptop or PC at home for accessing Microsoft Office 365 if they chose to do so.
- 3.4 Although maintaining a tablet was the working parties consensus, whether that is an Android device or an Apple device is less clear cut. Nevertheless there are a few items for consideration:
- With the loss of the mapping App, then the requirement to choose Apple is removed;
  - In terms of security iOS vs Android, it is still stacked heavily in Apple's favour: There is more malware aimed at Android devices, it gets through more often, and security updates are slower in rolling out (not least because Google's hardware partners are involved as well as Google). Apple devices aren't invulnerable to hacking attempts, but they are much more tightly locked down, and you don't have to worry about security quite so much. While Android security has improved; buy from a reputable vendor, stick to the Google Play Store, apply some common sense, and you'll probably be fine—but it's fair to say you do need to be a little more on your guard. Given this, and given the broad spectrum of IT capabilities of members, some members may feel more reassured when using an iOS device.
  - Anecdotally, the ICT Helpdesk does have less issues with Apple devices than Android and this is believed to be because the Apple devices are locked down tighter whereas the Android devices tend to be re-skinned by the vendor. Again, given that members tend to use their devices outside of the Helpdesk support hours, and that there are very few calls relating to the operation of Apple devices, members may consider this another benefit.
  - It could also be suggested that both an iOS and Android based device are offered to Councillors for them to choose from. However it is most cost efficient to support a single type of device (through less training and sundries required) and the iOS platform is considered to be more intuitive when supporting a broad range of IT skills.
  - In terms of price, there is a need to be very careful when comparisons are made. Clearly you can buy some very cheap Android devices, and that is one of their benefits. However, you do need to be mindful of build quality and processor power. Therefore, depending on the Android model, iPads are not vastly more expensive.
- 3.5 Based on the above, the Working Party were of the view that the new device should be iOS (Apple) based product. They then considered the size of the device to be provided but after consideration of cost they were of the view that the 9.7inch model provided the best value for money for the needs of the Councillor. They also recognised the cost benefit in purchasing devices, which if needed, could take a sim card (i.e. make it a cellular device) to enable

Councillors to access information when they did not have a wifi connection. This allows flexibility within other decisions that needed to be taken.

- 3.6 The Working Party considered in great detail the need for Councillors to be able to use their iPad and have a data connection at all times (through wifi or 4G) to enable them to work effectively. Considering the information available, including feedback from Councillors, the majority of Councillors work is completed on a wifi network either at home or within the Town Hall/Riverside House. The Working Party recognised the need for Councillors to attend meetings in other venues but that the information could be downloaded to the Council owned device and accessed at the venue without need for a network connection. They looked at the level of data usage by Councillors who currently had 4G access and the two key user groups were the Leader and those Councillors who work. The Working Party recognise the need for the Leader, Portfolio Holders, Committee Chairman and Group Leaders to be in regular contact with officers over various matters and that the current budget only allowed enough for 31 Councillors to have 4G access. Therefore they considered the approach outlined in recommendation 2.2 was the best way forward at this time.
- 3.7 A significant amount of data is already available for Councillors to access via their Council device and account as set out at Appendix 1 to the report. Progress has been made in enabling further information to be accessed, for example the intranet. In discussions with the Councillor ICT working party it has been established that further areas shall be investigated for making available via the mapping tool as well as a homepage for members to use as a sign post to various council services such as the constitution. These also listed at Appendix 1 and will be detailed within the [2019/20](#) ICT Services Digital Work Programme, considered elsewhere on this agenda.
- 3.8 The Council makes its Committee papers (including those confidential ones) available to Councillors on Council devices through a secure app. The app provides the ability for annotation, in a number of ways, on any agenda by the individual member. This is going to be promoted to all Councillors (with a WDC device) in January 2019 following an upgrade to the system and the server it sits on. This is with the view of the Working Party that more Councillors should be using electronic agendas instead of paper based agendas. In doing this it contributes to the Council being more sustainable through reducing printing and paper consumption (a cost of £4900 per annum) but also the reduction in road miles an agenda travels to be delivered) and reduces the cost of postage to the Council (£3800 per annum).
- 3.9 With the increased information available to members there will need to be regular support and training opportunities for members throughout the life of the Council 2019-2023. These will be considered and built into the Member Development Programme for the future years to help members get the most benefit from the information available to them.
- 3.10 There will be some residual level of value for the device and those current Councillors who either do not seek election or who are not re-elected may wish to keep the device. There may be some spare devices and it is considered appropriate these are offered to staff to buy with those interested being selected at random via a draw. It is considered that £150 would be a reasonable sum of money for this and this would contribute to the provision of any new iPads. The Council is content for the devices to be sold in this way but the device would need to be reset first by the ICT Services Team to ensure all

Council data is removed and also to remove the applications which manage the device for the Council.

- 3.11 It is considered that any printers that have been allocated to Councillors will now be life expired as some are nearly eight years old. Again Councillors who either do not seek re-election or who are not re-elected may wish to keep them but this will be without charge and those that do not want to keep them can pass them to the Council for disposal, in line with our Waste Electrical Equipment procedure.
- 3.12 The Executive has previously agreed not to provide printers to Councillors unless there was a specific personal reason for them requiring one. These cases are considered in consultation with the relevant Group Leaders. This approach does not need to change except that decision should be taken in consultation with the Councillor ICT Working Party.
- 3.13 The Councillor IT Working Party has been an exceptionally useful working party for resolving issues and considering both the detail/strategic issues of IT provision to members. It is considered that this Group should continue after the election with a view to meeting more often (if necessary in a virtual setting) to not only to continue the development of IT for members but also to act as advocates for the technology being used.
- 3.14 The secure handling of data is an important area of good governance for the Council, not only the personal information Councillors handle but also the commercially sensitive information. Consideration has been given to this matter and officers are mindful that Councillors use their own device to access Council information and also have paper copies of information with no guidance on destruction of these. The policy is being developed between the Councillor IT working party and the Information Governance Manager for the Council.
- 3.15 It was recognised that Councillors are permitted to use their own personal device to install some apps and therefore there should be no restriction in them using their WCC device in a similar manner if they so wished.

#### 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.

| <b>FFF Strands</b>                                   |   |  |
|--|---|--|
| <b>People</b>  | <b>Services</b>                                   | <b>Money</b>                                     |
| <b>External</b>                                      |   |  |
| <b>Health, Homes, Communities</b>                    | <b>Green, Clean, Safe</b>                         | <b>Infrastructure, Enterprise, Employment</b>    |
| <u>Intended outcomes:</u><br>Improved health for all | <u>Intended outcomes:</u><br>Area has well looked | <u>Intended outcomes:</u><br>Dynamic and diverse |

|   |   |   |
|---|---|---|
| Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities   | after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and ASB                    | local economy<br>Vibrant town centres<br>Improved performance/ productivity of local economy<br>Increased employment and income levels  |
| <b>Impacts of Proposal</b>  |   |   |
| Not applicable  | Not applicable  | Not applicable  |
| <b>Internal</b>   |   |   |
| <b>Effective Staff</b>  | <b>Maintain or Improve Services</b>   | <b>Firm Financial Footing over the Longer Term</b>  |
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours | <u>Intended outcomes:</u><br>Focusing on our customers' needs<br>Continuously improve our processes<br>Increase the digital provision of services | <u>Intended outcomes:</u><br>Better return/use of our assets<br>Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money |
| <b>Impacts of Proposal</b>  |   |   |
|   | <i>The report looks to the needs of the new Council due to be elected in May 2019</i>   | <i>The report brings forward proposals that are within current budgets but empowers councilors to provide more information direct too their constituents.</i>                           |

- 4.2 **Supporting Strategies** - Each strand of the FFF Strategy has several supporting strategies and the relevant one for this proposal is the digital transformation strategy. The aim of this report is to act as an enabler for Councillors to work with improved information that reduces their need to contact officers.
- 4.3 **Changes to Existing Policies** - There are no proposed changes to existing policies.
- 4.4 **Impact Assessments** - An assessment is not required because no revision in service is proposed and the additional features will have their own assessment undertaken as part of their development.
- 5. Budgetary Framework**
- 5.1 There is no impact on the budgetary framework.
- 5.2 The report proposes drawing down £16,500 from the ICT equipment renewal reserve.
- 6. Risks**



- 6.1 The most significant risk associated with the decisions of this report is not knowing the outcome of the 2019 District Council elections. This is because the new Council may wish to undertake a significantly different approach to work for the Councillors. However the decision needs to be taken at present based on current understanding to enable the provision to be in place for the arrival of the new Council.

## **7. Alternative Option(s) considered**

- 7.1 The Councillor IT working Party considered a number of options in respect of IT provision to Councillors, the significant ones of these are set out within the reasons for the recommendation.
- 7.2 The iPads currently provided to Councillors have a residual value on the open market of between £100 and £180 depending on the condition and warranty offered. Therefore, more money could reasonably be requested for the sale of the iPad but because these have already been recognised as surplus, it is considered the smaller price reflects the lack of a warranty offer and the condition they are in.
- 7.3 The working party has considered charging for the printers however they are would be of minimal value (circa £5) and processing the payment would cost more than the income received.
- 7.4 An option could be to provide Councillors with an allowance to provide their own device – Bring Your Own Device (BYOD). However, this approach is fraught with a number of issues. Firstly, the Council needs to ensure that all Councillors have access to appropriate systems to undertake their role. Depending on the device chosen by the Councillor, this could not be guaranteed. Therefore, providing an approved Council device on which all proposed solutions are tested guarantees this. Secondly, allowing numerous devices could provide additional support demands on the ICT Service if they were required to get an application working as it was the Councillors only device. The current approach requires ICT to get the necessary functionality working on an approved Council device and ICT will use best endeavours to help Councillors to access systems from a personal device.

## **8. Background**

- 8.1 The Executive will recall the Councillor IT Working Party was formed following the last election because of concerns about the IT provided to Councillors. This focussed on the on the concerns raised by new Councillors regarding diary invites/information and along with security and general functionality. These were worked through by the Working Party to enhance the service provided within the recognised constraints.
- 8.2 The Executive will be mindful of the use of Office 365 to enable the Councillors to work online to produce letters, spreadsheets and emails. However the system also has the potential for sharing of information and collaborative work. Small steps have been taken in this area by Planning Committee (seeing the presentations) and also with Executive/CMT considering draft Executive reports together via a shared portal.

**Current Data sets available to councillors electronically**

**Planning Data**

- Ancient Monument
- Conservation Areas
- Green Belt
- Listed Buildings
- Tree Preservation Orders
- Planning Applications (By year back to 2010)

**Licencing Data**

- Food Hygiene
- Gambling Act
- Premises Licences
- Sex Establishments
- Street Trading
- Temporary Event Notices

**Electoral Data**


- Polling Districts
- Polling Stations
- Ward Boundaries
- Parish Boundaries
- Town and Parish Wards
- Parliamentary Constituency Boundaries
- Electoral Divisions

**Miscellaneous data**

- Staff Alert List
- HiMO (licensed and non-licensable)

**Additional data areas to be explored**

- CIL
- S106
- Missed bins
- Repairs outstanding on council properties
- Repairs completed on council properties

|   |  |   |
|---|--|---|
|  <b>Executive – 6 February 2019</b>  |  | <b>Agenda Item No.</b><br><br><b>13</b> |
| <b>Title</b>  | Rural/Urban Capital Improvement Scheme (RUCIS) Application   |   |
| <b>For further information about this report please contact</b>   | Jon Dawson<br>Finance Administration Manager<br>01926 456204<br>email: jon.dawson@warwickdc.gov.uk |   |
| <b>Wards of the District directly affected</b>  | Warwick West   |   |
| <b>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?</b> | No   |   |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   | N/A  |   |
| <b>Background Papers</b>  | RUCIS Scheme details.<br>RUCIS Application file no. 243 to 244;<br>correspondence with applicants. |   |

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

| Officer/Councillor Approval  |         |  |
|--|---------|--|
| Officer Approval   | Date    | Name                                   |
| Chief Executive/Deputy Chief Executive   | 15.1.19 | Chris Elliott                          |
| Head of Service  | 15.1.19 | Mike Snow                              |
| CMT  | 15.1.19 | Chris Elliot, Bill Hunt and Andy Jones |
| Section 151 Officer  | 15.1.19 | Mike Snow                              |
| Monitoring Officer   | 15.1.19 | Andy Jones                             |
| Finance  | 15.1.19 | Mike Snow                              |
| Portfolio Holder(s)  | 15.1.19 | Cllr Whiting                           |
| Consultation & Community Engagement  |         |  |
| Community Partnership Team, Manoj Sonecha (Active Communities Officer), Stuart Winslow (Sports and Leisure Contract Manager) and Chloe Johnson (Arts Collections and Engagement Manager); Copy of report forwarded 3 <sup>rd</sup> January 2019. |         |  |
| Final Decision?  |         | Yes/No                                 |
| Suggested next steps (if not final decision please set out below)  |         |  |

## **1. Summary**

1.1 This report provides details of two Rural/Urban Capital Improvement Scheme grant applications:

- Warwick Tennis Club to resurface and install floodlights to court 6 to resolve current health & safety issues with the court surface and to increase court usage capacity by enabling later evening and weekend playing time
- Hill Close Gardens Trust to build an extension to the existing visitor centre to create an additional visitor's room to create further capacity for viewing their horticultural collection and for community group activities

## **2. Recommendation**

2.1 It is recommended that the Executive approves:

### **Warwick Tennis Club**

A Rural/Urban Capital Improvement Grant from the urban cost centre budget for Warwick Tennis Club of 50% of the total project costs to resurface and install floodlights to court 6, as detailed within paragraphs 1.1, 3.2 and 8.1, up to a maximum of £17,766 including vat, subject to receipt of the following:

- Written confirmation from Warwick Town Council to approve a capital grant of £1,000 (if the application is declined or a lower amount agreed, Warwick Tennis Club will increase their loan application to the Lawn Tennis Association to cover the budget shortfall)
- Written confirmation from the Lawn Tennis Association to approve a loan for £5,000 (this will increase to £6,000 if Warwick Town Council decline the grant application as noted above)
- Written confirmation that planning permission has been granted for the installation of floodlighting (application number W/18/2224)

As supported by appendix 1.

### **Hill Close Gardens Trust**

A Rural/Urban Capital Improvement Grant from the urban cost centre budget for Hill Close Gardens Trust of 33% of the total project costs to build an extension to the existing visitor centre to create an additional visitor's room, as detailed within paragraphs 1.1, 3.2 and 8.2, up to a maximum of £30,000 excluding vat, subject to receipt of the following:

- Written confirmation from Warwick Town Council to approve a capital grant of £5,000 (if the application is declined or a lower amount agreed, Hill Close Gardens Trust will cover the shortfall from their cash reserves which have been evidenced through provision of their annual accounts and recent bank statements)

As supported by appendix 2.

### **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 Both projects contribute to the Council's Fit for the Future Strategy;

#### **Warwick Tennis Club**

The club is situated in the Warwick West ward, a recognised income deprived area; without the club there would be fewer opportunities for the community to enjoy and participate in sporting/physical and social activities which could potentially result in an increase in anti-social behaviour, an increase in obesity and disengage and weaken the community. The project will resolve current health & safety issues with court 6 and increase court usage capacity by enabling later evening and weekend playing time. The project will therefore increase opportunities for the community to enjoy and participate in sporting/physical activity, including children, which helps to reduce anti-social behaviour and obesity.

#### **Hill Close Gardens Trust**

The gardens are situated in the Warwick West ward, a recognised income deprived area; without the gardens there would be fewer opportunities for the community to enjoy and participate in physical, social and arts/cultural activities which could potentially result in an increase in anti-social behaviour, an increase in obesity and disengage and weaken the community. The Trust have an overall three phase project; the phase 1 project which the RUCIS grant will contribute towards will build an extension to the existing visitor centre creating an external shell for an additional visitor's room and with completion of the phase 2 project to equip and fit out the new room, which has a firm funding plan in place, further capacity will be created for visitor's to view the horticultural collections and for community groups activities, such as yoga and meditation, which will further help to reduce anti-social behaviour and obesity and engage and strengthen the community.

### **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   |
| <b>External</b>   |  |   |
| <b>Health, Homes, Communities</b>   | <b>Green, Clean, Safe</b>  | <b>Infrastructure, Enterprise, Employment</b>   |
| <u>Intended outcomes:</u><br>Improved health for all<br>Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities   | <u>Intended outcomes:</u><br>Area has well looked after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and ASB   | <u>Intended outcomes:</u><br>Dynamic and diverse local economy<br>Vibrant town centres<br>Improved performance/ productivity of local economy<br>Increased employment and income levels |
| <b>Impacts of Proposal</b>  |  |   |
| All RUCIS applications are designed to encourage and support local communities and local not-for-profit organisations in developing cohesive and active communities.<br><br>The details behind this are set out in appendices 1 and 2.    | 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.<br><br>The details behind this are set out in appendices 1 and 2. | N/A   |
| <b>Internal</b>   |  |   |
| <b>Effective Staff</b>  | <b>Maintain or Improve Services</b>  | <b>Firm Financial Footing over the Longer Term</b>  |
| <u>Intended outcomes:</u><br>All staff are properly trained<br>All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours | <u>Intended outcomes:</u><br>Focusing on our customers' needs<br>Continuously improve our processes<br>Increase the digital provision of services  | <u>Intended outcomes:</u><br>Better return/use of our assets<br>Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money |
| <b>Impacts of Proposal</b>  |  |   |
| 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 Anticipated future applications within the 2018/19 financial year will exceed the remaining budget, considering this, at the 28<sup>th</sup> November 2018 Executive, an additional £50,000 budget was agreed; this is from the 2017/18 surplus and has thus reduced the allocation to the Community Projects Reserve.
- 5.3 There is £61,011 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the urban cost centre budget in 2018/19. If the applications from:
- Warwick Tennis Club of 50% of the total project costs up to a maximum of £17,766 (including vat)
  - Hill Close Gardens Trust of 33% of the total project costs up to a maximum of £30,000 (excluding vat)

Are approved, £13,245 will remain in the urban cost centre budget.

- 5.4 There is £6,904 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the rural cost centre budget in 2018/19.
- 5.5 There is £828 available to be allocated from project underspends in 2018/19.

As per appendix 3.

## **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**

- 8.1 Warwick Tennis Club:

Warwick Tennis Club has submitted a RUCIS application to resurface and install floodlights to court 6; the application is for 50% of the total project costs up to a maximum of £17,766 including vat.



Planning permission is required for floodlight installation, an application (W/18/2224) has been made and is now waiting for a decision; the planning case officer has confirmed that the application has been added to the draft agenda for the next planning Committee on 29th January 2019 and has also provided the following update:

- The deadline for neighbour comments was 31<sup>st</sup> December 2018, a number of letters were sent out, however, there have been no objections received
- Health and Community Protection Officers have commented; “the applicant’s lighting assessment has failed to offer an assessment of the appropriate Environmental Zone (according to: Guidance Notes for the Reduction of Obtrusive Light GN01:2011), however, the predicted vertical surface illuminance levels (lux) are acceptable for both E2 and E3 Environment Zones and we therefore have no objection to the proposed lighting scheme. To mitigate the impact on nearby residential receptors and to correlate with an existing condition at the site (condition 5 of W/13/1066) limiting use of the tennis courts, I would recommend that the lights are required by condition to be switched off at 21:00 and switched on no earlier than 08:00”

The planning case officer therefore thinks this is a relatively straightforward planning application.

Warwick Tennis Club has committed £11,766 to the project costs from their cash reserves; these funds have been evidenced through their annual accounts and the provision of a recent bank statement.

Although cash reserves look quite considerable and are more than 12 months operating costs, the majority of these reserves is restricted funds, ring-fenced as the courts sinking fund. The Lawn Tennis Association encourages club’s to proactively manage a sinking fund and has a sinking fund calculator to help club’s determine how much they need to ring-fence each year, further information and the calculator can be found on the following webpage; <https://www.lta.org.uk/workforce-venues/tennis-venue-support/tennis-facility-funding-and-advice/club-sinking-fund-calculator/>. The club’s current sinking fund is below the calculation amount. Unrestricted cash reserves are less than 12 months operating costs therefore meeting the RUCIS scheme criteria.

Warwick Tennis Club itself is not vat registered although it is a section of Warwick Sports Club which is vat registered (number; 585055327); however, they will not be reclaiming vat in connection to this project. In general, any bills in Warwick Tennis Club’s name cannot have the vat reclaimed although any bills associated with running the overall Warwick Sports Club (including capital spend) can have the vat reclaimed. This ability does in fact allow some small amounts of vat to be reclaimed from its three Sports Sections under the Partial Exemption rules, however, in total the amount that can be reclaimed by the Sections including the Tennis Club is limited to a maximum of £7,500 per annum and if it is any more then nothing can be reclaimed in that year. The Hockey Club have to hire their pitches for over £3,000 a month and they have the main share of the £7,500. The Tennis and Cricket Sections have running costs that tend to take up about £1,000 each. Therefore any capital spend by

any of the Sections would not qualify for a vat refund as it would put them over their claim amount threshold; the award will therefore be inclusive of vat.

Warwick Sports Club have previously successfully applied for RUCIS grant awards:

- January 2016 – 45% grant awarded which equated to £27,610 to refurbish men's and ladies showers, ladies toilets and the bar / kitchenette area; install a security monitoring system with video cameras and alarm system; replace existing halogen lights and dimmers with more efficient LED lights; repair and extend safety fencing on the veranda; complete an electrical test to ensure compliance with all current regulations.
- June 2013 - 50% grant awarded which equated to £31,450 for a disabled toilet extension, kitchen refurbishment, disabled adaptations on the veranda / entrance and widen the driveway. There was an underspend on this project of £5,250.
- August 2012 – 50% grant awarded which equated to £10,000 for foundation work that was needed to carry out the main project as noted above.
- November 2011 – 43% grant awarded which equated to £26,000 for replacing the ceiling and supporting joists in the bar, lounge and dining room area as well as to install more energy efficient lighting.

Warwick Cricket Club which is also a section of Warwick Sports Club has also previously successfully applied for a RUCIS grant award:

- March 2017 – 80% grant awarded which equated to £7,520 to purchase two new mowers

With regards to multi-sports organisations, the RUCIS scheme criteria states:

"Multi-sport organisations that are legally one entity but with separate sports activities that are operated and managed independently on a day-to-day basis with separate memberships, committees, volunteers, constitutions and bank accounts;

- Each individual sport organisation can apply for a grant in their own right for a project that is connected to their sport / facilities only. Grants will only be awarded once in a 2 year period.
- If the project is for a shared facility, for example, a clubhouse used by each organisation; providing one of the individual sports organisations has not had a grant within the last 2 years and are prepared to be the applicant, a grant may be awarded. Grants will only be awarded once in a 2 year period."

Warwick Tennis Club are applying for a grant to refurbish and improve a facility which is for the sole use of their sport organisation and they have never previously had a RUCIS grant award; the application therefore meets the scheme criteria noted above.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to Warwick Tennis Club of 50% of the total costs of the project including vat up to a maximum of £17,766.

## 8.2 Hill Close Gardens Trust:

Hill Close Gardens Trust have successfully applied to the Heritage Lottery Fund (HLF) for a 46% grant up to a maximum of £78,000 towards an overall three phase project:

1. Build an extension to the existing visitor centre;

|                               |   |         |
|-------------------------------|---|---------|
| Capital for an empty building | = | £84,645 |
| Associated professional fees  | = | £6,500  |
| Overall phase 1 project cost  | = | £91,145 |

2. Equip and fit out the extension;

|                                      |   |         |
|--------------------------------------|---|---------|
| Capital for equipment etc            | = | £27,090 |
| Associated fees                      | = | £11,483 |
| Approx. overall phase 2 project cost | = | £38,573 |

3. Staff and volunteer training, employ a community outreach worker, contingency;

|                                      |   |         |
|--------------------------------------|---|---------|
| Approx. overall phase 3 project cost | = | £38,026 |
|--------------------------------------|---|---------|

|                              |   |          |
|------------------------------|---|----------|
| Total estimated project cost | = | £167,744 |
|------------------------------|---|----------|

Hill Close Gardens Trust has submitted a RUCIS application towards the phase 1 project of extending the visitor centre; the application is for 33% of the total project costs up to a maximum of £30,000 excluding vat.

Hill Close Gardens Trust has committed £12,218 to the phase 1 project costs from their cash reserves; these funds have been evidenced through their annual accounts and the provision of recent bank statements.

The HLF grant contribution to the phase 1 project is £41,927.

Hill Close Gardens Trust have successfully applied for a £2,000 grant from the Warwick Society for the phase 1 project.

Hill Close Gardens Trust have made a formal request to Warwick Town Council for a £5,000 financial contribution to the phase 1 project; they are now waiting for a decision. If the application is declined or a lower amount agreed, Hill Close Gardens Trust will cover the budget shortfall with funds from their cash reserve; these funds have been evidenced through their annual accounts and the provision of recent bank statements.

Hill Close Gardens Trust are VAT registered (number 855 2887 82) and will be reclaiming vat in connection to this project therefore the award will be excluding vat.

Phase 2 funding plan:

|                                     |   |         |
|-------------------------------------|---|---------|
| ○ HLF grant                         | = | £17,744 |
| ○ Organisations own funds           | = | £12,829 |
| Phase 2 total amount to-date        | = | £30,573 |
| Estimated remaining amount required | = | £8,000  |

A grant application for the phase 2 project has been made to:

|                              |   |        |
|------------------------------|---|--------|
| ○ Garfield Weston Foundation | = | £8,000 |
|------------------------------|---|--------|

If the Garfield Weston Foundation application is declined or a lesser amount offered the shortfall will be covered by the Trust's cash reserves which have been evidenced through provision of their annual accounts and recent bank statements although other grant applications will likely be made to retain cash reserves.

This will ensure completion of the phase 2 project which will then deliver all the associated benefits of having additional visitor and community group space.

Hill Close Gardens Trust have never previously had a RUCIS grant award.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to Hill Close Gardens Trust of 33% of the total costs of the phase 1 project excluding vat up to a maximum of £30,000.

## RURAL/URBAN CAPITAL IMPROVEMENT GRANTS APPLICATION FOR 6TH FEBRUARY 2019 EXECUTIVE :

**Applicant :** **Warwick Tennis Club**

**Description of scheme:** The project is to change the surface on Court 6 to a 'carpet' to lessen the effects of moss and to make the court less slippery in the winter, it will also provide floodlights so that play can continue into the evening which will release the pressure on the other courts during the peak evening periods and at weekends. The two elements of the Project are therefore:

1. Make good any defects in the tarmacadam on Court 6 and then lay a Match Play 2 or similar carpet on top.
2. Install 6 lighting columns around Court 6 to match the design and type of those around the other 5 courts.

The project will extend the life of court 6 by at least another 12/15 years.

**Evidence of need:** The project is responding to requests from the club's coaching team and the members who want to see all of the courts available for use for the maximum amount of time; currently members are reluctant to use Court 6 because it can be relatively more dangerous to play on as it can be slippery because of rain and moss (the moss growing on the surface is visually obvious) which can cause players to lose their balance. The court surface also produces uneven bounces that causes players to twist and turn awkwardly and can lead to injury. As well as from the members of the club and the organisations that use the sports club, letters/emails of support for the project have also been provided by Cllr Ashford (5/11/18), Safeline Charity (13/11/18) and the Packmores Community Centre (16/11/18)

**3 years accounts received?** 3 years accounts for 2015/16 to 2017/18 have been received along with bank statements summarising all accounts held dated 29th March 2018 (to evidence year-end accounts) and, more recently, 29th November 2018

| <b>Financial Performance;<br/>minus figure = deficit</b> | <b>Year ended<br/>31/03/18</b> | <b>Year ended<br/>31/03/17</b> | <b>Year ended<br/>31/03/16</b> |
|--|--------------------------------|--------------------------------|--------------------------------|
|  | £9,193                         | £6,783                         | £7,056                         |

| <b>Available Funds ( cash<br/>and reserves )</b> | <b>Year ended<br/>31/03/18</b> | <b>Year ended<br/>31/03/17</b> | <b>Year ended<br/>31/03/16</b> |
|--|--------------------------------|--------------------------------|--------------------------------|
|  | £69,112                        | £60,220                        | £53,437                        |

**Details of membership, fees etc:** The membership fees and visitor charges are:

- Adult = £155pa
- Student = £65pa
- Junior (under 18) = £36pa
- Visitor adult = £5 per day
- Visitor junior = £1 per day
- Group hire = £5 per hour per court

With 10% discount for family membership or senior membership. Other discounts can also apply when joining on one of the Club's 2 Open Days that it holds each year.

**Details of usage:** Warwick Tennis Club (WTC) is a Community Amateur Sport Club (CASC) and is registered with the Lawn Tennis Association (LTA); it is a non-profit organisation run for the benefit of its members and has a fully inclusive admission policy. WTC is an integral part of Warwick Sports Club that also has a Hockey and a Cricket Club; WTC serves the local community primarily through providing tennis opportunities for anyone and everyone that is interested in playing tennis, it provides opportunities for coaching, social and competitive tennis for people of all ages and for all abilities, for example:

- Adult and Junior Membership levels currently stand at a healthy 117 and 136 respectively and with 7 coaches, the number of visitor players, non-member players and school use, the courts are in constant use during the weekdays and weekends
- During the summer term the courts are also used by Westgate School for one afternoon a week as part of their outdoor activity time
- During school holidays, the club provides well organised activities during the day for children, all run under the supervision of the coaching team
- Outside school holidays, the courts are used heavily after 3.30pm until 9pm, sometimes until 10pm, however, Court 6 can't be used later in the evening because there are no floodlights which increases the pressure on the other 5 courts.
- WTC also works closely with;
  - o Safe Line (a charity organisation that helps young vulnerable children) who hold regular courses at the clubhouse, and
  - o Slimming World who hold weekly meetings there as well. The club's active association and engagement with Slimming World has led to them using the tennis facilities and a number of people have become active members of the tennis club

|   |   |
|---|---|
| <b>Details of Organisations equalities policies:</b>  | <p>As a registered CASC and a member club of the Lawn Tennis Association, WTC has demonstrated that it has the appropriate constitution, club rules and policies in place on equality and diversity and that it adheres to all the necessary codes of practice. The following highlights have been extracted from the club's equality policy:</p> <ul style="list-style-type: none"> <li>• Our commitment is to eliminate discrimination by reason of gender, sexual orientation, race, nationality, ethnic origin, religion or belief, ability or disability and to encourage equal opportunities.</li> <li>• WTC, in all its activities, will not discriminate or in any way treat anyone less favourably, on grounds of gender, sexual orientation, race, nationality, ethnic origin, religion or belief, ability or disability. WTC will ensure that it treats its employees, members, non-members and visiting clubs and teams fairly and with respect and will ensure that all members of the community have access to and have opportunities to take part in, and enjoy, its programmes of activities, competitions and events.</li> <li>• WTC will not tolerate harassment, bullying, abuse or victimisation of an individual (which the WTC regards as forms of discrimination). This includes sexual or racially based harassment or other discriminatory behaviour, whether physical or verbal. WTC will work to ensure that such behaviour is met with appropriate action in whatever context it occurs.</li> </ul> |
| <b>3 quotes provided:</b>   | Yes - 7 quotes in total for all aspects of the project work   |
| <b>Which of the Council's Corporate Priorities are met?</b>   | <b>Evidence</b>   |
| <b>Reduce anti-social behaviour</b>   | <p>Being a member of a club or being involved in some way with a club, especially a sports club, can re-channel people's energies into something positive; it provides a sense of purpose, of well-being and a belonging to the local community as well as providing activity to help prevent boredom, this undoubtedly helps to reduce any tendency for anti-social behaviour and therefore leads to a safer community more generally. Warwick Tennis Club is situated in the Warwick West ward, a recognised income deprived area, and the residents (especially the youngsters) in this area need to have such a facility that this club offers them at an affordable price. The club needs these improvements for the continued and future use by members and the wider community; the project will not only provide a better facility but it will keep fees down and therefore affordable to people in the local community as the project will increase capacity for court usage by extending more opportunity to play sport in evenings and at weekends, this will therefore further help to reduce anti-social behaviour.</p>  |
| <b>Reducing obesity, particularly in children</b>   | <p>The more the club can do to encourage people to come to take part in sporting or physical activities, the more it will do to help people keep their weight under control and to keep fit. Half the membership is under 18 years of age and they are encouraged by the coaches to eat and drink sensibly as well as to be active. The clubhouse is also used for two sessions of Slimming World every Tuesday and they have links with the tennis club to encourage them to participate in sport at the same time as controlling their calorie intake. Likewise, SafeLine have incorporated tennis lessons into their programmes as well.</p> <p>The project will increase capacity for court usage by extending more opportunity to play sport in evenings and at weekends, this will therefore further help to reduce obesity including within children.</p>  |
| <b>Increase opportunities for everyone to enjoy and participate in sports, arts and cultural activities</b> | <p>The project will further improve the facilities at the club and will encourage more usage of the courts by members and visitors; longer term it is hoped that this will encourage more people to join and hence the income to the club will increase, thus keeping membership and activity fees to a minimum. The club is also currently working closely with the SafeLine Charity so that vulnerable teenagers who attend the courses can also take part in tennis lessons; more opportunities will be possible following the completion of this project as it will increase capacity for court usage; floodlights will be installed on court 6 which will enable more evening play time which will increase opportunity for the community to enjoy and participate in sporting activity.</p>   |
| <b>Engaging and strengthening communities</b>   | <p>The club has an open door policy such that anyone without discrimination can join the club whether as a sports section member or as a social member; the clubhouse is also used for community activities such as dancing, fitness, courses such as those run by SafeLine, meetings such as Slimming World and for functions (for example; birthday, anniversary, weddings, christening parties etc) as well as for use by visitors and members' families to watch the sports. The project will encourage more people to use the tennis club which can only help strengthen that feeling of being part of a community, the club is also managed and run by a wide range of volunteers from the community; this all helps to engage and strengthen the community.</p>  |
| <b>Total cost of scheme (excluding VAT)</b>   | £35,532   |
| <b>Funded by:</b>   | <b>Status</b>   |
| <b>Warwick Town Council</b>   | £1,000  |
| <b>Lawn Tennis Association Loan</b>   | £5,000  |
| <b>Organisations Own Funds</b>  | £11,766   |
| <b>Total RUCIS</b>  | <b>£17,766</b>  |
| <b>equates to</b>   | <b>50.0%</b>  |

## RURAL/URBAN CAPITAL IMPROVEMENT GRANTS APPLICATION FOR 6TH FEBRUARY 2019 EXECUTIVE :

**Applicant :** Hill Close Gardens Trust

**Description of scheme:**

There is an overall three phase project which has a total estimated cost of £167,744 which will be monitored by the main funder Heritage Lottery Fund (HLF) who have confirmed a grant of £78,000 (46% of the overall total cost). These three phases together form the non-negotiable "approved purposes" of HLF, it would thus not be possible to proceed with Phase 1 alone, and the benefits described in the RUCIS application, and delivered by the whole project, will flow both from the RUCIS grant and the subsequent phases, as monitored by HLF. The three phases are:

- Phase 1 (RUCIS application); build an extension to construct an additional visitor's room £91,145

- Phase 2; interpretation and equipping of visitor's room £38,573

- Phase 3; outreach staff, resources, contingency £38,026

More and more visitors are enjoying the peace and tranquillity of the gardens but this means that the Trust has outgrown the existing visitor centre, the RUCIS application is contributing to the phase 1 project only which will build an extension to the centre and create an external shell for a new visitor's room. The phase 2 project will equip the new room which when completed will provide visitors with rest, refreshment, and a much more comprehensive range of resources, helping them to better interpret the gardens fascinating history. The phase 2 funding plan is; HLF funding £17,744 (46% for each project phase), Trust's own contribution of £12,829 and an £8,000 grant application made to the Garfield Weston Foundation (if this is declined or a lesser amount offered the shortfall will be covered by the Trust's cash reserves which have been evidenced through provision of their annual accounts and recent bank statements) which will ensure completion of the phase 2 project which will then deliver all the associated benefits of having additional visitor and community group space.

**Evidence of need:**

The need to better welcome and inform visitors has become increasingly visually obvious to the Trust since 2016; visitors during working hours often collide with hirers of the existing Lammas Room which is the only space for both visitors and room hirers. As long as hirings of the Lammas Room took place mainly during the week and visitors came at weekends the problem was manageable, however, now that visitors also arrive during working hours there is frequent conflict with demands. In 2017, the Lammas Room was occupied 30% of the daytime, approx. 40% of the 2017 visitors, around 3,600 people, came during the week thus around 1,200 people visited when the Lammas Room was occupied; visitors then have nowhere to sit down, cannot make use of the excellent kitchen facilities and are unable to examine the interpretative displays in the Lammas Room or just shelter comfortably from adverse weather. When the Lammas Room is in use, the best the Trust can offer is DIY instant coffee or tea to be drunk standing up in a corridor and there is an additional difficulty that visitors in the corridor can unwittingly disturb those using the Lammas Room. Letters of support have also been provided; Warwick Visitor Information Centre (30/4/18), WCC Cllr Holland (2/8/18), Plant Heritage (7/8/18), Barnardo's (3/5/18), Westgate Primary School (27/4/18), a member named Joan Barton (not dated) and a volunteer tour guide named Ann Workman (4/4/18).

**3 years accounts received?**

4 years accounts for 2013/14 to 2016/17 have been received along with recent bank statements for the three accounts held; dated 30/9/18, 5/11/18 and 6/11/18 respectively

**Financial Performance; minus figure = deficit**

| Year ended | Year ended | Year ended | Year ended |
|------------|------------|------------|------------|
| 31/12/17   | 31/12/16   | 31/12/15   | 31/12/14   |
| -£29,847   | -£3,116    | -£24,390   | -£64,067   |

**Available Funds ( cash and reserves )**

| Year ended | Year ended | Year ended | Year ended |
|------------|------------|------------|------------|
| 31/12/17   | 31/12/16   | 31/12/15   | 31/12/14   |
| £117,403   | £93,312    | £66,214    | £68,049    |

**Details of membership, fees etc:**

The Trust has around 500 members; for £14 pa per person or £21pa for couples there is unlimited year-round free access as well as other benefits. The Lammas Room is charged to community groups at £30 for the first hour, £25 for subsequent hours. Prices are negotiable for families dependent on services needed.




|   |   |
|---|---|
| <b>Details of usage:</b>  | <p>The Trust offers two quite different and unique ways for local people to enjoy the gardens; firstly the experience of wandering through sixteen beautiful and distinctive Victorian garden plots with options for guided tours, and some free access days, and secondly the availability of a large and well-equipped "Lammas Room" within the visitor centre. This has become effectively Warwick's "Village Hall", ideal for family occasions, and community group meetings such as Probus, Oddfellows, and Warwick Bridge Club.</p> <p>LAMMAS ROOM:</p> <p>REGULAR USAGE</p> <ul style="list-style-type: none"> <li>• Warwick Bridge Club – 50 people, twice weekly</li> <li>• Probus – 20 people monthly</li> <li>• Oddfellows – 12 people monthly</li> <li>• Community Energy Warwickshire – 8 people monthly</li> <li>• School class visits – 6 p.a. 30/35 children each</li> <li>• Mums &amp; toddlers drop-in – 6/8 mums monthly</li> </ul> <p>AD-HOC PRIVATE USAGE FOR FAMILY EVENTS</p> <ul style="list-style-type: none"> <li>• Christenings, birthdays, wedding receptions, and funeral wakes – avg 1 per month, 50/60 people</li> </ul> <p>GARDENS</p> <ul style="list-style-type: none"> <li>• 8462 visitors in 2017, of whom 541 on guided tours</li> </ul> |
| <b>Details of Organisations equalities policies:</b>  | <p>The equality policy has been provided, as an organisation the Trust are committed to:</p> <ul style="list-style-type: none"> <li>• Offering services and opportunities that are free from prejudice and discrimination and strive for equality of opportunity for all people</li> <li>• Recognising the need to ensure equality of opportunity in what they offer to individuals and groups, in the management of their organisation and in employment practices. This includes the determination to make the gardens as accessible to disabled visitors as the terrain will allow.</li> <li>• Recruiting staff, volunteers and committee members solely on their ability to do the job through the use of fair recruitment and selection practices</li> </ul>   |
| <b>3 quotes provided:</b>   | Yes - 3 tender bids for the build and 1 single tender approved by HLF for professional services   |
| <b>Which of the Council's Corporate Priorities are met?</b>   | <b>Evidence</b>   |
| <b>Reduce anti-social behaviour</b>   | <p>The Trust currently has 112 volunteers of all ages, they have also worked with the Prince's Trust to provide further volunteering opportunities specifically for young people. The project will provide another room for visitors and community groups, including some the Trust have had to turn away due to lack of capacity such as yoga and meditation. This will create additional activities for the community and provide space for the first time to display some of the Trust's collection of Victorian horticultural books and objects found during restoration. All this can help to potentially reduce anti-social behaviour.</p>  |
| <b>Reducing obesity, particularly in children</b>   | <p>In 2018 the Trust had six class visits, lower than they would wish, however, dependent on the children's ages and the season, they often focus on healthy eating from planting to table. The phase 3 project includes a Community Engagement Volunteer role, partly aimed at attracting more education volunteers and allowing more class visits. The phase 1 project that the RUCIS application is for will create additional space to allow the Trust to offer an evening venue for meditation, yoga and other similar physical activities. This all helps to potentially reduce obesity, including in children.</p>   |
| <b>Increase opportunities for everyone to enjoy and participate in sports, arts and cultural activities</b> | <p>The Trust have had to turn down requests from various community groups for activities such as yoga and meditation due to lack of capacity and they have also not had the space to display some of their collection of Victorian horticultural books and objects found during restoration. Additionally, visitors during the daytime have on occasions been unable to use the existing "Lammas" room due to hire bookings which has reduced the capacity for social interactions and viewing the horticultural collection. The phase 1 and 2 projects will provide additional space for visitors and groups to use thus increasing opportunities for the community to enjoy and participate in physical, social and arts/cultural activities.</p>   |
| <b>Engaging and strengthening communities</b>   | <p>The phase 3 project includes outreach to draw in relatively deprived parts of the community, such as Packmores West and the Cape; ranked within the top 10% most deprived areas nationally. The Trust currently has 112 volunteers of all ages, they have also worked with the Prince's Trust to provide further volunteering opportunities specifically for young people and there are approx 600 members, mainly from within Warwick District. Volunteers and members have opportunities to meet and socialise in pleasant surroundings. The phase 1 project that the RUCIS application is for together with completion of the phase 2 project will provide a new visitor's room which will also encourage and enable people to meet, mingle and chat. The Trust also expect to further expand their volunteering opportunities within the overall three phase project, reaching out particularly to local people. This all helps to engage and strengthen the community.</p>  |
| <b>Targetting disadvantage in rural / urban areas:</b>  | <p>Although the RUCIS application isn't contributing towards the phase 3 project, this will include outreach to draw in relatively deprived parts of the community, such as Packmores West and the Cape; ranked within the top 10% most deprived areas nationally.</p>  |

|   |                |  |
|---|----------------|--|
| <b>Total cost of scheme (excluding VAT)</b> |                | VAT will be claimed back, therefore the award is excluding VAT; will initially be paid from cash reserves, these funds have been evidenced through their annual accounts and the provision of recent bank statements |
|   | £91,145        |  |
| <b>Funded by:</b>                           |                | <b>Status</b>  |
| <b>Warwick Town Council</b>                 | £5,000         | Application made, waiting for a decision   |
| <b>Warwick Society</b>                      | £2,000         | Already awarded  |
| <b>Organisations Own Funds</b>              | £12,218        | These funds have been evidenced through their annual accounts and the provision of recent bank statements  |
| <b>Heritage Lottery Fund Grant</b>          | £41,927        | Already awarded as part of the overall three phase project grant of £78,000  |
| <b>Total RUCIS</b>                          | <b>£30,000</b> |  |
| <b>equates to</b>                           | <b>32.9%</b>   |  |

**RURAL/URBAN CAPITAL IMPROVEMENT SCHEME - 6th FEBRUARY 2019 EXECUTIVE****APPENDIX 3****Summary of Financial Impact of Approving Scheme**

| <b>Scheme Description</b>                                    | <b>RURAL</b>  | <b>URBAN</b>   | <b>UNDERSPENDS</b> | <b>TOTAL</b>   |
|--|---------------|----------------|--------------------|----------------|
| <u>Original 2018/19 Budget</u>                               | £75,000       | £75,000        | £0                 | £150,000       |
| <u>Additional 2018/19 Budget (agreed 28th November 2018)</u> |               | £50,000        |                    | £50,000        |
| <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       |                |                    | -£9,000        |
| Cubbington Sports & Social Club                              | -£11,430      |                |                    | -£11,430       |
| <u>30th August 2018 Executive</u>                            |               |                |                    |                |
| Playbox Theatre  |               | -£29,406       |                    | -£29,406       |
| <u>26th September 2018 Executive</u>                         |               |                |                    |                |
| Lapworth Parish Council                                      | -£21,741      |                |                    | -£21,741       |
| <u>9th January 2019 Executive</u>                            |               |                |                    |                |
| Whitnash Town Council  |               | -£1,473        |                    | -£1,473        |
| Avenue Bowls Club  |               | -£6,854        |                    | -£6,854        |
| <u>Underspends</u>   |               |                |                    |                |
| Budbrooke Community Association                              |               |                | £415               | £415           |
| Wren Hall  |               |                | £413               | £413           |
| <b>Remaining Budget Sub-Total</b>                            | <b>£6,904</b> | <b>£61,011</b> | <b>£828</b>        | <b>£68,743</b> |
| <u>6th February 2019 Executive</u>                           |               |                |                    |                |
| Warwick Tennis Club (proposed)                               |               | -£17,766       |                    | -£17,766       |
| Hill Close Gardens Trust (proposed)                          |               | -£30,000       |                    | -£30,000       |
| <b>Total Remaining 2018/19 Budget</b>                        | <b>£6,904</b> | <b>£13,245</b> | <b>£828</b>        | <b>£20,977</b> |

|   |   |                                     |
|---|---|-------------------------------------|
|  <b>EXECUTIVE</b><br><b>6 February 2019</b>  |   | <b>Agenda Item No.</b><br><b>14</b> |
| <b>Title</b>  | Update on Action Plan following Review of Closure of Accounts   |                                     |
| <b>For further information about this report please contact</b>   | Andrew Jones (01926) 456830<br><a href="mailto:Andrew.jones@warwickdc.gov.uk">Andrew.jones@warwickdc.gov.uk</a> |                                     |
| <b>Wards of the District directly affected</b>  | All   |                                     |
| <b>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?</b> | No  |                                     |
| <b>Date and meeting when issue was last considered and relevant minute number</b>   | 28 <sup>th</sup> November 2018  |                                     |
| <b>Background Papers</b>  | Report as above   |                                     |

|  |    |
|--|----|
| <b>Contrary to the policy framework:</b>                                   | No |
| <b>Contrary to the budgetary framework:</b>                                | No |
| <b>Key Decision?</b>   | No |
| <b>Included within the Forward Plan? (If yes include reference number)</b> | No |
| <b>Equality &amp; Sustainability Impact Assessment Undertaken</b>          | No |
| Not applicable.  |    |

| <b>Officer/Councillor Approval</b>             | <b>Date</b>  | <b>Name</b>                            |
|--|--|--|
| Chief Executive                                | 15/01/19   | Chris Elliott                          |
| CMT  | 15/01/19   | Chris Elliott, Bill Hunt, Andrew Jones |
| Section 151 Officer                            | 15/01/19   | Mike Snow                              |
| Monitoring Officer                             | 15/01/19   | Andrew Jones                           |
| Head of Service                                | 15/01/19   | Mike Snow                              |
| Portfolio Holder(s)                            | 15/01/19   | Councillor Peter Whiting               |
| <b>Consultation &amp; Community Engagement</b> |  |  |
|  |  |  |
| <b>Final Decision?</b>                         | Yes, but some proposed actions will require further reports. |  |

## 1 SUMMARY

- 1.1 This is a monthly report which will set out the progress on the agreed action plan that was agreed in the report on the Review of the Closure of 2017/18 Accounts in October 2018.

## 2 RECOMMENDATION

- 2.1 That Executive notes and provides any comments on the content of the action plan at Appendix 1.

## 3 REASONS FOR THE RECOMMENDATION

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

## 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. Amongst other things, the FFF Strategy contains Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The Council's SAP's are the programme of work fundamental to the delivery of the strands described in the table below.

| FFF Strands   |  |   |
|---|--|---|
| People  | Services   | Money   |
| <b>External</b>   |  |   |
| <b>Health, Homes, Communities</b>   | <b>Green, Clean, Safe</b>  | <b>Infrastructure, Enterprise, Employment</b>   |
| <u>Intended outcomes:</u><br>Improved health for all<br>Housing needs for all met<br>Impressive cultural and sports activities<br>Cohesive and active communities | <u>Intended outcomes:</u><br>Area has well looked after public spaces<br>All communities have access to decent open space<br>Improved air quality<br>Low levels of crime and ASB | <u>Intended outcomes:</u><br>Dynamic and diverse local economy<br>Vibrant town centres<br>Improved performance/ productivity of local economy<br>Increased employment and income levels |
| Not applicable  | Not applicable   | Not applicable  |
| <b>Internal</b>   |  |   |
| <b>Effective Staff</b>  | <b>Maintain or Improve Services</b>  | <b>Firm Financial Footing over the Longer Term</b>  |
| <u>Intended outcomes:</u><br>All staff are properly trained   | <u>Intended outcomes:</u><br>Focusing on our customers' needs  | <u>Intended outcomes:</u><br>Better return/use of our assets  |

|  |  |  |
|--|--|--|
| All staff have the appropriate tools<br>All staff are engaged, empowered and supported<br>The right people are in the right job with the right skills and right behaviours | Continuously improve our processes<br>Increase the digital provision of services   | Full Cost accounting<br>Continued cost management<br>Maximise income earning opportunities<br>Seek best value for money  |
| The proposed action plan will help the Accountancy team and individual members of staff.   | The proposed action plan implemented in full will enable a better financial service to be provided to the Council and the community it serves. | Not directly applicable though an improved service should enable the Council to deliver better outcomes on its finances. |

#### 4.2 **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies. The People Strategy is the most relevant here but what is being proposed is directly in line with that Strategy.

#### 4.3 **Changes to Existing Policies**

The action plan agrees a minor change to existing policies in relation to agency staff.

#### 4.4 **Impact Assessments**

Not applicable.

### **5 BUDGETARY FRAMEWORK**

- 5.1 The proposed action plan gives rise to increased costs. Further reports will be necessary and at that stage decisions can be made on costs and the benefits to be derived from them.

### **6 RISKS**

- 6.1 The risk that arises relates to not implementing what is proposed; the risk being a repetition of events of this year and the subsequent harm to the Council's reputation.

### **7 ALTERNATIVE OPTIONS CONSIDERED**

- 7.1 Various actions were considered in the development of the action plan but what is proposed is considered to be an appropriate response to the issues which have been identified.

### **8 BACKGROUND**

- 8.1 The Background is set out in the report to the Executive of 31<sup>st</sup> October 2018.

## Appendix 1: Action Plan Progress Report

This table sets out against the agreed actions. This is to be reviewed weekly by CMT with the Head of Finance and reported monthly to the Finance and Audit and Executive Committees until the 2018/19 set of accounts has been closed and at that time it should be reviewed as to whether this frequency remains necessary.

Strikethrough = Completed.

Highlighted = Change to text since last update.

| <b>Action</b>   | <b>By When</b>   | <b>Who</b>                             | <b>Progress</b>   |
|---|--|--|---|
| <del>1. To present the completed 2017/18 accounts to Finance and Audit and Executive Committees at the November round of meetings</del>   | <del>November 27<sup>th</sup> — F&amp;A<br/>November 28<sup>th</sup> — Executive</del> | <del>Head of Finance</del>             | Completed   |
| <del>2. To prepare a detailed project plan for the closure of 2018/19 accounts for approval by the Finance and Audit and Executive Committees at the December round of meetings, building upon the action plan developed by staff</del> | <del>January 2019 — F&amp;A<br/>January 2019 — Executive</del>                         | <del>Head of Finance</del>             | Completed   |
| 3. To report weekly in writing on progress on the project plan to CMT and monthly to Finance and Audit and to Executive   | Weekly to CMT<br>Monthly to F&A and Executive  | Head of Finance                        | On-going.   |
| 4. To review the requirement of the above following the successful closure of 2018/19   | 31 <sup>st</sup> August 2019   | Finance and Audit/Executive Committees | Review of closure planned to commence well before closure, i.e. will be reviewed on an on-going basis during closure. |



| Action  | By When  | Who                                     | Progress   |
|---|--|---|--|
| accounts  |  |   |  |
| 5. To recruit for the Strategic Finance Manager (SFM) post  | From 31 <sup>st</sup> October 2018   | Head of Finance with assistance from HR | Completed  |
| 6. To reach agreement to maintain in post the current CIPFA Agency member of staff as project lead for closure of accounts until at least new SFM in post or the end of the closure of the 2018/19 accounts | 31 <sup>st</sup> October 2018  | Head of Finance with assistance from HR | Completed  |
| 7. To ask above post to institute a whole team approach for closure of accounts for 2018/19.  | From 31 <sup>st</sup> October 2018 until at least 31 <sup>st</sup> July 2019 | Head of Finance                         | Whole team is being involved in drawing up plan for 18/19 closure. This has involved consideration of each individual's input and re-allocation of duties/priorities. Regular whole team meetings in place. Team meeting 7/1/19 went well overall. Some expressed capacity concerns which have been dealt with subsequently and changes made to the plan. Project Manager taking a lead on meetings and discussions with all team members. Project plan shares the duties over whole team. |
| 8. To appoint an Interim SFM until a permanent recruit is in place to lead the team and to institute normal management practices re team meetings 1-2-1s, appraisals, etc.                                  | From 31 <sup>st</sup> October 2018 until at least 31 <sup>st</sup> July 2019 | Head of Finance                         | Completed  |

| Action  | By When  | Who   | Progress  |
|---|--|---|---|
| 9. To retain the services of the 2 former members of staff at least on a part time basis until the closure of the 2018/19 accounts.             | From 31 <sup>st</sup> October 2018 until at least 31 <sup>st</sup> July 2019 | Head of Finance                               | Completed   |
| 10. To review the policies, working practices and procedures of the Accountancy team and document them.   | From 31 <sup>st</sup> October 2018 to end of March 2019                      | Strategic Finance Manager                     | Papers shared with Team, and being considered in detail. All team members having individual discussions over their input to ensure they understand the requirements and what training is required. Duties of team reviewed alongside the detailed plan. Has raised question of value of some duties being undertaken. |
| 11. To progress the feasibility stage of a new Finance IT system to report to Executive stage including project management support and training | 1 <sup>st</sup> December 2019  | Strategic Finance Manager                     | To be formally considered once new Strategic Finance Manager is in post.  |
| 12. To review the Accountancy team in terms of structure, skills, capabilities and capacity.  | 30 <sup>th</sup> September 2019  | Strategic Finance Manager                     | On-going. Advanced Excel training being arranged for whole team to ensure all are confident in such things as Pivot Table, Lookups etc. Advanced Excel training now arranged for whole team in February, plus see 10 above.   |
| 13. To provide a package of support to enable the delivery of improved performance management.  | From 31 <sup>st</sup> October 2018   | Deputy Chief Executive (AJ)/HR Manager        | In place and ongoing.   |
| 14. To review and report on proposals for the Council's   | 31 <sup>st</sup> January 2019  | Chief Executive with support from the rest of | A report elsewhere on the February Executive agenda sets out the proposal   |

| Action  | By When                         | Who  | Progress  |
|---|---------------------------------|--|---|
| performance management system.  |                                 | the Senior Management Team   | to establish a Business Plan for the Council and if agreed it will then be subject to a more detailed report in March 2019.   |
| 15. To implement above proposals.   | From 1 <sup>st</sup> April 2019 | Chief Executive with support from the rest of the Senior Management Team | Reports will follow the above decision.   |
| 16. To review the Council's organisational arrangements for strategic finance and report to Executive and Employment Committee.                                       | 31 <sup>st</sup> August 2019    | Chief Executive with support from the rest of the Senior Management Team | Corporate Management Team discussed approach with Human Resources and further discussions will need to take place. This review sits alongside and is strongly linked to the proposal for a Business Plan (see item 14 above). |
| 17. To devise appropriate testing mechanism of organisational culture and to seek approval from the Executive.  | 31 <sup>st</sup> January 2019   | Chief Executive with support from the rest of the Senior Management Team | It is proposed that in conjunction with the response to the 2018 IiP assessment that a staff PULSE survey be undertaken on a quarterly basis. The outcomes will be reported regularly.  |
| 18. To implement the above proposal.  | From 1 <sup>st</sup> April 2019 | Chief Executive with support from the rest of the Senior Management Team | Reports will follow the above decision.   |
| 19. To undertake a lessons learned review after the closure of the 2018/19 accounts and report to Finance and Audit and Executive Committees and thereafter annually. | 30 <sup>th</sup> September 2019 | Head of Finance/Strategic Finance Manager                                | This will happen during and after closure.  |
| 20. To agree that if recruitment fails via  | 31 <sup>st</sup> December 2018  | HR Manager   | Working with Comensura to update our candidate/supplier profile. Updated  |

| Action  | By When                        | Who        | Progress   |
|---|--------------------------------|------------|--|
| Commensura after 2/3 attempts managers can approach other agencies but must agree rates and terms/conditions (and that they are equivalent to Commensura). Manager must inform HR of agreement. Ensure when managers have recruited outside of Commensura, HR receives a copy of the agreement and costs. |                                |            | guidelines to be presented to Workforce Steering Group March 2019 and Managers Forum April 2019. |
| 21. To ensure for monitoring purposes the costs are highlighted in Management Information as non Commensura agency costs.   | 31 <sup>st</sup> December 2018 | HR Manager | As Point 20.   |
| 22. Provide guidelines for managers regarding the process for recruiting via Commensura and the parameters of our contract arrangements plus benefits versus the costs incurred with direct agency recruitment.   | 31 <sup>st</sup> December 2018 | HR Manager | As Point 20.   |
| 23. Ensure managers understand the implications of recruiting outside of Commensura and where their responsibilities lie and HR's.  | 21 <sup>st</sup> December 2018 | HR Manager | As Point 20.   |

| Action  | By When                        | Who                                | Progress   |
|---|--------------------------------|------------------------------------|--|
| 24 (AFR). The evidence base to demonstrate that assets are investment properties should be improved, with clear links to the asset management strategy of authority.  | 1 <sup>st</sup> September 2019 | DCE (BH)                           | The necessary resources are now in place to ensure an Asset Management Strategy is brought to members for approval during 2019/20. It is planned that an initial draft will be circulated in May 2019 for refinement by internal stakeholders and the final draft brought to the September 2019 Executive meeting. As part of the preparatory work a review of all current leases is underway and scheduled for completion by the end of the current financial year. Assets Manager is preparing a detailed timetable of actions required for review by CMT. |
| 25 (AFR). The Council needs to ensure that it formally documents the process for valuations, and that the valuer is provided with detailed instructions for the annual valuation exercise. There should be clear working papers demonstrating that the Council has provided the valuer with all of the appropriate information and that it has considered whether the information provided back from the valuer is complete and | 1 <sup>st</sup> January 2019   | Principal Accountant <sup>TM</sup> | The information to be sought from the valuer, and timing thereof, will be considered by the Head of Finance, Accountants and Estates Manager in early January 2019 ahead of a formal instruction to the valuer being issued. The valuation process will be pro-actively monitored and shared with the Accountancy Team and the Estates Manager. Approach discussed and agreed with valuers. Letter being drafted by Project Manager to be shared with rest of relevant team members.   |

| Action   | By When                      | Who                                | Progress   |
|--|------------------------------|------------------------------------|--|
| reasonable. The Council may also wish to review the timing of these valuations, because at present valuations are undertaken at varying points in the year, making the process more complicated than we see at other similar Councils  |                              |                                    |  |
| 26 (AFR). The arrangements for an impairment review should be considered and documented. These arrangements should be implemented as part of the 2018/19 closedown process.  | 1 <sup>st</sup> January 2019 | Principal Accountant <sup>TM</sup> | The approach to the impairment review will be reviewed ahead of seeking information from the valuer (above). This will involve the full team and the Council's Estates Manager, and is in accordance with the Code of Practice. Valuation meeting scheduled for 16/1/19 with all stakeholders. |
| 27 (AFR). The report of the Chief Executive includes a detailed action plan to ensure that the issues that have occurred this year are not repeated. It is key that this action plan is implemented and considered in light of the recommendations we have made as part of this AFR to ensure that all issues are addressed as part of the production of the financial statements in future years. | On-going                     | Head of Finance and others         | See earlier responses. Alongside the Action Plan within the Chief Executive's report, the Accountancy Team has a more detailed plan that is being progressed.  |
| 28 (AFR). The Head of  | 1 <sup>st</sup> January 2019 | Final Accounts Project             | Training on the production of quality  |

| Action   | By When                       | Who                             | Progress  |
|--|-------------------------------|---------------------------------|---|
| Finance should ensure that an appropriate training programme is in place for all officers that produce working papers to support the financial statements. The training should include the features of a good working paper and a reminder that a good working paper should enable another suitably qualified professional with no prior knowledge of the authority the means upon which to re-perform the work. |                               | Manager                         | working papers for all the Accountancy Team will be provided by the Final Accounts Project Manager early in the New Year. Also see 12 above. Following the dissemination and discussion of closure plan (shared 4/1/19 with team), training will be provided by KJ and others. Also see above. Working paper training on Project Manager plan for February. |
| 29 (AFR) A working paper should be provided at year end which demonstrates how the Council has considered the work of the actuary and its reasonableness.  | 1 <sup>st</sup> May 2019      | Principal Accountant (Revenues) | This has been discussed with the Pension Fund Actuaries. An approach is planned that will enable variances to be identified, challenged, and explained. Now also discussed with valuers to agree the approach to be followed.   |
| 30 (AFR) Greater considerations should be given to whether more areas of the accounts would benefit from an increased reliance on estimation techniques to aid faster close.   | 1 <sup>st</sup> January 2019  | Final Accounts Project Manager  | The accruals process will be reviewed early in 2019, ensuring all parties are clear about their responsibilities, timings, and relevant de minimis levels. Initial discussions held with auditors, notably over accruals. Work to be undertaken by KJ/VB to determine appropriate thresholds.   |
| 31 (AFR) There are a number of areas highlighted   | 1 <sup>st</sup> February 2019 | Final Accounts Project Manager  | The disclosure omissions will be reviewed as part of the preparation for  |



| Action  | By When                      | Who                                     | Progress  |
|---|------------------------------|---|---|
| throughout the AFR where we have agreed with officers that disclosure omissions will be corrected in future years. The Head of Finance should ensure that the identified areas are actioned in future years.  |                              |   | closedown. It should be noted that some disclosures were previously removed with the support of the auditors as part of the "de-cluttering" of the accounts. Being considered by Project Manager. |
| 32 (AFR) Controls around journals should be improved, particularly in relation to those prepared by contract staff.   | 1 <sup>st</sup> January 2019 | Head of Finance & Principal Accountants | New controls on journals in place from 1 <sup>st</sup> January 2019. Have been discussed with whole team. Initial review of implementation has raised some issues which will be addressed.        |
| 33 (AR) In future years officers should keep a full list of any proposed changes to the draft financial statements presented for audit. This list should be reviewed by the Head of Finance, in discussion with the auditors prior to any changes being made to the ledger and final set of financial statements. | 1 <sup>st</sup> June 2019    | Final Accounts Project Manager          | Full controls will be implemented to ensure all proposed changes to the Statements are fully documented for discussion and agreement with the auditors.   |