

# Executive

Wednesday 5 April 2017

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A meeting of the Executive will be held at the Town Hall, Royal Leamington Spa on Wednesday 5 April 2017 at 6.00pm.

## Membership:

Councillor A Mobbs (Chairman)  
Councillor N Butler                      Councillor P Phillips  
Councillor M Coker                      Councillor D Shilton  
Councillor S Cross                      Councillor P Whiting  
Councillor M-A Grainger

## Also attending (but not members of the Executive):

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

## 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 8 March 2017

**(To follow)**



## **Part 1**

(Items upon which a decision by Council is required)

3. **Housing Appeals and Review Panel**  
To consider a report from Housing Services **(Pages 1 to 6)**
4. **Code of Procurement Practice Update**  
To consider a report from Finance **(Pages 1 to 47)**

## **Part 2**

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

5. **Local Plan Modifications Consultation**  
To consider a report from Development Services **(Pages 1 to 4)**
6. **Housing Revenue Account Business Plan Review**  
To consider a report from Housing Services **(Pages 1 to 22)**
7. **Service Area Plans for 2017/18 & Annual Performance Reports for 2016/17**  
To consider a report from the Deputy Chief Executive (AJ) **(Pages 1 to 148)**
8. **Response to the LGA Corporate Peer Challenge 2016**  
To consider a report from the Chief Executive **(Pages 1 to 15)**
9. **Corporate Property Repair and Planned Maintenance Programme 2017/18**  
To consider a report from the Chief Executive's Office **(Pages 1 to 8)**
10. **General Reports**
  - (A) **Significant Business Risk Register** **(Pages 1 to 21)**
  - (B) **Local List of Heritage Assets** **(Pages 1 to 7)**
11. **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  |
|-----------|-----------|---|
| 12        | 3         | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

## 12. **Leamington Spa Creative Quarter**

To consider a report from Development Services

**(Pages 1 to 6)**

Agenda published Monday 27 March 2017

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.**

|   |  |                                    |
|---|--|------------------------------------|
|  <b>Executive</b><br><b>5<sup>TH</sup> April 2017</b>  |  | <b>Agenda Item No.</b><br><b>4</b> |
| <b>Title</b>  | Code of Procurement Practice update (proposed amendments to the Code of Procurement Practice)  |                                    |
| <b>For further information about this report please contact</b>   | <a href="mailto:John.roberts@warwickdc.gov.uk">John.roberts@warwickdc.gov.uk</a><br><a href="mailto:Mike.snow@warwickdc.gov.uk">Mike.snow@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>  |  |                                    |

|  |                            |
|--|----------------------------|
| <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/No                     |
| <b>Equality &amp; Sustainability Impact Assessment Undertaken</b>          | No (If No state why below) |
| No assessment as this is a progress report.                                |                            |

|  |             |                    |
|--|-------------|--------------------|
| <b>Officer/Councillor Approval</b>                                       |             |                    |
| <b>Officer Approval</b>  | <b>Date</b> | <b>Name</b>        |
| Chief Executive/Deputy Chief Executive                                   | 15/03/2017  | Andy Jones         |
| Head of Service  | 15/03/2017  | Mike Snow          |
| CMT  | 15/03/2017  |                    |
| Section 151 Officer  | 15/03/2017  | Mike Snow          |
| Monitoring Officer   | 15/03/2017  | Andy Jones         |
| Finance  | 15/03/2017  | John Roberts       |
| Portfolio Holder(s)  | 15/03/2017  | Cllr Peter Whiting |
| <b>Consultation &amp; Community Engagement</b>                           |             |                    |
| Senior Management Team<br>Procurement Champions                          |             |                    |
| <b>Final Decision?</b>   | Yes         |                    |
| <b>Suggested next steps (if not final decision please set out below)</b> |             |                    |

## **1. SUMMARY**

- 1.1 This report presents proposed amendments to the Code of Procurement Practice (CoPP) and the introduction of Equality in Procurement Policy, SME Procurement Policy, Small Business Friendly Procurement Charter – Declaration of Support, Corporate Responsible Procurement Policy and Contract Management Framework

## **2. RECOMMENDATION**

- 2.1 That the Executive recommend that the Council adopt the updated Code of Procurement Practice and the documents, itemised below.

- Equality in Procurement Policy
- SME Procurement Policy
- Small Business Friendly Procurement Charter – Declaration of Support
- Corporate Responsible Procurement Policy
- Contract Management Framework

## **3. REASONS FOR THE RECOMMENDATION**

- 3.1 The Equality in Procurement Policy, SME Procurement Policy, Small Business Friendly Procurement Charter – Declaration of Support, Corporate Responsible Procurement Policy and Contract Management Framework are fundamental elements of the Council's policy framework. Its purpose is to support the ability of the Council to demonstrate that it is achieving value for money from its expenditure and that its contracts and services are being managed in an open and transparent manner, in line with the Council's Core Values
- 3.2 The Council is committed to procurement practices and procedures in line with the National Procurement Strategy for Local Government 2014, ensuring that goods and services are procured in an efficient, fair, equitable, safe and responsible manner and that contracts/tenders are managed effectively, efficiently and achieve value for money.
- 3.3 Council's Procurement Code of Practice has been redrafted to reflect current best practice and allow for flexibility in order to enable officers to obtain best value whilst observing high standards and relevant legislation and protocols. The developments in best practice, legislation and government guidance, combined with the need to be responsive, make it important to accept that the Procurement Policy documents are living documents and will require review and amendment. It is intended that the Code of Procurement Practice is in a style and format which is comprehensive, straightforward and accessible to all users
- 3.3. The changes are required because of the introduction of new legislation, in particular, the Public Contract Regulations 2015, the Small Business, Enterprise and Employment Act 2015 and the Local Government (Transparency Requirements) (England) 2015. Further information on the changes is provided below:
- 3.4 All tenders over £25,000 in value must now be advertised on the UK Government's Contracts Finder website. This website has been designed as a national single information resource where suppliers may register free of charge to receive details of any public sector business opportunity within their particular area of interest. Previously the Council could choose where to advertise its tenders, required only to ensure adequate competition. The rules for advertising higher value EU tenders remain unchanged.

- 3.5 Details of all tenders advertised and all contracts awarded by the Council with a value of £5,000 or more must be published on the Council website. Previously the Council was only obliged to formally publish details of all EU tender awards and maintain a basic Contracts Register.
- 3.6 The Code of Procurement Practice has been refreshed, in harmony with other councils' methods in order to:
- a) Provide easy-to-read and to follow instructions on the procurement process. The Procurement Code is supported by the procurement toolkit which provides practical and more detailed advice about how to undertake a procurement exercise, including access to a suite of template documentation.
  - b) Ensure that procurement tools and techniques are better directed to run procurement exercises faster with less red tape, and more focus on getting the right supplier and the best price.
  - c) The new Procurement Code provides officers with more information and guidance on areas of best examples include:
    - Stakeholder and Early Market engagement – information about the steps which may be taken in consulting with services users and providers to better shape the service specification before going out to tender;
    - Use of Framework Agreements – information on the potential benefits of using framework agreements and some of the legal considerations
    - Contract management, Contract variations and extensions – information on managing contracts and contractors effectively to ensure maximum benefit is provided to the Council and/or service users; details of the formal processes which must be followed regarding contract variations and extensions;
- 3.7 Training and ad hoc surgeries will be provided to all Managers, Officers and Staff involved in the procurement process and launch, promote and embed the Code of Procurement Practice 2017 and Procurement Strategy 2017 - 2019. The programme will include monthly procurement surgeries and targeted training workshops.

#### **4. FIT FOR THE FUTURE**

As part of the Council's policy framework, the Code of Procurement Practice underlines how the Council acts in securing and managing its Procurement requirements to meet the aspirations as part of 'Fit for the Future'.

#### **5. BUDGETARY FRAMEWORK**

The Code of Procurement Practice complements the Code of Financial Practice in ensuring that financial best practice is applied to the Procurement of goods, services or works. Compliance helps protect the Council by minimising Procurement risks, whilst ensuring best value is obtained.

#### **6. RISKS**

- 6.1 The main risks associated with procurement can be cost overruns and the threat of legal challenge. Good procurement which adopts the Council's project management methodology will identify such risks and ways to mitigate them. Other practical ways of reducing the risks are through use of the new Procurement Code which clearly outlines what procedures officers should follow

at different financial thresholds and through the provision of procurement training to officers.

6.2 It is important that all Procurement exercises across the Council comply with the relevant Procurement regulations and directives and also the Council's Code of Procurement Practice. By following this approach the Council will reduce the risk of challenge. It should ensure that the Council obtains Value for Money by applying Procurement 'best practice'.

6.3 Procurement exercises are managed in line with all Procurement legislation. By implementing the changes expenditure by the Council teams will be managed and controlled to ensure compliance.

6.4 Clear and robust contracts will ensure delivery of the required business needs in line with the obligations set out in the contract documentation. Failure to have in place clear contract arrangements increases the risk to manage the expectation of the service from the provider due to:

- Lack of clarity in the requirements
- No price control
- No clear ownership of tasks / obligations
- No contract management performance targets

## **7. ALTERNATIVE OPTION(S) CONSIDERED**

The amended documents set out how the District Council's Procurement arrangements should operate so as to comply with best practice and current legislation. The updated Code should therefore be accepted in its entirety.

## **8. CODE OF PROCUREMENT PRACTICE 2017**

8.1 The new proposed Code of Procurement Practice is made up of the following sections:-

1. Procurement Rules
2. Procurement Procedure
3. Contract Management Practice and Procedure
4. Glossary
5. Policies ( as detailed below)

|  |
|--|
| 1. Contract Management Framework – the purpose of this document is to embed an efficient and effective contract management practice and procedures   |
| 2. Equality in Procurement Policy – the purpose of this document is to bring WDC in line with other Local Authorities and to demonstrate WDC's commitment to equality in its Procurement activities. |
| 3. SME Procurement Policy – the purpose of this document is to encourage SME's to participate in bidding and to develop and stimulate a varied and competitive marketplace.                          |
|  |

|  |
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| <p>4. Corporate Responsible Procurement Policy – the purpose of this document is to align WDC with other Local Authorities and to ensure the purchase of goods, works, and services is carried out in a socially, economically, and environmentally responsible way</p>  |
| <p>5. Corporate Responsible Procurement guide for Potential suppliers – the purpose of this document is to promote Responsible Procurement in the purchasing of goods, works and services and to provide information and advice to potential Suppliers</p>   |
| <p>6. Ethical Procurement Statement- this statement sets out WDC’s approach to ethical procurement</p>   |
| <p>7. Sustainable Procurement Policy7. Sustainable Procurement Policy– the purpose of this document is to promote Responsible Procurement in the purchasing of goods, works and services and to provide information and advice to potential Suppliers</p>  |
| <p>8. Social Value Procurement Handbook - This handbook has been written to advise and support Sponsoring Managers and staff involved in the procurement process to ensure that “Social Value” elements are considered in all appropriate Procurement projects.</p>  |
| <p>9. Small Business Friendly procurement Charter – Declaration of Support - One strand of encouraging local purchasing is by working with bodies such as the Federation for Small Business (FSB) who are taking purchasing initiatives through their local procurement charter. The thrust of the Charter is to ensure that local businesses have a fair chance of bidding for work will ensure that the local economy continues to flourish in the district. Signing the Charter shows that we are committed to working with small enterprises to help break down the barriers that have made it hard for them to access local and national procurement in the past.</p> |



## Warwick District Council Code of Procurement Practice

Code of Procurement Practice has been written in five sections.

1. Corporate rules
2. Procurement procedure
3. Contract Management Policy, Practice and Procedure
4. Glossary
5. Policies

This code has been revised to reflect the current Public Contract Regulations 2015, EU Procurement Regulations, the Public Services (Social Value) Act 2012 and the Local Government Transparency Code 2014. The code aims to set out how Warwick District Council will procure goods, works and services in line with the above legislation. Failure to do so may result in disciplinary action. Managers, Officers and Elected Members of the Council will be bound by this code when procuring works, goods and services on behalf of the Council. The procedures within this code are set out in accordance with the current Public Contract Regulations 2014 and best practice. They are not designed to be a full set of instructions to the procurement process but outline the procedures that will be followed.

The code is designed to ensure transparency of the process and fairness in allowing all suitable suppliers the opportunity to bid for Council work. In following the code managers and officers will be supporting the Council's objectives and values. This Code should be read in conjunction with the Financial Code of Practice and the Procurement Strategy.

These rules have 5 primary objectives:

1. To ensure that the Council obtains Value for Money and fulfils its duty of achieving Best Value as defined in Section 3 of the Local Government Act 1999. It is of primary importance that Officers, on behalf of the Council, engage in procurement activity with the intention of delivering Best Value services to the citizens of Warwick, both at the point of contracting and through effective contract management, throughout the contract term.
2. To ensure that the Council complies with English and European law in force in England that governs the procurement of goods, services and works.
3. To establish procurement procedures which, when followed, should protect Members and Officers of the Council from any allegation of acting unfairly or unlawfully which may be made in connection with any procurement by the Council relating to goods, services or works.
4. To ensure that any risks associated with commencing procurement processes and subsequently entering into contracts are assessed as part of the procurement process and the Council's Procurement Gateway Process.
5. To ensure that fairness and transparency remains at the forefront of all procurement activity undertaken by Officers and approved by Members on behalf of the Council.

John Roberts – Procurement Manager WDC

# SECTION ONE

## 1. Scope

### These Rules apply to;

1.1 All contracts made (including all orders placed) by, or on behalf of the Council where the Council is commissioning goods, services or works, including where the Council is acting on behalf of other public contracting authorities or, where permitted, divested functions of the Council, or using funding provided by other Bodies;

1.2 All contracts made by the Council when acting as lead procuring authority for a public sector procuring consortium or partnership;

1.3 All contracts made by, or on behalf of the Council for the disposal by commercial sale of goods; 1.4 All Members of the Council; and

1.5 All officers of the Council; and

1.6 Any agents, consultants and contractual partners acting on the Council's behalf.

## 2. Non Compliance with Code

2.1 Any case of non-compliance with this Code of Practice, or the EU Procurement Regulations (as incorporated into English Law) must be reported immediately to the Head of Finance. A report should also be submitted to the next available Executive.

## 3. DECLARATION OF INTERESTS / CONFLICT OF INTEREST

3.1 All employees must declare interest for each procurement activity and on-going in accordance with the Employee Code of Conduct

3.2 Any Officer who has a direct or indirect pecuniary interest in any Contract or proposed Contract (in accordance with the Local Government Act 1972 section 117) shall declare their interest in writing and will not be allowed any involvement in relation to the procurement or management of the relevant Contract.

3.3 Conflicts may also arise with incumbent suppliers. Officers are obliged to take appropriate measures to effectively prevent, identify and remedy conflicts of interest. In circumstances where measures cannot be taken to remedy conflicts, a contracting authority may have discretion to exclude the relevant bidder.

## 4. General Principles

4.1 All purchasing and disposal activities must:

- Achieve best value for public money spent or received and conducted within the legal powers of the Council;
- Support the Council's aims, policy objectives and strategic direction;
- Ensure contracts are awarded in accordance with any of the Council's specific requirements for the management of Health and Safety, Risk, Business Continuity, Diversity and Equality;
- Deliver outcomes which are sustainable environmentally and / or in socio-economic terms, efficient and reduce cost where appropriate;

- Ensure every procurement process is fair and transparent;
- Ensure the highest standards of probity including adherence to the Council's Code of conduct for Local Government Employees and rules for the prevention of corruption
- Comply with all applicable legal requirements including, but not limited to, EU Procurement Rules;
- Be conducted electronically via the Council's e-Sourcing system or other line of business system with suitable electronic Tendering capability; and,
- Be accurately recorded with a clear audit trail of actions and decisions.

4.2 All invitations to quote or Tender issued by the Council shall:

- Include appropriate terms and conditions of contract;
- Clearly specify, in a non-discriminatory way, using output or outcome based specifications, the goods, services or works to be provided and the time limit (if any) for delivery;
- Provide a clear statement regarding the criteria and process to be used for assessment of bids with each criteria having an appropriate weight assigned to it;
- Be evaluated, on the basis of the most economically advantageous Tender (including, where relevant Life Cycle Cost) with regard to price, quality, service and environmental sustainability
- By exception and only with the prior approval of the Head of Service be evaluated on the basis of lowest cost only; and
- Provide any supplementary information required by suppliers to enable them to submit clear and concise bids, structured to be easily assessed.

4.3 All contracts or purchase orders issued by the Council shall:

- Be evidenced in writing;
- Refer to a contract reference number and / or contain a purchase order number generated by an electronic purchase ordering system;
- Contain a non-discriminatory outcome or output based specification, and appropriate schedules;
- For Contracts over £10,000 include relevant conditions of contract and references in the conditions of contract to:
  - the goods, services or works to be delivered;
  - the time limit for delivery;
  - the level of quality expected;
  - appropriate and proportionate levels and forms of insurance;
  - arrangements for managing performance;

- a requirement for the supplier to comply with all relevant statutory requirements in respect of Health and Safety and Equalities;
- Unless otherwise provided for in the contract; a requirement for payment to the supplier of all undisputed invoices within 30 days and for the same to be required of the supplier to any sub-contractors.
- Provide that the Council may terminate the contract and recover its losses in the event of a breach by the supplier, its employees or anyone acting on its behalf of any statutory obligations in respect of The Bribery and Corruption Act 2010 (or any amendment or subsequent re-enactment thereof), in the event that the supplier should otherwise have been disqualified in accordance with the Public Contracts Regulations 2015.

## **5. Responsibilities**

5.1 Heads of Service shall, in consultation with the Procurement Manager:

- Be responsible for procurement undertaken within their own Service Team ;
- Nominate Responsible Officers to undertake specific procurement processes;
- Ensure that the Responsible Officer(s) delegated to undertake procurement activity are adequately skilled to undertake a Quotation or Tender exercise in line with these Rules, and e-Sourcing processes;
- Ensure that any Quotation or Tender undertaken actively supports commissioning and business plans and the Councils policies and objectives, including but not limited to: Health and Safety, Risk Management, Business Continuity and Diversity and Equality;
- Ensure that any procurement undertaken takes into account, such environmental, social and economic factors as may be relevant to and / or achieved through the requirement being Tendered;
- Ensure that a full documentary record is maintained of any Quotation or Tender process, decisions taken and any related correspondence, in accordance with the requirements in these Rules;
- Ensure that where relevant, financial evaluation of bids shall take into account the whole Life Cycle Cost of the procured goods, services, or works;
- Consider the impact of procurement on SME's and/or VCSE providers;
- Ensure that in any procurement process involving the transfer of staff, all applicable statutory obligations are complied with;
- Ensure that Responsible Officers, comply with these Procurement Rules;
- Ensure that all procurement and delegated decision making / signing off is within approved budgetary limits and Scheme of Delegation.

Consult with the relevant Portfolio Holder and CMT at the appropriate stage of a procurement process where:

- An innovative approach is proposed – within the principles of these Rules, but which is significantly different to current practice;

- A proposed procurement process is likely to have a significant impact on the Council's workforce; and
- A proposed contract will significantly exceed the approved budget or time for completion, or is incurring significant risks not initially identified.

5.2 The Head of Service shall maintain a Contracts Register, in line with the Council's Procurement Strategy, for all contracts valued over £5,000.

- Details of all contracts accepted and awarded will be recorded on the central Contact Register. The Head of Service will have responsibility for ensuring it is maintained and kept up to date.
- The Head of Service, in consultation in with the Procurement Manager shall be responsible for maintaining an annual forward contract plan showing all potential procurement opportunities with a total value above £25,000.

5.3 The Procurement Manager shall:

- Maintain these Procurement Rules in accordance with the requirements of the Council's Constitution and Discharge of Functions;
- Provide professional advice to the Council on all matters relating to public procurement, procurement strategy and practice, contract management and market engagement;
- Where permitted by these Rules agree variations to contracts in compliance with the requirements of the Public Contracts Regulations 2015 para 72 and where the change would not constitute a 'new contract' requiring a re-procurement;
- Provide training and guidance when required on the application and use of these Rules, electronic procurement, purchase ordering, use of procurement cards, the management of contracts, developing procurement strategy and practice;
- Undertake all Tenders for contracts over the EU Procurement threshold except where it has been agreed with the respective Head of Service that an individual EU Tender may be run by a Responsible Officer from another Service Team with the necessary experience and with support from the Head of Procurement;
- Determine whether a contract opportunity may be restricted to mutual/social enterprises.

## 6. EXEMPTIONS

6.1 Exemption to Code of Procurement Practice Rules

- An exemption to the Code of Procurement Practice Rules is a permission to let a contract without complying with one or more of the Rules. An exemption to Rules for Contracts may be granted subject to conditions. **An exemption cannot be granted where a breach of any UK or EU legislation would be incurred.**
- An application for an exemption to Rules for Contracts to allow a contract to be let without genuine competition will not be granted without a cogent reason. A lack of time caused by inadequate forward planning is not a cogent reason and will not permit an exemption to Rules for Contracts. If an application is granted, the head of service responsible for the contract must demonstrate that the price obtained is not in excess of the market price and that the contract represents best value for money.

## 6.2 Authorising Exemptions

- An Exemption request form must be completed for every instance of an exemption. The template must clearly document the exemption to be applied, along with the justifications and all necessary procurement, legal and financial risks.
- Where the total contract value is up to £20,000, the Head of Finance may agree the exemption with the exemption retrospectively reported to the Executive.
- Where the total contract value is £20,000 and above. The Exemption request form must be completed by the Sponsoring Manager and agreed by the Procurement Manager and Executive, prior to any work being carried out.
- Exemptions under paragraph 6.5 need to be agreed by the Head of Service and the Procurement Manager.

## 6.3 Exemptions **requiring** approval by Executive (**after** work is carried out):

- Goods, Services or Works procured in an emergency because of a need to respond to events that were beyond the control of the Council (e.g. natural disasters such as flooding or fires or circumstances likely to involve risk of injury, or danger to health or life to or destruction of property. Any contract entered into by the Council must not be for a term longer than **6 months**. For E.U. contracts, the urgency must be unforeseen and not attributable to the actions of the Council.

## 6.4 Exemptions **requiring** approval by Executive ( **prior** to work is carried out):

- The supply of goods and / or services is required for an interim period (**no longer than 12 months**) to enable the alignment of contract dates with a public sector partner, and where to do so enables a collaborative procurement to be completed which, it can reasonably be anticipated, will deliver savings
- Where additional works or services are required which were not included in the original contract and which either are strictly necessary for the competition of the contract or, for technical or economic reasons, cannot be carried out separately without great inconvenience. For E.U. contracts, the urgency must be unforeseen and not exceed 50% of the total value of the original contract attributable to the Council.
  - Where new works or services are required which are a repetition of works or services carried out under the original contract. For E U contracts, the new works or services must be required within 3 years of the original contract, and the contract notice must have stated that a new contract might be awarded by negotiation.
  - Where goods are required to partially replace or add to existing goods or installations, and obtaining them from another contractor would result in incompatibility or disproportionate technical difficulties in operation or maintenance.

## 6.5 Exemptions **not** requiring approval by Executive are:

- Renewal of software licenses or other IT commodity items where the supply is restricted to either the original supplier or their selected re-sellers, and competition does not affect the price paid owing to way the market operates and/or the need for compatibility.
- Memberships, publications and subscriptions that are only available to purchase from a single organisation e.g. membership of a housing advisory organisation.

- In a single source situation where we are restricted to using a particular supplier.
- A situation where you need to go to the original equipment manufacturer (OEM)
- Where using an alternative supplier will invalidate warranties.
- Where it is agreed that an external provider uses our facilities to provide a service i.e. stage performance and as part of providing this service agree to pay the council a commission.
- The Council has followed the procedures but the process has not resulted in a suitable supplier being engaged due to reasons beyond officers' normal control and defined responsibility resulting in an interim supplier being appointed to ensure continuity of service while the procurement process is reviewed.
- If there are exceptional circumstances in which it would not be in the Council's best interests to follow the tender or quotation procedure or another Rule for Contract;
- When the current contracted supplier goes into liquidation and time limited short term emergency measures need to be put in place to maintain services until a new tendering exercise has been completed.
- Grants, payments to parish councils or similar bodies (where the Council is body responsible for collection of funds via council tax), payments to BID's (Business Improvement Districts, where the Council is the body responsible for collection of funds via business rates), staff salaries and any statutory taxes are not covered by this code as they are not considered to be the procurement of goods, works or services.

## 7. EXTENDING EXISTING CONTRACTS

- 7.1 An extension to a contract is an additional period at the end of an existing contract, during which the works or the services to be carried out are a repetition of the works or services under the original contract
- 7.2 An extension should not be made where it would have the effect of changing the fundamental nature of the original contract and in no circumstances should an extension be made to a contract that has the effect of increasing the contract to a value over the EU Thresholds in force at that time.
- 7.3 Where an existing contract was originally entered into with no contractual option to extend, the Head of Service (or nominated Deputy) is permitted a single extension of the existing contract by up to 12 months with a current contractor as long as it is on the same basis, providing this would not place the contract over the EU limit or break any law.
- 7.4 Except under exceptional circumstances it is not permitted to extend an existing contract more than once and for no longer than twelve months.
- 7.5 Where the value of the initial contract or the aggregated estimated value of the contract and any extension is above £20,000, an Approval for an Existing Contract Extension Form must be completed by the sponsoring Manager and agreed by the Procurement Manager and Executive, prior to any work or service being provided.
- 7.6 An extension to an existing Contract **is not permitted** if it:
- is materially different in character from the original contract and, therefore, such as to demonstrate the intention of the parties to renegotiate the essential terms of that contract.

- introduces conditions which, had they been part of the initial award procedure, would have allowed for the admission of tenderers other than those initially admitted or would have allowed for the acceptance of a tender other than the one initially accepted.
- extends the scope of the contract considerably to encompass services not initially covered.
- changes the economic balance of the contract in favour of the contractor in a manner which was not provided for in the terms of the initial contract.

## 8. CURRENT CONTRACT RENEWAL PROGRAMME

8.1 Current contracts must be reviewed in accordance with the following timetable:

| <b>Total contract Value</b>   | <b>Review Date</b>  |
|---|---|
| Where a low value contract has been in place or rolled over repeatedly for at least three years and the total spend has exceeded £ £5000.00 | Carry out review at least 3 months before break clause date by Head of Service. Using the Value for Money - Contract Review form  |
| £25,000- £49,999  | Carry out review at least 6 months before break clause date or sooner if the goods / services are of high complexity, strategically important or politically significant as determined by Corporate Management Team / Head of Finance/ Procurement Manager. Using the Value for Money - Contract Review form  |
| £50,000-EU Threshold  | Carry out review at least 9 months before break clause date or sooner if the goods / services are of high complexity, strategically important or politically significant as determined by Corporate Management Team / Head of Finance/ Procurement Manager. Using the Value for Money - Contract Review form  |
| >EU Threshold As at 01/01/2016<br>Supplies & Services: £164,176.00<br>Works : £4,104,394.00   | Carry out review at least 12 months before break clause date or sooner if the goods / services are of high complexity, strategically important or politically significant as determined by Corporate Management Team / Head of Finance/ Procurement Manager. Using the Value for Money - Contract Review form |
| Frameworks  | Carry out review in line with total contract value as indicated above. Using the Value for Money - Contract Review form   |

8.2 Prior to extending an existing Contract (valued £25,000 and above), the Head of Service in consultation with the Procurement Manager, must ensure that a value for money appraisal is undertaken to determine if it is in the best interest of the Council to extend the current arrangement, and this will be carried out in accordance with the above timetable.

8.4 When negotiating a Contract extension the Responsible Officer must make every effort to negotiate improved Contract terms with regards to cost and/or quality of the Goods, Services and/or Works being delivered



## 9. THRESHOLDS

- 9.1. The Procurement Procedure will be defined according to the estimated value. Contract values must not be split in order to change the contract process.
- 9.2. The estimated value including any extensions will be for the term of the contract. This may be a fixed term for Procurement type work.
- 9.3 In the event that the minimum number of quotations or tenders cannot be obtained for reasons of insufficient suppliers within the market, the Head of Service in conjunction with the Procurement Manager will have the final decision in whether to proceed or to redesign the specification.
- 9.4 Where the spend is agreed by the relevant Head of Service and Procurement Manager to be classed as low value / low spend, the Council's Purchasing Cards Can be used in such circumstances. In such Cases the instruction on the use of the Purchasing Card must be adhered to.

| <b>TYPE</b> | <b>CONTRACT PRICE</b> | <b>PROCEDURE</b>   |
|-------------|-----------------------|--|
| 1           | <£4,999               | Head of Service to arrange directly, after prior consultation with the Procurement Manager, with regard having to be given for best Value.   |
| 2           | <£5,000-£24,999       | Head of Service to arrange directly, after prior consultation with the Procurement Manager, to obtain at least three quotations. Regard must be given for best value.  |
| 3           | £25,000- £49,999      | Head of Service to arrange, after prior consultation with the Procurement Manager, to arrange formal quotation exercise, to be advertised exclusively via e-tendering portal with an option to utilise the 'quick quote' function and through advertising on Contracts Finder.<br>A minimum of two Local Suppliers must be invited to bid. In order to promote procurement opportunities and increase the number of Local SME's registered on the E Portal, invitations to Participate will be circulated using Federation of Small Businesses weekly e newsletter.  |
| 4           | £50,000-EU Threshold  | Procurement Manager, in consultation with the Head of Service, to arrange formal Tender opportunity for goods, works or services above £50,000 advertised exclusively via the e-tendering portal and any other portals, specialist forums etc. and through Contracts Finder, to ensure that as wide a market as possible has the opportunity to respond to the opportunity to be sought in accordance with the tendering procedures.<br><br>In order to promote procurement opportunities and increase the number of Local SME's registered on the E Portal, invitations to Participate will be circulated using Federation of Small Businesses weekly e newsletter. |

| TYPE | CONTRACT PRICE | PROCEDURE  |
|------|----------------|--|
| 5    | >EU Threshold  | <p>Procurement Manager (or nominated Deputy) to arrange formal Tender opportunity for goods, works or services above E U Threshold will be advertised exclusively via the e-tendering portal and any other portals, specialist forums etc. and through Contracts Finder, to ensure that as wide a market as possible has the opportunity to respond to the opportunity to be sought in accordance with the tendering procedures.</p> <p><b>EU Procurement Directive thresholds at 1<sup>st</sup> January 2016: Supplies &amp; Services: £164,176.00, Works : £4,104,394.00</b></p> |
| 6    | Frameworks     | <p>Procurement Manager (or nominated Deputy) to arrange the following the procedures set out in the framework without the need to go to back to the market.</p> <p>Mini Competitions advertised exclusively via the e-tendering portal.</p>  |

## 10. FORM AND CONDITIONS OF CONTRACT

10.1 The officer responsible for the contract shall at the start of the process ensure that the specification is clear and meets all the business needs of the requirement. Procurement will ensure that contracts awarded are sufficiently clear and robust to enable the Council to enforce their execution and fulfilment. Contracts can be bespoke, industry standard (e.g. JCT) or made on Warwick District Council's standard terms and conditions of goods or services as appropriate.

10.2 Contracts will clearly state:

- Work to be Carried out/goods to be supplied, together with a definite quality of provision;
- The price, any discounts and (where appropriate) a means of defining price adjustments for any subsequent amendment of requirements and the mechanism for inflationary increases;
- Time by when (or during which) the contract is to be Carried out;

10.3 Contracts will also specify the Council's expectations of its contractors in relation to aspects of the Sustainable Community Strategy and Fit for the Future, e.g.

- Employment practices must reflect good practice in equality and diversity.
- Payment terms to subcontractors should mirror those that the Council agrees to the contract holder e.g.: number of days to pay third party suppliers in line with Government guidelines.
- Consolidation of invoices. The Council preference is for monthly billing but shorter frequencies may be acceptable depending on the supplier and the expenditure
- All Health and Safety requirements must be met.
- Business Continuity and emergency availability for key services and supplies.

- Environmentally sustainable working practices. The need, where appropriate, for equipment/systems to comply with EU requirements, and any other current legislation.
- Performance and complaints monitoring and reporting.
- Procurement in consultation with Legal Services will determine if the contract requires the provision of a performance bond or parent company guarantee, or the provision for liquidated damages.

10.4 Contracts should provide powers for the Council to cancel the contract and recover any resulting losses from the contractor in the event that the contractor, its employees or agents (with or without its knowledge):-

- improperly offers or gives anyone anything or benefit in order to influence the way in which any contract with the Council is given, completed or Carried out; or,
- Commits any offence under the Prevention of Corruption Acts 1889 to 1916, section 117(2) of the Local Government Act 1972 or any consolidating or amending legislation.

10.5 All contracts should be duly signed by both the Council and supplier before any services are commenced or goods ordered.

- Legal advice may be sought before any contract can be put forward for signing.
- Only those officers and managers identified as approved may sign and execute contracts on behalf of the Council. Type 1 and 2 authorisation will be at the point of order approval. Contracts of type 3-4 may be signed by a Head of Service (or any officer above this level). For contracts of type 5 only officers that are members of CMT or the S151 Officer may sign. Where contracts are to be executed as a deed, under the scheme of delegation reference G (9), these Can only be signed by the Chief Executive or the Deputy Chief Executives.
- All signed contracts to be stored in the Central Document Store .

10.6 All relevant contracts must be concluded formally in writing before the supply, service or construction work begins, except in exceptional circumstances, and then only with the prior approval from Chief Executive , Head of Finance or nominated. A letter of intent is insufficient.

10.7 The contract shall make appropriate provision for information sharing between the supplier and the Council, and/or such other measures as are appropriate, such as staff training, to support the Council in meeting its duty under section 26 of the Counter-Terrorism and Security Act 2015 to have due regard to the need to prevent people from being drawn into terrorism.

10.8 All orders must be matched with a Purchase Order, raised in advance , and be in line with the Council's Code of Financial Practice.

## **11. NOVATION OF CONTRACTS**

11.1 The novation of a contract can be undertaken if this was allowed for in the terms of the original contract. The Service Manager will need to seek advice from Procurement, Legal and Finance before agreeing to a novation.

11.2 Where novation of the contract has not been provided for in the original terms of the contract, novation can be undertaken if a corporate restructuring such as a takeover, merger, acquisition or insolvency.

## **12. CONTRACTS UNDER SIGNATURE**

12.1. The Officer responsible for securing signature of the contract must ensure that the person signing for the other contracting party has authority to bind it. The Officer signing the contract on behalf of the Council must check to ensure that he/she has the relevant authorisation to sign the contract.

## **13. CONTRACTS UNDER SEAL**

13.1 A contract must be sealed where:

- The Council wishes to extend the liability period under the contract and enforce its terms for up to 12 years;
- The price to be paid or received under the contract is a nominal price and does not reflect the value of the goods or services;
- There is any doubt about the authority of the person signing for the other contracting party; and/or
- The total value of the contract is £50,000 or over

13.2. Where contracts are completed by each side adding their formal seal, such contracts shall be attested by an officer so authorised under the Council's Constitution.

13.3. Every Council sealing will be consecutively numbered, recorded and signed by the person witnessing the seal. The seal must not be affixed without the authority of the Monitoring Officer, acting under delegated powers.

## **14. E-PROCUREMENT**

14.1 These rules apply to any tendering procedure (including for the avoidance of doubt a mini-competition under a framework arrangement) or contract entered into using electronic means.

14.2 All contracts with a value of £ 25,000.00 will be advertised exclusively via e-tendering portal and "Contracts Finder.

14.3 All procurement exercises shall be conducted by electronic means ("e-procurement"), using a system approved by the Council.

14.4 The Council must consider whether it is appropriate to impose any specific requirements regarding verification and authentication of the tender submission and the signature of the person making that submission. Any such requirements must be stated in the Contract Documents.

14.5 No tender submitted using electronic means will be considered unless it is received in the format requested and prior to the deadline for the receipt of tenders as stated in the Contract Documents and is submitted via the Council approved electronic tender system.

14.6 The Council shall ensure that insofar as is reasonably practicable the system used does not allow the identity of the contractor submitting the tender to be revealed prior to the tender being opened after the deadline for the receipt of tenders.

14.7 Late tenders must be clearly identified as such by the system and shall be recorded as rejected on the system with the tenderer being notified to this effect.

14.8 The Council may also elect to extend the deadline for submission of tenders where it is considered appropriate to do so.

14.9 Where the deadline for submission of tenders is extended the Council shall notify all potential tenderers of the extension and any tenderers who have already submitted tenders shall be given the opportunity to re-submit their tenders.

14.10 Any questions as to whether a tender is late shall be determined by the Council in consultation with the Procurement Manager

## **15. DISPOSAL OF ASSETS**

15.1 The approach to be taken in respect of the disposal of assets (excluding land and buildings) will depend upon the nature and estimated value of the asset.

- In the first instance any asset deemed to be of no further use should be offered for re-use within the Council. This can be done via the internet or email to service area managers.
- For assets worth £19,999 and below Managers should 'have regard' to the need for value for money and equity. Assets should not be sold without competition unless it is clearly sensible to do so. The reasoning must be recorded by the Head of Service. In cases where competition is appropriate, at least two written quotations should be received or the method of electronic auction may be used (e.g. EBay).
- For assets worth £20,000 and above the Executive approval should be sought detailing the asset and the proposed method of disposal. The method of disposal may be either by formal tender (as described in sections 9-13) or by auction (e.g. EBay or property/land auction)

15.2 In the event that electronic auction is selected then this must be through a Council account, under NO circumstances should personal accounts be used.

15.3 If a low value asset cannot be sold then consideration should be given as to its suitability to support local charities, voluntary groups and / or parish councils. In the event that this is deemed a suitable route to disposal the Head of Service is responsible for the disposal.

15.4 Disposal of land and buildings does not normally fall under the Public Contracts Regulations. However, if the disposal is linked to further outputs or developments then there may be a requirement to comply with the regulations. In considering the proposal to dispose of land or property it is necessary to follow the Code of Financial Practice.



[www.warwickdc.gov.uk](http://www.warwickdc.gov.uk)

# Warwick District Council Code of Procurement Practice

Code of Procurement Practice has been written in five sections.

1. Corporate rules
2. Procurement procedure
3. Contract Management Policy, Practice and Procedure
4. Glossary
5. Policies

## SECTION TWO

### PROCUREMENT PROCEDURE

1.1 It is a mandatory requirement for the sponsoring Manager / Head of Service, before commencing any new procurement activity, to complete a Procurement Initiation Document (PID) to identify the business needs and fully assess any and all options for meeting those needs. The purpose of the Procurement Initiation Document (PID) is to assist the Procurement team / sponsoring Manager / Head of Service to organise, plan and control the procurement exercise and address each element of the Procurement project at the right time and to the right level of detail for the size and complexity of the Procurement project.

1.2 It is recognised that the Procurement Initiation Document (PID) will evolve during the Market Consultation / Pre Procurement route and will be reassessed at gateway review stages throughout the Procurement process.

1.3 The PID must be sent to the Procurement Manager who will allocate workload responsibility within the Procurement team and arrange for the lead Procurement officer to meet with the sponsoring Manager / Head of Service and Procurement team on a regular and appropriate basis, to work together and develop the Procurement project, and jointly ensure a successful outcome of the procurement exercise.

1.4 The procurement exercise is a joint responsibility between the Sponsoring Head of Service (or nominated deputy), the Procurement team and key internal / external stakeholders with the involvement of particular specialist disciplines, as and when required. It is of paramount importance to the success of this procurement project that clear ownership, roles and responsibilities are established at an early stage along with an agreed action plan that dovetails with an agreed timetable. The joint team is responsible for maintaining a strategic and operational overview ensuring that the business aims and objectives are achieved in strict accordance with the Procurement Initiation Document (PID) / Business Plan, legal requirements, Procurement requirements, and the Council's policies and procedures

1.5 Before undertaking the procurement exercise the officer responsible for the activity shall:

1.5.1 Consider all other means of satisfying the need (including recycling and reuse where appropriate);

1.5.2 Consider whether there is an existing appropriate compliant pre-tendered contract available. This may be either a contract let by another public body or a framework agreement let by a purchasing consortium (e.g. Crown Commercial Services, ESPO, and YPO). It may be necessary to examine a number of frameworks and contracts to find the best value solution;

1.5.3 Consider joint working with one or more other local authorities. Sharing knowledge and resources while aggregating spends should be of benefit. The Procurement team can establish contact with other procurement officers at neighbouring councils to assist with this if this is felt to be a viable option.

1.5.4 Consider the criticality of the supply and/or service with regard to business continuity to ensure a smooth transition from the outgoing and incoming contractor;

1.5.5 Consider and define the need for a confidentiality document either at the initial outset of the tender phase and/or at the contract stage.

1.5.6 Consider any 'Conflicts of Interest' from parties involved in the procurement process, i.e. members' involvement with organisations outside the council.

1.5.7 Where appropriate, carry out Soft Market testing to ensure that the requirement can be met by the market.

1.5.8 Give consideration and ensure adherence to the Ethical Procurement Statement and Sustainable Procurement Policy

1.5.9 Give consideration to the social benefits that can be obtained through the lifetime of the service contract in line with the Public Service (Social Value) Act 2012. It is mandatory at the Invitation to Tender stage:

- the social value outcomes being sought should be described in the service specification
- in the ITT evaluation criteria, social value should form part of the quality weighting. The amount of weighting specifically given to social value, within the overall quality evaluation, should be made clear.
- a minimum of one social value question is included in all tenders above £100,000.
- two social value questions are included in all tenders above £1million pounds

1.5.10 Seek the advice and guidance from the Procurement Manager as appropriate.

1.5.11 Consider any current or potential WDC in-house provision of services. They must be invited to participate in the tendering process.

1.6 Identify any stakeholders that need to be made aware of the renewal process.

1.7 Consult with Finance or service accountant to determine the approved available budget, where the existing budget may be insufficient to cover current costs of such a contract. Any monies to be drawn from the Reserves must follow the due approval process prior to commencing the procurement process.

1.8 Where it is agreed to carry out a new tendering exercise the Council should make best use of its purchasing power by aggregating purchases wherever possible. Consideration should be given to lots to encourage participation from SME's.

1.9 Gateway Reviews 'Gateway' means the method of 'managing' a procurement exercise at critical stages in its lifecycle to provide assurance that the procurement can proceed to the next stage.

1.10 The Gateway process is designed as six key stages (as shown below) . Projects have to successfully pass through at the end of each stage before progressing to the next. This helps to ensure that the costs and benefits of projects are predictable and fall within acceptable boundaries.

1.11 Prior to the commencement of a procurement exercise with a value of £50,000 or more, the Head of Service (or nominated Deputy), in consultation with the Procurement Manager (or nominated Deputy) must undertake gateway reviews at each stage of the procurement process.

| <b>Stage</b>                        | <b>Stage closure questions</b>   |
|-------------------------------------|--|
| Gateway 0<br>Strategic Assessment   | <ul style="list-style-type: none"> <li>• What is the business need?</li> <li>• Is it a project or a programme?</li> <li>• Do we have the right skills?</li> <li>• Do stakeholders support it?</li> <li>• Does it contribute to the Council's strategy?</li> <li>• Are there resources for the next stage?</li> </ul>   |
| Gateway 1<br>Business Justification | <ul style="list-style-type: none"> <li>• Is the high level business case complete?</li> <li>• Do we have the authority and support to proceed?</li> <li>• Is the feasibility study satisfactory?</li> <li>• Are the scope, scale and outcomes clear?</li> <li>• Is our risk management plan complete?</li> <li>• Do we have the correct project structure and plans?</li> </ul>  |
| Gateway 2<br>Procurement Approach   | <ul style="list-style-type: none"> <li>• Is the procurement approach appropriate?</li> <li>• Have all approaches been investigated?</li> <li>• Is the business case up to date?</li> <li>• Is the specification of requirements correct?</li> <li>• Can the project team and structure deliver?</li> <li>• Is the project plan realistic?</li> </ul>   |
| Gateway 3<br>Investment Decision    | <ul style="list-style-type: none"> <li>• Can the benefits specified in the business case be delivered by the contract?</li> <li>• Has the procurement been appropriately managed ?</li> <li>• Is there continuing stakeholder support?</li> <li>• Is the business case ready for implementation?</li> <li>• Are the contract management procedures satisfactory?</li> </ul>  |
| Gateway 4<br>Readiness for Service  | <ul style="list-style-type: none"> <li>• Is the business case still valid?</li> <li>• Are the business benefits still detectable?</li> <li>• Is there sufficient contract management resource?</li> <li>• Has all testing been successfully completed?</li> <li>• Is the business ready for implementation?</li> <li>• Are plans for managing implementation and operation in place?</li> </ul>  |
| Gateway 5<br>Benefits Evaluation    | <ul style="list-style-type: none"> <li>• Was the business justification realistic?</li> <li>• Are the expected benefits being delivered?</li> <li>• Is there sufficient contract management?</li> <li>• Are agreed changes appropriate?</li> <li>• Is there still a business case for the contract?</li> <li>• Can lessons be learned from the experience?</li> <li>• Are appropriate targets in place?</li> <li>• Are plans in place for the future including possible</li> </ul> |



## 12. PRE-TENDER MARKET CONSULTATION

12.1 Before commencing a procurement procedure consideration should be given to engaging with the market. This engagement may be used by the Council to gather information about what the market is capable of offering etc. Prior to undertaking any such market engagement advice must be sought from the Procurement Team in relation to whether such engagement is appropriate and also the method of such engagement.

12.2 Where market engagement is undertaken, the Responsible Officer must ensure appropriate measures are taken to ensure that competition is not distorted, for example:

- Ensuring an exchange of information in the context of or resulting from the involvement of the market engagement with other candidates and/or tenderers;
- Allowing sufficient time limits for the receipt of tenders so those candidates/tenderers not involved in market engagement can digest the information presented and read any background supporting documents issued; or
- Where no other alternative exists, exclude the organisation involved in market engagement from the procurement procedure (prior to exclusion, the bidder must be given the opportunity to prove that their involvement is not capable of distorting competition).

12.3 Where market engagement is undertaken through the use of an advertisement on CSWJETS **or** through the use of a Prior Information Notice (PIN) within OJEU, the details of this advertisement also need to be recorded on Contracts Finder.

## 13. TENDERING PROCEDURES

13.1 Subject to any overriding statutory enactment this tender procedure applies in relation to any and all type 3, 4 and 5 contracts.

**For type 3 contracts a formal quotation process needs to be followed.**

13.1.1 The 'Quick Quote' process within the e-tendering portal to be used as a call for competition, where applicable.

13.1.2 Advertise the requirement on Contracts Finder.

**For type 4 and 5 contracts a formal tendering process to be followed.**

13.1.3 A formal tendering Procurement to be carried out using the e-tendering portal.

13.1.4 The requirements will be linked to Contracts Finder.

13.2 For type 5 contracts the relevant procedure (open, restricted, negotiated or competitive dialogue) needs to be identified prior to advertisement;

- **Open Procedure** – where only a limited number of potential suppliers are likely to respond.
- **Restricted Procedure** – where there are potentially many suppliers likely to respond and a pre-tender selection is required.

- **Competitive Procedure with Negotiation** – for complex tenders giving the option to negotiate
- **Competitive Dialogue** – for highly complex tenders where none of the above are suitable or the solution cannot easily be identified.
- **Innovation Partnership** – highly complex tenders, working with the market to deliver the business objectives when the route or specification is hard to establish or if the market can deliver (working together partnership)

13.2.1 Where it is agreed to follow a restricted procedure documents will include for a 2 stage tendering process - stage 1 the Pre –Qualification Questionnaire (PQQ) for the Public Sector and stage 2 the Invitation to Tender (ITT)

13.2.2 A Pre –Qualification Questionnaire (PQQ) must not be used for spend below E U Public Procurement Directive Threshold

13.3 For type 3, 4 and 5 contracts a clear specification and pricing scheduled needs to be developed for publishing to the market. An evaluation criteria and scoring matrix needs to be available for consideration.

13.4 At the time of publishing the Call for competition for type 4 and 5 contracts, clear background information, specifications and pricing schedules, as required by the Procurement Manager, including the evaluation criteria and scoring matrix, needs to be available for consideration. Service level agreement and key performance indicators should be included and used as a tool to manage the performance during the life of the contract. All KPI's should be SMART (specific, measurable, achievable, realistic and timely) and not onerous. ALL contract documentation needs to be prepared to be published as part of the process.

13.5 Tenders will be let as framework agreements for use by other local authorities, where applicable.

13.6 All tender opportunities must be advertised via the CSW-JETS e- portal by the Procurement Team. Advertisements will also be advertised through Contracts Finder and on our external web site, while those above EU thresholds will be sent to the OJEU. The advertised opportunity will have links to the documents for consideration and will include the date, time and the process for the return of the completed documents to the originator.

13.7 Constructionline shall be used as the basis for selecting contractors for works and construction related consultants to quote or tender for contracts up to the value of the EU limits for Works and Services.

13.8 In order to promote procurement opportunities and increase the number of Local SME's registered on the CSW-JETS e- portal, invitations to Participate will be circulated using Federation of Small Businesses weekly e mail.

13.9 To promote Procurement opportunities with SME's we shall:

- Directly notify all suppliers that are registered on the CSW-JETS e- portal, and have entered the industry/sector in which they operate, of any contract opportunity which may be of interest to them (via CSW-JETS e- portal )
- Publish an annual forward contract plan showing all potential procurement opportunities with a total value above £25,000
- Advertise all Potential Procurement opportunities via Federation of Small Business's weekly e newsletter

- At least two Local Providers invited to quote for contracts value £25,000 - £49,999.99

13.10 All procurements over £25k total contract value will be assessed for Safeguarding risks. Irrespective of the level of risk basic Safeguarding contract clauses will be included in all contracts. For high risk contracts safeguarding will form a constituent part of selection and award criteria as appropriate, in addition extended contract clauses will apply.

13.11 The Public Contract Regulations 2015 requires the Council to provide an indication within the invitation to tender contract notice why the Council has not broken a contract down into lots. Therefore, the assumption is that all contracts, where possible, shall be broken down into appropriate lots and requesting a discount where more than one lot is awarded to the same Tenderer. Any discounts proposed shall be considered as part of the overall evaluation of prices and awarded according to the published award criteria.

## **14. CUSTODY, OPENING AND ACCEPTANCE OF TENDERS Type 3 - 6**

### **14.1 Receipt of Quotations / Tenders**

14.1.1 Quotations / Tenders will be returned via CSW-JETS e- portal and will not be available for opening until after the closing time / date where an opening ceremony via the system will take place. No quotation / tender will be available to view until after this event. WDC operate an anonymous submission system and names of tenderers are not revealed until after the submission deadline.

### **14.2 Opening**

14.2.1 The e-tendering system records the time quotes / tenders are submitted.

14.2.2 Once the quote / tender has been opened it is only then that the name of the tenderer is revealed.

14.3 The Procurement Manager (or nominated deputy) will be responsible for opening Tenders (Opening Ceremony) in respect of all tenders and quotations issued via the e-tendering portal

### **14.4 Late Quotations / Tenders**

14.4.1 Late quotations / tenders will not be accepted unless the Council is at fault in its ability to accept documents (e.g. loss of internet access, building closure). It is the responsibility of tenderers to allow sufficient time for their documents to reach the Council via the e-tendering portal.

14.4.2 Where information is missing from a quote / tender, officers may clarify the omission with the bidders. Acceptance of any missing information is at the discretion of the Procurement Manager, who will first decide if this breaches any regulations. If no breaches will occur and it is of benefit to the Council then late information can be considered.

### **14.5 Altered Quotes / Tenders**

14.5.1 If examination of an apparently successful quote / tender reveals any errors which affect the quote / tender figure, the tenderer is to be given details of the error and

given the choice of either confirming the tender figure or withdrawing the tender except:-

- by approval of the Executive after considering a report by the appropriate Head of Service.
- where the priced specification/schedule of works/schedule of rates/bills of quantities is submitted with the quote / tender, errors in any of those documents may be corrected and tender sums amended accordingly.

## **14.6 Evaluation of Quotes / Tenders**

14.6.1 The evaluation must be carried out in adherence with the Guide to Tender Evaluation.

14.6.2 Evaluation must be carried out in an objective, fair and transparent manner using the criteria specified in the documentation (PQQ and/or ITT) with all scores and relevant comments recorded.

14.6.3 Evaluation must be Carried on a 'most economically advantageous tender' (MEAT) basis, that is a mix of price and award criteria in order to identify the best value tender for the Council. In exceptional circumstances, and for goods only, may the lowest price selection criteria be used and this will be subject to the permission of the Procurement Manager.

14.6.4 All calculations, not / comments relating to the selection and the award process must be kept for the term of the contract. The individual score awarded must be given to the tenderer as part of the communications at the contract award stage (mandatory part of the UK Remedies Directive 2009).

### **14.6.7 Acceptance of Tenders**

14.7.1 Following the evaluation process the Managers Award Recommendation Report and the Tender recommendation - Acceptance Report needs to be compiled bringing together the process followed, evaluation details, shortlisted suppliers, reasons for interviews if applicable and reasons for recommendation. This needs to be signed off by the Procurement lead, Procurement and Budget Holder before communicating the outcome to the successful tenderer. In certain circumstances where funding is being provided from an external organisation e.g. Heritage Lottery Fund, Friends Groups, acceptance of the recommendation may need to be obtained.

14.7.2 The Head of Service concerned may then formally accept the most economically advantageous tender (MEAT) provided that:

- the amount of the MEAT tender can be met from within the revenue budget (including any available virement); or
- the amount of the MEAT tender, together with any other scheme costs (e.g. fees, capital, salaries, post-contract services etc.) can be met from within the capital programme provision for the scheme/groups of similar schemes and that Executive approval for the capital expenditure has previously been granted,

14.7.3 Where a tender cannot be accepted by the Head of Service concerned because of the budget limitations, a report should be submitted to the Executive outlining the position and the options. It will then be a matter for the Executive to decide whether to proceed on a reduced basis, how the shortfall will be funded in line with the Financial Code of Practice, or not to proceed with the scheme.

14.8 The intention to award a contract must be communicated in writing to all suppliers that have declared an interest in the process. This should be done as soon as possible once an agreement has been obtained. This should be by formal letter. For contracts above £50k the communication needs to include details of Criteria for the award of the contract.

#### **14.9 Criteria for the award of the contract**

14.9.1 The score achieved by the successful supplier and the tenderers score (broken down by each element used to evaluate the tender)

14.9.2 Any reasons for the decision including the characteristics and relative advantages of the successful supplier

14.9.3 The name of the successful supplier

14.9.4 The right to appeals or challenge and how this can be done

14.9.5 The date that the standstill period will end

14.10 Where EU Regulations apply, a period of at least 10 days shall be allowed between the date of despatch of the intention to award letters to all contractors who expressed an interest and the date on which the Council proposes to enter into the contract (the Alcatel standstill period). These letters are to be dispatched by the most rapid means of communication practicable, ideally via e-mail. The standstill period shall be extended to 15 days if notifications are sent by post. In response to a written request the Council shall inform an unsuccessful Tenderer of the characteristics and relative advantages of the successful Tenderer. Tenders have the full 10 or 15 day period within which to either ask further clarification questions or state legal proceedings. Tenders subject to the Alcatel standstill period shall be recommended for acceptance by formal letter and can only be accepted after the end of the Alcatel standstill period and provided that no challenge has been received.

For contracts of types 1-3 this level of information is not required. Although for transparency this may be advantageous.

14.11 The successful tender and material associated with the tender process (emails, letters etc.) should be retained for a period of three years from the end/completion of the contract and be available for audit. Unsuccessful tenders should be retained for a period no less than 7 months from the award date in line with Councils retention policy.

#### **APPOINTMENT OF CONSULTANTS**

15.1 The appointment of a Consultant falls into two Categories: a Consultancy service or the needs of a specialist Consultant, individual. Defining the specific requirement will ensure the correct contract is awarded.

15.2 A Consultancy service includes:

- A service from a company to provide specialist advice to deliver a particular Procurement such as building consultants (architects, quantity surveyors, structural engineers etc.)

15.3 A specialist Consultant includes:

- Need to employ the skills and expertise of an individual such as employment specialist, training

15.4 A Consultant will be appointed after following the required procurement process, taking into account the full estimated value for the whole period to complete the Procurement (s) and not disaggregated into separate portions.

15.5 The requirements from the Consultant need to be clear covering all business needs.

## **16. FRAMEWORKS**

16.1 Frameworks of suppliers may be used where these have been established by an appropriate contracting authority and the Council is appropriately named as a participant in the framework.

16.2 Senior Managers, in liaison with the Procurement Manager, may establish their own frameworks in order to streamline the process of ordering commonly bought goods, works or services. Any such framework must be established in accordance with the requirements of the Public Contracts Regulations 2015. Where Senior Managers are considering establishing a framework, they must seek advice from the Procurement Manager, before entering into any contractual arrangement.

16.3 When establishing a Framework, a clearly defined process shall be included outlining how suppliers are to be selected. Advice must be sought from the Procurement Manager, before entering into any contractual arrangement.

16.3 The duration of a Framework shall not exceed 4 years except in exceptional circumstances.



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# Warwick District Council Code of Procurement Practice

Code of Procurement Practice has been written in five sections.

1. Corporate rules
2. Procurement procedure
3. Contract Management Policy, Practice and Procedure
4. Glossary
5. Policies

## SECTION THREE

### Contract Management Policy, Practice and Procedure

1. The Council is aware that it has an obligation to ensure contracts are effectively managed so as to offer good service delivery which demonstrates value for money to the residents of Warwick district Council.
  - 1.2 This policy and procedure has been developed to assist officers in managing relationships with contractors and providing a structure for reporting compliance to Senior Managers, Members and all other key stakeholders.
  - 1.3 In managing contracts, officers must ensure that they comply with all aspects of the Code of Procurement Practice, including the sections other than this.

#### 2. Our Commitment

- 2.1 With effective contract management critical to the success of any service arrangement all contracts will be subject to robust performance monitoring with good relationship management at the centre.
- 2.2 Monitoring arrangements will continue to be strengthened; the importance of meaningful indicators will be highlighted, evidencing improvements through sustainable outcomes will be built upon and demonstrable continuous improvement will become a core requirement of all contracts.
- 2.3 Meanwhile focus will be placed on developing the skills required for a consistent approach to contract and relationship management. The results from monitoring arrangements and our relationships with suppliers will act as a measurement of the effectiveness of the procurement function and inform future procurement decisions.
- 2.4 The Council recognises the importance of strong client-contractor relationships and that these are critical to the success of partnership working and service delivery. As a starting point a relevant officer will take on the formal role of

Contract Manager to offer a primary point of contact to the contractor, internal officers, Senior Managers, Members and all other stakeholders.

2.5 In support an appropriate member from the Senior Management Team will be appointed to oversee any significant contracts and attend at minimum a quarterly performance meeting. The Council recognises that demonstrating a top level interest is likely to result in a more dedicated service delivery.

2.6 It also highlights the Council's commitment to partnership working at a senior level whilst ensuring Contract Managers are fully supported.

### **3. Contract Management Practice and Procedure**

3.1 To manage the contract effectively, Contract Managers will balance a positive working relationship with robust performance monitoring to ensure all work is completed within the requirements of the contract as a minimum.

3.2 With effective contract management critical to the success of any service arrangement all contracts will be subject to robust performance monitoring with good relationship management at the centre.

3.3 Monitoring arrangements will continue to be strengthened; the importance of meaningful indicators will be highlighted, evidencing improvements through sustainable outcomes will be built upon and demonstrable continuous improvement will become a core requirement of all contracts.

3.4 Meanwhile focus will be placed on developing the skills required for a consistent approach to contract and relationship management. The results from monitoring arrangements and our relationships with suppliers will act as a measurement of the effectiveness of the procurement function and inform future procurement decisions.

3.5 The Council recognises the importance of strong client-contractor relationships and that these are critical to the success of partnership working and service delivery.

### **4. Contract Management Principles**

4.1 Robust contract management will support improved service delivery through continuous improvement in the quality of goods, works and services delivered to or on behalf of the Council. Through good contract management we will:

- Maintain a valuable source of information concerning the effectiveness and quality of services being provided
- Regularly review the strength of the working relationship between the Council and contractor
- Offer a preventative function to support the avoidance of failures in service delivery
- Ensure that contracts are known and understood by all those who will be involved in their management. Make sure that adequate resource is identified and appointed well before award of contracts and that there is an effective handover or transition from sourcing to contract management.
- Be clear about accountability, roles and responsibilities. Ensure contract ownership, management processes and governance mechanisms are clear



with defined roles and responsibilities at appropriate levels of seniority. Make sure contracts have a documented Contract Management Plan.

- Establish and use strong governance arrangements to manage risk and enable strategic oversight; ensure that governance structures are proportionate to size and risk of contracts, are suitably empowered and support the business outcomes and objectives. Ensure appropriate business continuity and contingency plans are in place.
- Adopt a differentiated approach based on risk; distinguish between tactical and strategic contracts, direct the most/strongest resource to contracts where the risks and rewards are highest. Consider a 'self-managing' approach with exception reporting for lower risk contracts.
- Manage contracts for business/public service outcomes; the owners of the required outcomes should be accountable for successful contract performance and should work closely with commercial staff to manage contracts. Focus on successful outcomes and take account of public service and accountability obligations and risks.
- Accept that change will happen and plan for it; develop flexible approaches to change through joint working with suppliers; accept that change will affect both parties during the contract life, but control costs with robust change control mechanisms. Ensure that senior level assurance and controls are in place to prevent changes from altering the strategic intent of the contract.
- Measure and report on performance and use KPIs and data efficiently to incentivise good performance; administer contracts proactively and efficiently, making maximum use of benchmarking and performance measurement data. Use a balanced scorecard to measure 'hard' data such as KPI performance alongside 'soft' measures e.g. customer satisfaction and relationship management, with a focus on achievement of outcomes. React quickly to issues when they arise. Ensure KPIs and incentives are appropriate and proportionate to the contract. Challenge KPIs and incentives regularly and ensure a mechanism to change and evolve them through the life of the contract.
- Drive continuous improvement, value for money and capture innovation; actively use contract tools and provisions to leverage the relationship, continually drive value for money and seek out and implement innovative ideas for improvement.
- Adopt and encourage mature commercial behaviours; understand what drives suppliers behaviour and know how to assess profit vs. excess profit; be open and receptive to ideas, explore and use appropriate commercial structures (e.g. alliances), but remain competent and robust in protecting Warwick District Council's commercial position and driving value for money.

## **5. Contract Management Procedure**

### **5.1 Tender Stage**

The contractual terms and conditions and specification will come directly from the tender process and will form the basis for what is to be monitored. At minimum initial priorities and measurable outcomes will be identified and encapsulated in the tender documents. However, it is recognised that providing tenderers with details of the anticipated frequency and level of detail likely to be required throughout the life of the contract can manage expectations and offer support in preparing a bid.

## **5.2 Pre-Contract Meeting**

The Contract Management stage of the procurement and commissioning cycle will be initiated by a 'pre-contract' meeting between representatives of both the Council and contractor. From this point the Council and contractor can agree the monitoring arrangements and a regular meeting schedule. It is recommended that the frequency of meetings is relative to the complexity of the contract or service to be delivered. A positive working relationship can also begin to develop, leading to a partnership approach as appropriate.

## **5.3 Monitoring Arrangements**

Ensuring outcomes and cost control within the project schedule will be key objectives of the contract monitoring. The tender as submitted should supplement the contract to ensure that any added value which was proposed in the tender over and above the original specification is included in the contract monitoring procedures. Milestones may also be identified in a way which is relevant and proportional. As a general principle only data which is required and meaningful is to be measured.

## **5.4 Reviewing Monitoring Reports**

The Contract Manager will review the contractor's reports to determine that outcomes and cost are in line with the contract schedule. Regular reporting will enable the Contract Manager to oversee the work and its progress, whilst maintaining a positive dialogue with the contractor is vital should there be any unperceived gaps in reporting. Contractors will be encouraged to approach the Contract Manager should they identify any obstacles enabling both the Contract Manager and contractor to act promptly with any corrective action taken as applicable.

## **5.5 Requests for Information**

The Contract Manager will respond to the contractor's requests for information in a timely manner to avoid unnecessary confusion and project delays.

## **5.6 Risk Management**

Risk Management principles will run through the full procurement and commissioning cycle. Carefully managing risk throughout the process will support the Council and contractor in identifying and managing any events that may have an adverse effect on the contract and its outcome.

## **5.7 Payment**

Contract Managers will be continually involved in the payment process and will liaise with the relevant Financial Services Officer to ensure services remain within budget and to confirm the correct processes are used.

## **5.8 Changes to Contract**

Non-material changes to the contract may be necessary to match expectations of the Council and the contractor. Contract amendments should be in writing and approved by the relevant director or committee following consultation with Procurement, Finance, Legal and HR as appropriate. The Procurement Manager should be consulted if any material changes are proposed.

## **6. Purpose of Contract & Supplier Management**

6.1 The function of Contract & Supplier Management is to:

- ensure a contract is successfully executed
- provide a formalised method of monitoring supplier performance against contract requirements
- ensure that there is clarity of the roles and responsibilities by all parties relating to contract and supplier management
- monitor overall compliance by all parties to the terms of the agreement and contract, refining and improving KPIs, SLAs and service delivery through honest, open communication between the supplier and the Council, delivering improvements to both parties
- improve and develop relationships with key supplier representatives based on mutual trust and understanding, open communications and a joint approach to managing delivery
- realise estimated and planned savings through continuous monitoring of spend
- identify potential additional savings and benefits through proactive contract and supplier management
- co-ordinate the supply chain
- provide a focus for development of initiatives / innovation
- deliver learning and knowledge transfer
- drive continual improvement

### **6.2 Priorities**

Priority areas to achieve contract and supplier management objectives include the:

- Implementation of a standardised agenda, minutes and action notes template for managing and documenting supplier meetings consistently across all commodity areas.
- Incorporation of a mechanism to review council performance and feedback within review meetings.
- Introduction of management meetings with identified key suppliers for each category, with an aim of continuous improvement in the execution of contracts.
- Regular review of both contract performance and supplier performance through structured joint and service-inclusive meetings to improve output, savings and knowledge, and to reduce risk
- Encouragement of prime contractors to engage with local suppliers and SME's through the inclusion of Community Benefit / Sustainability clauses, and early engagement in commodity strategies

- Standardisation of the supplier management process, and implementation of rigorous controls to manage the supplier database and transactions within Procurement systems.
- Continual review of the contract and supplier management process to ensure it remains fit-for-purpose and continues to deliver clear benefits

### **6.3 Contract and Supplier Management Process**

This document sets out the procedure that is used to manage contracts and the supplier relationship post-supplier selection and contract award. Equally, it applies to the management of existing contracts.

The Contract and Supplier Management process begins with migration and mobilisation, and continues through a post-contract award meeting with the successful supplier, which as a guideline, should be conducted within 1-3 weeks of the contract award. The purpose of this meeting is to discuss the contract implementation phase and agree roles, responsibilities, identify activities and agree SLA's, KPI's, timescales and expectations. It is important to keep in regular contact with the supplier during the contract implementation phase and to arrange meetings and maintain open dialogue throughout.

## **7. Contract Implementation**

7.1 Contract Implementation consists of three distinct phases:

- Mobilisation - the process of moving from contract award to 'go-live' i.e. the point when a user can actually buy from the contract
- Migration - facilitating the movement of an organisation to a new contract post 'go-live'
- Communication – ensuring all stakeholders are aware of the contract and what it involves

## **8. Determine Level of Contract & Supplier Management**

8.1 It is important when developing the Contract Strategy to determine the level of management required for the proposed contract once awarded, based on size, value and organisational risk, as this will influence and determine the frequency and content of supplier review meetings.

- Low level - ensuring compliance to the contract by monitoring management information from the supplier, end-user feedback, managing delivery, and compliance of the contract.
- Medium level - managing the performance of the contract and the supplier through management information monitoring, end-user feedback and a minimum of one performance review meeting held per annum.
- High level - managing the performance of the contract and the supplier using a combination of management information monitoring, and quarterly (or other frequency determined) meetings.

## **9. The Contract & Supplier Management Plan**

9.1 Once the contract implementation has been completed and the level of management determined, a Contract and Supplier Management Plan should be constructed which outlines:

- Roles & responsibilities
- Agreed level of management (low/medium/high)
- Contract objectives
- Performance Management Framework, e.g. Use of balanced scorecard, KPIs & SLAs
- Mobilisation Plan
- Migration Plan
- Contract Compliance
- Escalation process (within supplier organisation and the council)
- Review meeting schedule
- Risks & issues

9.2 This will need to be agreed with your supplier. All of these, in particular, the routes for escalation and the review meeting schedule should have been built into the initial Contract(s) Strategy and tender, with reference to the fact that a Contract and Supplier Management plan will be developed.

## **10. Contract & Supplier Performance Review Meetings**

10.1 Performance Review Meetings are an important part of the Contract & Supplier Management process and provide the Procurement Team, Service Users and the Supplier with an opportunity to focus on what is going well, identify any problems at an early stage and agree opportunities for improvement and innovation.

10.2 Where a medium level of management is being applied, there should be at least one performance review meeting per year. Meetings for Contracts / Suppliers where a high level of management is being applied should be held at least quarterly.

10.3 Standard templates for meeting agenda and minutes / action notes are available to assist in the management of performance review meetings.

10.4 These tools can be used by both Corporate Procurement Unit and the supplier in advance of meetings to provide a structure to the meeting, and in particular, used to gauge where performance is improving, remaining static or declining.

10.5 Meetings should focus on:

- Review of Actions and Minutes from previous meeting(s)

- Supplier Business Review, with updates on new products / product developments, customer-affecting issues (e.g. product issues, recalls), complaints, etc.
- Council Business Review / Service Improvement Plan Update
- KPI review – (to determine current level of performance (Improving / Degrading))
- Sustainability & Other Benefits Realisation
- Review of risks and Issues
- Issues for escalation
- Financial Monitoring (Spend monitoring, P2P, Invoicing, financial stability).
- Areas of Improvement (e.g. Innovation, new process)
- Change Control

10.6 These are suggested agenda topics for discussion however these will need to be adapted for specific types of contract and / or suppliers.

10.7 The initial performance review or inaugural or kick-off meeting should also include a 'Lessons Learned' session with the supplier on the tendering and contract implementation process, and cover areas such as roles and responsibilities, performance levels, invoicing arrangements, etc.

10.8 Meetings should recur as agreed until the contract approaches its completion, and documented (minutes, actions, change in performance) throughout, with actions followed up as agreed. Minutes of meetings and agreed actions should be communicated to all stakeholders following each meeting (supplier, Procurement Team & service area management).

## **11. Change Control**

11.1 Changes (variations) to services, procedures or contracts are likely to occur throughout the lifecycle of a contract, especially lengthy and / or major, strategic contracts, which could have an effect on many aspects of the contract including:

- Service delivery
- Scope of work
- Performance
- Costs
- Product availability / changes to specification / obsolescence / revision of rates
- Whether the contract continues to represent value for money

11.2 The primary aim in managing variations is to minimise their likelihood, however change is inevitable, therefore the specification and management of change (Change Control) is an integral and important part of contract management and administration. Change control procedures should be included within the contract and discussed at the inaugural meeting.

11.3 The respective roles and responsibilities of both parties in the change control process must be clearly identified, along with procedures for raising, evaluating, costing and approving change requests.

11.4 A single change control process should be applied to all contract changes. Flexibility does however need to be built into the process to deal with issues such as emergencies. A change control process should provide clear steps and clearly allocated ownership and responsibilities for:

- Requesting changes
- Assessment of impact
- Prioritisation & authorisation
- Agreement with provider
- Control of implementation
- Documentation and communication of change
- Updates to terms & conditions where applicable

11.5 If a specific change, or cumulative changes significantly increase or decrease the scale or scope of the contract, the responsible Contract Manager must question the contract's ability to achieve best value and value for money overall. Similarly, the Procurement Manager / contract owner must also ensure that any changes do not take the contract outside the scope of the original tender in relation to the OJEU advertisement, or permitted extensions to contracts. When this is in doubt, the change should be referred to the Procurement Team for guidance. The same level of diligence should be applied to contract variations as that applied to letting a contract.

## **12. Change Control Procedure**

12.1 The change control procedure should be used by the council and supplier to enable changes to the contract, to provide clarity and documentary evidence of the change, and agreed actions:

12.2 It is the intention of Warwick District Council and the Contractor that the Services will be administered and delivered in an efficient manner and the Council and the Contractor may during the term of this Agreement suggest changes or modifications to the other to achieve this aim. Where any provision of this Agreement provides that the mechanism set out in this Schedule should apply, or where the Council or the Contractor proposes any change or modification of the design, specification, quality or quantity of the Services or the addition, omission or substitution of any work or the time or location at which the Services will be performed, the following provisions shall apply:

- The party wishing to instigate any change or modification shall give written notice to the other party of the proposed change or modification, such notice to set out that party's proposals in reasonable detail. This notice shall be marked for the attention of the Service Manager at the Council or the Key Persons at the Contractor as appropriate.
- The party on whom any notice is served shall, within the Period for Reply of receipt of that notice, give notice to the other party either accepting or rejecting the proposal.

- If notice is sent accepting the proposal, the parties will as soon as reasonably practicable complete and sign a form as set out in Change Control Form. Any agreed change or modification will take effect on the date of signature of that form by the Service Manager and a Key Person for each of the parties or on such other date as is set out in the relevant form.
- If notice is sent rejecting the proposal the Service Manager and Key Persons for each of the parties shall negotiate in good faith in order to establish whether any alternative change or modification can be agreed. If agreement is reached then the parties shall document such agreement as set out. Either party may terminate any negotiations if they conclude that agreement will not be reached on the proposed change or modification.
- Any verbal instruction given to the Contractor shall have no validity unless confirmed by written instruction from the Council, or confirmed in writing by the Contractor to the Council within seven Business Days of the verbal instruction and such confirmation is not disputed in writing by the Council within the Period for Reply of its receipt.
- Changes agreed in accordance with the provisions of this Schedule shall, where this Agreement provides for the same, be valued in accordance with the provisions of this Agreement. Where this Agreement does not provide a mechanism for agreeing the valuation of any change, the value of such change will be agreed between the parties and recorded in the form set out in Change Control Form.

### **13. Exit Strategy**

13.1 As a contract progresses, the Contract Managers responsible ( in liaison with the Procurement Team ) will have responsibility for ensuring that both parties are working towards the planned fulfilment and exit of the contract.

13.4 The Exit Strategy should involve a full review of the contract and supplier's performance. This should include a 'lessons learned' review which incorporates feedback from end-users and the supplier.

13.5 The final review and lessons learned should be clearly documented and communicated to appropriate stakeholders, as it may inform any subsequent procurement for similar commodities in the future.

### **14. [Contract Management Framework Links](#)**





[www.warwickdc.gov.uk](http://www.warwickdc.gov.uk)

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### SECTION FOUR

#### GLOSSARY

**Added Value** - Often used to classify non-cash releasing benefits realised through the procurement process. The "added value" from the procurement process may include risk reduction, stakeholder training, exclusivity, preferential access to resources etc., all of which would be classified as 'added value' benefits.

**Aggregation** – Rules that determine whether a series of below EU threshold contracts (or a contract which under its terms is renewable) should be let as a single, above EU threshold, contract.

**Audit** – The process of seeking effective assurance through verification as to whether business processes and controls are robust in that they protect value for money, probity, integrity and compliance.

**Award Criteria** – Evaluation Criteria and sub criterion used to inform, and evidence, the decision-making on which candidate supplier(s) to be awarded contract(s).

**Benchmarking** – The practice of making comparisons between organisations with the aim of ensuring continuing value for money, getting better performance and improving business practices.

**Best value** – Best value was a local government performance framework introduced into England and Wales by the Local Government Act 1999. The aim of the framework was to promote continuous improvement in local authorities' performance.

**Bid Rigging** - This occurs when suppliers communicate with each other before lodging their bids and agree amongst themselves who will be the successful bidder and at what price. This practice is one type of collusive tendering and may be discouraged by introducing new bidders and, regularly benchmarking offers against industry standards. See Collusion.

**Business Case** – A document prepared in support of a decision to make an investment or award a contract, showing an analysis of the costs, benefits and risks associated with each option open to the authority.

**Business Plan** – A document agreed between both parties to a contract showing pre-determined milestones (or what needs to be achieved by when) that the contractor is contractually obliged to meet. Also called a contractual obligations timetable.

**CCS** - Crown Commercial Services. A buying organisation set up by Central Government to offer complaint goods and contracts for use by other Public Sector organisations.

**Call-off** – the mechanism through which individual contracts (call-offs) are awarded under Framework Agreements. When making a call-off, the authority does not go through the full procedural steps in the EU Directives again, provided the rules were followed appropriately in the setting up of the framework agreements themselves.

**Capital Spending** – expenditure on any new build properties, improvements to existing ones, land purchases or any additional expenditure on fixed assets.

**Cartel** - An illegal association of producers bringing to market the same or similar categories who cooperate with each other to influence the market. While they may appear to be competing with each other, their actions such as fixing prices, restricting output, dividing markets or rigging tender bids are based on self-interest. See Collusion.

**Central Purchasing Body (CPB)** – defined in the Public Contracts Regulations as a contracting authority which a) acquires goods or services intended for one or more contracting authorities; b) awards public contracts intended for one or more contracting authorities; or c) concludes framework agreements for work, works, goods or services intended for one or more contracting authorities.

**Clarifications** – these are (written) discussions with candidates or tenderers for the purpose of clarifying or supplementing the content of tenders or the requirements of the contracting authority - they must not involve discrimination (i.e. the clarification must be circulated to all relevant parties). Clarifications are not negotiations on fundamental aspects of contracts.

**Collusion** - Secret agreement between two or more individuals or organisations to limit competition by the use of such methods as deception, misleading behaviour or fraudulent activity, where the objective is to obtain an unfair advantage. Collusion may take the form of a market sharing agreement, price fixing or bid rigging. Legally, all acts affected by collusion are considered to be void. See Bid Rigging and Cartel

**Commissioning** – the cycle of assessing the needs of people in an area, designing and then securing appropriate services.

**Common Procurement Vocabulary (CPV)** – CPV is an EU-wide classification system for public procurement contracts. CPV helps all EU businesses and SMEs to easily identify public procurement contracts offered by any EU public authority, irrespective of the original language of the tender notice. It works by allowing businesses to insert the relevant CPV code corresponding to their products or services into the Tenders Electronic Daily (TED) database, where all calls for tender in the EU are published. The system is able to describe contract types in 20 EU languages.

**Competitive Dialogue Procedure** – One of the EU procurement processes where, following an OJEU Contract Notice and a selection process, the authority then enters into dialogue with potential bidders, to develop one or more suitable solutions for its requirements and on which chosen bidders will be invited to tender. May be used where the authority does not consider that the open or restricted procedures will allow the award of a contract. Normally for use on high value, complex procurements.

**Concession** – A service contract granted by an authority to a contractor for the provision of a service to the general public usually under the arm's length control of the authority, e.g. a catering kiosk at a hospital or leisure centre.

**Contract** – Any lawful agreement between two parties where goods, services or works are provided in exchange for a consideration.

**Contract and Relationship management** – A vital part of the procurement life cycle, definable as the management of the interfaces between client and contractor to ensure that the relationship and contract performance are optimised to deliver best value.

**Contract Notice** – a notice, published via OJEU, to inform the EU market of an opportunity to win a contract.

**Contract Award Notice** – a notice, published via OJEU, to inform the EU market of which contract was awarded to which supplier

**Contractor** – A supplier, seller, vendor, provider, service provider, partner, constructor or other terminology meaning a party contracted by an authority to provide goods or services in return for payment.

**Contracts Finder** – this is the system, where all new government contract opportunities can be found.

**Cost Avoidance** - Cost avoidance is a reduction in cost resulting in a spend that is lower than would otherwise have been if the cost avoidance exercise had not been undertaken.

**Dynamic Purchasing System** – The EU dynamic purchasing system is a completely electronic system established by a contracting authority to purchase commonly used goods, works or services. Typically this will be for lower value goods and will involve the contracting authority linking its purchasing IT system with the supplier's systems. Unlike a Framework it does not have a fixed period and suppliers can join it throughout.

**e-auction** - Electronic auctions (or reverse electronic auctions as they are sometimes called) are on-line auctions where selected bidders submit offers electronically against the purchaser's specification. Other quality aspects are assessed prior to the auction stage.

**EBAY** - Electronic reverse auction website

**eProcurement** – electronic systems for tendering and buying.

**eSourcing** – electronic-sourcing system used to automate the end-to-end procurement cycle including supplier, tender, and contract management. It's web-based and it's paperless sourcing.

**ESPO - Eastern Shires Purchasing Organisation.** A buying organisation set up by a group of Local Authorities to offer complaint goods and contracts for use by other Public Sector organisations

**EU Procurement Directives** – set out the legal framework for public procurement. They apply when public authorities and utilities seek to acquire supplies, services, or works (e.g. civil engineering or building). They set out procedures which must be followed before awarding a contract when its value exceeds set thresholds.

**Evaluation Criteria** – High level Selection Criteria and Award Criteria found in the PQQ and/or the ITT. Maybe broken down into more detailed sub criterion.

**Exit Strategy** – A strategy by which a party will terminate a contract and end the relationship in certain circumstances with, if necessary, access or step-in rights that will allow the client to assume control of such assets, materials, personnel and information that are necessary to maintain service continuity.

**Expression of Interest (EOI)** - An expression of interest is a formal notice to potential suppliers that a prospective buyer is planning to acquire goods or services and inviting interested suppliers to register their interest.

**Financial Regulations** – (often referred to as Contract Standing Orders) Procurement activities must comply with the Councils' own Contract Procedure Rules contained in Financial Regulations. These regulate how a Council conducts business and employees must conform to them. The over-riding Warwick District Council Financial Regulations are termed the "Code of Financial Practice".

**Framework Agreement** – a general term for agreements with providers that set out terms and conditions under which specific purchases (call-offs) can be made throughout the term of the agreement (usually 4 years). In most cases a framework agreement itself is not a contract, but the procurement to establish a framework agreement is subject to the EU procurement rules. No new suppliers can join.

**Freedom of Information Act (FOIA)** - This gives anyone the right to access recorded information held by public sector organisations. There are no restrictions on age, nationality or where you live. The request will be handled under different regulations depending on the kind of information you ask for. An organisation could refuse your request if the information is sensitive or the costs are too high.

**Further Competition** – (aka mini-competition) the mechanism through which individual contracts (call-offs) are competed under Framework Agreements.

**Government Buying Standards (GBS)** – These are easy wins. GBS are designed to make it easier for public sector buyers to buy sustainably and therefore cut costs and reduce carbon whilst looking after the environment. GBS specifications are tested by stakeholder review and a market capacity assessment, and whole life costing is assessed.

**Ineffectiveness** - A remedy which can be obtained by suppliers in procurements where a contracting authority has failed to place a mandatory OJEU notice; has breached requirements relating to standstill thereby denying a supplier the opportunity to challenge an award decision; or has failed to follow call-off requirements under a framework for a call-off over the EC procurement threshold.

**Input Specification** – A specification that sets out the precise method that the contractor needs to employ to deliver a product or service (sometimes known as a conformance specification). Places the onus and the risk firmly with the client to prescribe correctly, in some detail, such things as materials, staffing levels and processes. Consequently seen to stifle innovation Input specifications tend to be longer documents demanding a greater attention to detail.

**Invitation To Quote (ITQ)** – A call for bids or call for lower value quotes or invitation to quote (ITQ) (often called quote for short) is a special procedure for generating competing offers from different bidders looking to obtain an award of business activity in works, supply, or service contracts.

**Invitation To Tender (ITT)** – A call for bids or call for tenders or invitation to tender (ITT) (often called tender for short) is a special procedure for generating competing offers from different bidders looking to obtain an award of business activity in works, supply, or service contracts. They are sometimes preceded by a pre-qualification questionnaire (PQQ) where allowed.

**Key Performance Indicator (KPI)** – One of a small number of the most important measures of a contractor's performance.

**Lessons Learned Log** – A document used by both parties to a contract for recording lessons learned during the operational phase, as part of an effort to achieve and monitor continuous improvement.

**Letter of Intent** - A Letter of Intent is a document outlining the status of agreement between two or more parties before a contract has been finalised and which aims to give some comfort to one or both parties that they can anticipate a contractual agreement will be forthcoming.

**Life-Cycle Costing (LCC)** – used interchangeably with Whole-Life Costing (WLC).

**Liquidated Damages** - Present in certain legal contracts, this provision allows for the payment of a specified sum should one of the parties be in breach of contract.

**Market Testing** - Market testing is about developing an understanding of the market (i.e. of suppliers collectively) to a proposed requirement and procurement approach.

**Most Economically Advantageous Tender (MEAT)** – Factors other than or in addition to price, like quality, technical merit and running costs can be taken into account. This is the evaluation option other than lowest price.

**Negotiated Procedure** – One of the EU procurement processes, under which a purchaser may select one or more potential bidders with whom to negotiate the terms of the contract. An advertisement in the OJEU is usually required but, in certain circumstances, described in the Regulations, the contract does not have to be advertised in the OJEU. An example is when, for technical or artistic reasons or because of the protection of exclusive rights, the contract can only be carried out by a particular bidder.

**OJEU** – Official Journal of the European Union.

**OJEU Notices** – includes the "Contract Notice" (i.e. an EU wide advertisement) and the "Contract Award Notice" (which informs the EU market who the contract was awarded to).

**Open Procedure** – One of the EU procurement processes under which all those interested may respond to the advertisement in the OJEU by tendering for the contract.

**Options Appraisal** – described as "The process of defining objectives, examining options and weighing up the costs, benefits, risks and uncertainties of those options before a decision is made." (Source: HM Government: Green Book). It enables you to objectively and systematically evaluate the best way to achieve your desired outcomes / optimal solution. This is achieved by exploring the relative costs and benefits of a particular option and then compare this fairly to how other options perform against the same set of evaluation criteria which you will have developed.

**Output Specification** – A specification that determines only the desired end product or result (sometimes called a performance specification). The contractor is given the flexibility to decide for themselves exactly how those outcomes should be achieved, using their own specialist expertise and competence to determine how best to manufacture and supply the goods or provide the service. Consequently the contractor bears the greater share of risk in this regard. Tend to be shorter, more succinct documents, because they only set out what is required from a product or service, rather than prescribing in detail how the contractor should go about delivering it.

**Outsourcing** – The transfer of a service currently provided by a public sector body to a private, third sector or other public sector body (and sometimes a consortium) under a contract. Outsourcing usually involves the transfer of staff and assets. The aim may be to improve performance, save money, or both.

**Parent company guarantee** - A parent company guarantee binds the guarantor (the 'parent company') to fulfil and complete a subsidiary company's obligations and liabilities in the event of failure by that subsidiary to fulfil and complete its obligations and liabilities under a contract.

**Payment Mechanism** – A mechanism set out in the contract showing precisely how payments to the contractor will be calculated and timed, taking into account any milestone payments and any performance or availability data that may trigger payment deductions or bonuses.

**Performance Bond** - A performance bond is a written agreement set up by participants in a relationship in order to guarantee performance, or to provide security against default or non-performance. A sum of money is deposited as surety that each party will fulfil their obligations, as the bond may be forfeited in defined circumstances.

**Performance Monitoring** – The process of gathering data pertaining to a contractor's performance by an agreed set of measures set out in the contract.

**Performance Reporting** – The process of compiling and analysing data pertaining to a contractor's performance by an agreed set of measures set out in the contract and presenting it as management information.

**Pre-Qualification Questionnaire (PQQ)** – The PQQ is a tool used as the first part of a two-stage procurement process to enable public sector procurers to identify the most suitable suppliers to invite to tender (or quote) for contracts in the second part of a two-stage procurement process.

**Prior Information Notice (PIN)** – a mechanism that can be used to take advantage of reduced timescales in the main procurement phase. The rules also require a minimum period of 52 days between the publication of the PIN and Contract Notice before any timescale reductions may take place.

**Procurement** – the process of acquiring goods and services from third parties. Various policy drivers encourage local authorities to review procurement services and modernise procurement practices to achieve greater efficiencies.

**PfH** - Procurement for Housing. A buying organisation set up to provide E U compliant framework arrangements for the acquisition of goods and services for use by Housing Associations and Public Sector organisations

**Procurement Report** - The report that the Council is obliged to maintain in respect of each procurement of a contract valued at or above the relevant EU Threshold under regulation 84(1) of the PCR 2015.

**Procurement Strategy** - The procurement strategy describes the contribution that effective procurement will make to fulfil the Council's aims and objectives. The definition of procurement in this context is not only limited to purchasing – it can have a wider meaning and can address the ways in which the Council can deliver its services – from providing the service in-house to joint commissioning and outsourcing.

**Professional Indemnity Insurance** – Insurance cover purchased by the contractor at a level usually set by the client, to protect both parties from insurable risks arising from the application of the contractor's professional skill, knowledge and practice in the course of the performance of the contract.

**Public Liability Insurance** – Insurance cover purchased by the contractor at a level usually set by the client, to protect both parties from claims arising from the general public and third parties in the course of the performance of the contract.

**Public-Private Partnership (PPP)** – A more complex, long-term contract, joint venture or similar partnership between public and private sector bodies to deliver a public service. Includes contracts awarded under the Private Finance Initiative (PFI).

**Purchase to Pay (P2P)** – electronic-buying system used to automate the end-to-end P2P process. Much more than “online shopping”, it minimise requirements for “touching” data as it is driven through the transactional process. P2P includes requisitioning, ordering (approval), order transmission to supplier, goods receipting and invoicing.

**Restricted Procedure** – One of the EU procurement processes under which a selection is made of those who respond to the advertisement and only they are invited to submit a tender for the contract and after going through a Pre-qualification process – (see PQQ). This allows purchasers to avoid having to deal with an overwhelmingly large number of tenders.

**Retention** – A proportion of payment (usually 5-10% of the total contract price) withheld by the client until satisfactory completion of a warranty period or initial period of operation. Usually associated with contracts for the purchase of capital equipment.

**Risk** – Uncertainty of outcome, whether this is positive (i.e. an opportunity) or negative (i.e. a threat).

**Risk Management** – Identifying and controlling the factors that may have an impact on the fulfilment of a contract.

**Selection Criteria** – Evaluation Criteria and sub criterion used to inform, and evidence, decision-making on reducing the quantity of candidate supplier(s) to pass through to next stage selection that will be based on Award Criteria.

**SME** – Small to Medium Sized Enterprise - Medium-sized enterprises <250 employees, turnover <€50m; small enterprises <50 employees, turnover €10m, micro enterprises <10 employees, turnover €2m.

**Social Enterprise** - A business driven by social objectives, where profits are principally reinvested in the business or in the community, rather than by the need to maximise profit for shareholders and owners. Social enterprises non-profit taking organisations.

**Specification** – A document contained within a contract setting out clearly the client’s specific requirements for the goods, services or works in question. See also Input Specification (performance) and Output Specification (technical).

**Spend Analysis** - Spend analysis is the part of the procurement process focused on reviewing expenditure data to allow exploration of the opportunities which may exist to create value in a category. The key activities include acquiring the data, cleansing the data, and analysing the data.

**Spot Price** – or spot rate of a commodity (e.g. diesel) is the price that is quoted for immediate (spot) settlement (payment and delivery). This is in contrast with a forward price established in a contract, where terms (price) is set now, but delivery and payment will occur at a future date. Forward price will balance forward premium and forward discount based on the suppliers assessment of price risk and the market.

**Stakeholder** – Any individual or group of people, either internal or external to the authority, who can be identifying as having either an interest in, or an influence over a contract or relationship. The client, contractor, service users, Members and standards authorities are all stakeholders.

**Standstill Period** – (sometimes known as the Alcatel Period) a 10 calendar day period (15 days where not electronic) prior to the award stage to permit unsuccessful tenderers to seek

further information about the award decision, and enable them to take action in the courts where they have sufficient grounds.

**Sub criterion** – Low level Selection Criteria and Award Criteria. May be rolled up to less detailed Evaluation Criteria.

**Sustainable Procurement** – a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment.

**Third Sector** – Another expression for third sector is the voluntary and community sector (VCS). The Third Sector is a diverse and active sector. Organisations share common characteristics: they are non-governmental and value-driven. They also principally reinvest any financial surpluses to further social, environmental or cultural objectives. The term encompasses voluntary and community organisations, charities, social enterprises, cooperatives and mutuals, both large and small.

**Thresholds** – Monetary values (of contracts) above which different procurement processes must be followed. EU procurement processes are applied to contracts above EU thresholds. EU thresholds are net of VAT.

**Transparency code** - The local government transparency code is issued to meet the government's desire to place more power into citizens' hands to increase democratic accountability. It will make it easier for local people to contribute to the local decision making process and help shape public services.

**The Transfer of Undertakings (Protection of Employment) Regulations (TUPE)** - The purpose of TUPE is to preserve continuity of employment and to safeguard employment rights of all employees whose employment transfers to a new employer as a result of a relevant transfer.

**Value For Money** – the optimum combination of whole-life cost and quality to meet the user's requirement.

**Variation** – A change to the contract agreed by both parties and implemented under the change control process as set out in the contract.

**Variant bids** - A bid which is different from that specifically requested by the contracting authority in the tender documents. Examples of variant bids are those proposing different pricing structures, or new and innovative ways of delivering a service.

**V.E.A.T notice** - The abbreviation stands for Voluntary Ex-Ante Transparency notice and it is covered by the Remedies Directive. It is a means of advertising the intention to let a contract without opening it up to formal competition. If a contracting authority decides to take this route, they must give sufficient information as to the justification for direct award and they must still observe the minimum standstill period. By doing this it provides economic operators the opportunity to challenge the decision.

**WDC** - Warwick District Council

**WEEE** – Waste Electrical and Electronic Equipment directive January 2007 - Aims to both reduce the amount of electrical and electronic equipment being produced and to encourage everyone to reuse, recycle and recover it.

**Whole-life Cost (WLC)** – The total cost of investing in an asset, evaluated by taking into account not only the initial outlay but also all the costs of owning, operating and disposing of that asset i.e. means comparing not just the initial purchase price of a product, but all future costs as well.



**YPO** - Yorkshire Procurement Organisation. A buying organisation set up by a group of Local Authorities to offer complaint goods and contracts for use by other Public Sector organisations



[www.warwickdc.gov.uk](http://www.warwickdc.gov.uk)

## **Warwick District Council Code of Procurement Practice**

Code of Procurement Practice has been written in five sections.

1. Corporate rules
2. Procurement procedure
3. Contract Management Policy, Practice and Procedure
4. Glossary
5. Policies

### **SECTION FIVE**

#### **POLICIES**

#### **[Code of Procurement Practice Policies](#)**

|   |  |                              |
|---|--|------------------------------|
|  | <b>EXECUTIVE – 5<sup>th</sup> April 2017</b> | <b>Agenda Item No.<br/>5</b> |
|---|--|------------------------------|

|   |  |
|---|--|
| <b>Title</b>  | Local Plan Modifications Consultation  |
| <b>For further information about this report please contact</b>   | David Barber<br>Dave.barber@warwickdc.gov.uk<br>Policy and Project Manager<br>01926 456065 |
| <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>   | N/A  |
| <b>Background Papers</b>  | N/A  |

|  |               |
|--|---------------|
| <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 832) |
| <b>Equality Impact Assessment Undertaken</b>                               | Yes           |

|  |             |                                    |
|--|-------------|------------------------------------|
| <b>Officer/Councillor Approval</b>                                       |             |                                    |
| <b>Officer Approval</b>  | <b>Date</b> | <b>Name</b>                        |
| Chief Executive/Deputy Chief Executive                                   | 14/3/17     | Bill Hunt                          |
| Head of Service  | 13/3/17     | Tracy Darke                        |
| CMT  | 14/3/17     | Chris Elliott/Bill Hunt/Andy Jones |
| Section 151 Officer  | 14/3/17     | Mike Snow                          |
| Monitoring Officer   | 14/3/17     | Andy Jones                         |
| Finance  | 14/3/17     | Mike Snow                          |
| Portfolio Holder(s)  | 14/3/17     | Cllr Stephen Cross                 |
| <b>Consultation &amp; Community Engagement</b>                           |             |                                    |
| N/A  |             |                                    |
| <b>Final Decision?</b>   | Yes         |                                    |
| <b>Suggested next steps (if not final decision please set out below)</b> |             |                                    |

## 1. **Summary**

- 1.1 This report sets out the key modifications to the Local Plan proposed by the Inspector and requests Executive to consider whether it wishes any comments to be made in response during the consultation period.

## 2. **Recommendations**

- 2.1 That Executive note the Main Modifications proposed by the Inspector to make the Local Plan sounds
- 2.2 That Executive agree not to respond the Main Modifications Consultation

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

- 3.1 Recommendation 2.1: The Inspector published his Main Modifications for 17th March 2017. The consultation on these modification runs until 5<sup>th</sup> May 2017. They set out the changes to the Plan that the Inspector considers are necessary to make the Plan sound. Whilst the modifications are extensive, this is because they show all the changes between the Plan as submitted in 2015 and the current position. The Main Modifications therefore include the majority of the modifications proposed by the Council in 2016, particularly those to increase the housing supply to contribute towards Coventry's unmet housing need. It does however include a number of modifications that have not been put forward by the Council. Many of these relate to the specific wording of policies, but the following key modifications are worthy of particular note:

- a) 6 proposed housing allocations have been removed:
- Red House Farm (H04)
  - North of Milverton (H44)
  - Wasperton Lane, Barford (H47)
  - East of Cubbington (H50)
  - Spring Lane Radford (H52)
  - Brownley Green Lane Hatton Park (H53)
- b) There are no additional new housing allocations proposed, although the estimated site capacity from a number of sites has been amended (notably Land North of Birmingham Road, Hatton Park – now estimated at 150 dwellings, in comparison with 80 dwellings in the Publication Draft)
- c) This reduces the overall housing supply by 740 dwellings meaning the total supply of dwellings is now 17,139 against a housing requirement of 16,776 (providing flexibility of 363 dwellings)
- d) The safeguarded land north of Milverton is removed (retained as Green Belt)
- e) A "staggered" approach to the 5 year housing land supply is proposed whereby the annual requirement is 600 dwellings until March 2017 and 1098 dwelling per annum for the remainder of the Plan period. This provides sufficient dwellings across the plan period to deliver 16,776 dwellings whilst enabling a 5 year supply to be maintained (assuming the housing comes forward in line with the trajectory which has been tested through the Examination)

- 3.2 It is worth noting that a number of key Local Plan proposals are not subject to modification and are therefore retained within the plan, including

- a) the overall housing requirement is unchanged at 16776 dwellings (or 932 dwellings per annum). This is made up of 600 dwellings per annum to

meet the District's need and 332 dwellings per annum to contribute towards Coventry's unmet need

- b) land allocated for housing at Kings Hill, Westwood Heath and East of Kenilworth is still included
- c) land allocated for the relocation of Kenilworth school to Southcrest Farm is included
- d) the allocation of land for the sub-regional employment site is included

3.3 At this stage the Inspector has only identified the Main Modifications he wishes to make. He has not provided the reasons for these modifications

3.4 Recommendation 2.2: There may be a number of the Main Modifications that the Council would not support. Theoretically, it would be possible for the Council to raise objections to these Modifications. However in considering whether to do this or not, the following points should be taken in to account:

- Issues relating to each of the modification (including changes to the site allocations) have been rigorously examined during the Examination in Public hearings. The Council has had the opportunity to put forward its views during these hearings and there is therefore no value in simply repeating arguments that have already been aired.
- If the Council chooses to raise new arguments or proposals, this opens up the risk that the Inspector will need to give these proposals consideration which in turn may require him to reopen the hearings and/or to undertake further consultation. Clearly this has implications for the timing of the adoption of the Local Plan.

3.5 In this context, it is recommended that the Council does not make any representations regarding the modifications. However, alternative options are set out in section 7 below.

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

4.1 **Fit for the Future:** – By enabling the progression of the Local Plan, the recommendations support Fit for the Future. In particular the Local Plan aims to bring sites forward for development for housing and employment at the same time as protecting the most important environmental assets in the District. The Local Plan is therefore a key tool in making the District a great place to live, work and visit.

4.2 **Impact Assessment:** - There are no Equalities Impacts associated with the recommendations

#### 5. **Budgetary Framework**

5.1 There are no budgetary implications associated with this report

#### 6. **Risks**

6.1 The main risk arising from the recommendation to proceed without making representations on the Main Modifications are:


- a) The proposed removal of the Red House Farm site from the Local Plan housing allocations may limit the range of options available to support the regeneration of Lillington. To an extent this risk could be mitigated by retaining the option of allocating the site through a (partial) Local Plan

review in the future (if a specific regeneration proposal is developed that can justify the Exceptional Circumstances for Green Belt release). This will be dependent on understanding the Inspector's reasoning for excluding the site from the allocations.

- b) The proposed reduction to the overall housing supply by 740 dwellings reduces the level of flexibility. Clearly the Inspector considers this is reasonable given the position on the allocated sites and relatively buoyant housing market in the District. However, this lower level of flexibility will increase the risk of the Plan becoming out of date if sites do not come forward as expected. To mitigate this risk, it will be essential to monitor housing supply very carefully and to continue to play a proactive role in enabling sites to come forward as planned.

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

- 7.1 Given the risks set out in 6.1 above, the Council could make representations regarding the Main Modifications. In particular, two aspects of the Main Modifications could be subject to objections.
- 7.2 Red House Farm Housing Allocation: the Council could raise objections to the Modification to remove the allocation. However, for the reasons set out in 3.4 above, this is unlikely to be worthwhile. A further alternative would be to propose an alternative approach whereby the land at Red House Farm is removed from the Green Belt as is safeguarded from development until a Local Plan review takes place. Potentially this would enable the Council to draw up regeneration proposals for Lillington and, if these proposals are reliant on releasing the land at Red House Farm for Housing development, the Plan could be reviewed relatively quickly.
- 7.3 Level of Flexibility: the Council could raise objections regarding the level of flexibility and the risks this poses to the Plan. However, this is unlikely to be worthwhile as the issue regarding site delivery and suitability have been thoroughly examined through the EIP and the Inspector has reached a view that the trajectory and reduced level of flexibility provides a reasonable basis for the Plan. In this context, there are unlikely to be any points the Council could raise that have not already been fully considered.
- 7.4 For the reasons set out in 3.4 above it is considered that the risks associated with these alternative options outweigh the potential benefits arising from them, particularly as there are other mitigation strategies which are available to help manage risks set out in 6.1.

|  |  |                        |
|--|--|------------------------|
|   | <b>Executive – 5<sup>th</sup> April 2017</b>   | <b>Agenda Item No.</b> |
|  |  | <b>6</b>               |
| <b>Title:</b>  | Housing Revenue Account Business Plan Review   |                        |
| <b>For further information about this report please contact</b>  | Bill Hunt<br>Deputy Chief Executive<br><a href="mailto:bill.hunt@warwickdc.gov.uk">bill.hunt@warwickdc.gov.uk</a><br>01926 456403<br><br>Andrew Rollins<br>Principal Accountant<br><a href="mailto:andrew.rollins@warwickdc.gov.uk">andrew.rollins@warwickdc.gov.uk</a><br>01926 456803<br><br>Russell Marsden<br>Assets Manager<br><a href="mailto:Russell.marsden@warwickdc.gov.uk">Russell.marsden@warwickdc.gov.uk</a><br>01926 456038 |                        |
| <b>Service Area</b>  | Housing Services   |                        |
| <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 March 9 <sup>th</sup> , 2016 , Minute 117  |                        |
| <b>Background Papers</b>   | HRA Business Plan Review 16/17-61/62, Executive, 9/3/16, HRA Business Plan Review, Executive 11/3/15, new HRA Business Plan, Executive, 11/12/13, HRA Draft Business Plan 2012-2062, Executive 6/3/12<br>Working papers on assumptions, income and expenditure   |                        |

|  |               |
|--|---------------|
| <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 775) |
| <b>Equality &amp; Sustainability Impact Assessment Undertaken</b>          | n/a           |

|                                    |             |             |
|------------------------------------|-------------|-------------|
| <b>Officer/Councillor Approval</b> |             |             |
| <b>Officer Approval</b>            | <b>Date</b> | <b>Name</b> |
| Deputy Chief Executive             |             | Bill Hunt   |
| Head of Service                    |             | Vacant      |
| CMT                                | 14/7/17     |             |

|   |         |                |
|---|---------|----------------|
| Section 151 Officer   | 14/7/17 | Mike Snow      |
| Monitoring Officer  | 14/7/17 | Andy Jones     |
| Finance   | 10/7/17 | Andrew Rollins |
| Portfolio Holder(s)   | 20/7/17 | Peter Phillips |
| <b>Consultation &amp; Community Engagement -</b>                          |         |                |
| n/a   |         |                |
| <b>Final Decision?</b>  | Yes     |                |
| <b>Suggested next steps (if not final decision please set out below):</b> |         |                |
|   |         |                |



## **1. Summary**

- 1.1 The Housing Futures programme undertaken by the former Housing & Property Services service area comprised of two separate work-streams. The first of these was a review of the Housing & Homelessness Strategies, presented to Executive in March. The second, a fundamental review of the Housing Revenue Account (HRA) Business Plan (BP) is presented in this report.
- 1.2 The HRA BP covers a rolling 50 year period. This latest review has reviewed all the underpinning assumptions and considered any updates required to reflect past performance. This work has confirmed that the revised HRA BP for the period 2017/18 – 2061/62 remains viable, allowing the Council to manage and maintain its housing stock, service the debt created by the HRA becoming self-financing and provide financial headroom to re-model the existing stock or build/acquire new homes.
- 1.3 The HRA BP will continue to be reviewed on a regular basis as the underpinning assumptions may require further revisions when the provisions contained within the Housing and Planning Act 2016, which have the potential to significantly alter the existing financial regime that exists for publically-owned housing, are finalised for implementation. Unfortunately there is still significant uncertainty as to when these changes might be implemented, the breadth of their scope and their likely impact.

## **2 Recommendations**

- 2.1 That the Executive approves the revised Housing Revenue Account Business Plan (HRA BP) assumptions, as set out at Appendix One, and the revised HRA BP for the period 2017/18 to 2061/62, based on these assumptions, as set out at Appendix Two.
- 2.2 That the Executive notes that, on current projections, the HRA BP will allow the surplus on the Capital Investment Reserve to be increased annually until 2051/52 allowing debt repayments to commence from 2052/53 and, by the end of 2061/62, for the £136.2m debt to have been cleared in and a surplus of £117.1m to remain.
- 2.3 That the Executive notes that investment of the projected closing surplus of £117.1m during the HRA BP period could enable c570 new homes to be provided, for which appropriate business cases will be brought forward to Executive to consider as opportunities arise.
- 2.4 That the Executive notes that the next phase of the Housing Futures programme will consist of a thorough financial and legal appraisal and a cost/benefit examination of a range of potential options, as set out at paragraph 3.8, to increase the HRA stock and that a further report on the outcome of this work will be presented to Executive later this financial year.
- 2.5 That the Executive notes the significant improvements made to the quality of the stock condition information held by the Council and the headline outcome of the recent stock condition survey work that the HRA housing stock is in a relatively good condition and has benefitted from prudent investment that has ensured remains 'fit for purpose' and has maintained its value.

- 2.6 That the Executive agrees that, as part of the careful management and monitoring of the HRA BP, an annual review of the underpinning assumptions will be undertaken and any changes required to the Plan as a result, along with any divergences in income or expenditure, will be reported to Executive as part of the annual budget setting process.
- 2.7 That Executive notes that there are provisions within the Housing and Planning Act 2016 that have yet to be finalised or implemented by Government and that these may require an in-year review of the HRA BP assumptions and potentially the agreed Plan itself.

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

- 3.1 In April 2012 the national Housing Revenue Account Subsidy System (HRASS) was replaced and Council's operating a HRA were required to do so on a 'self-financing' basis. This required each such council to make a payment to Government to secure release from the HRASS, each individually calculated and based on an assessment of the assumed payments that would otherwise have been made into the HRASS had it continued to operate for a further 30 years. In WDC's case this required a one-off payment of £136.2m which was loan financed. On 6<sup>th</sup> March 2012 Executive approved a HRA BP for the period 2012/13 – 2061/62 which, based on the assumptions made at the time, ensured the Council would have a viable Plan that provided for the loan to be repaid under the terms arranged, for the investment and management needs of the housing stock to be met and which provided financial headroom, through the accumulation of revenue surpluses that could be used to secure additional HRA homes.
- 3.2 The performance of the HRA BP is closely monitored and annual reports have been submitted to Executive since 2012. As part of the Housing Futures project, and in recognition of the staffing changes within the former Housing & Property Services' and the Finance service areas, a more fundamental review of the HRA BP and all of its underpinning assumptions has now been undertaken and is presented in this report.
- 3.3 The underpinning assumptions are set out at **Appendix One**, with exploratory notes documenting all changes from the previous iteration of the HRA BP. These changes have then applied to the HRA BP which has been revised from the start of the current financial year through to 2061/62. The revised Plan is set out at **Appendix Two**. A summary of the changes between the previously approved 2016/17 iteration of the HRA BP and the revised Plan for 2017/18, is set out at **Appendix Three**.
- 3.4 The HRA BP remains robust, resilient and viable even with the adjustments required by the 1% annual rent reduction for HRA tenancies, imposed by Government for the four year period 2016/17 to 2019/20, and the impact of projected increases in Right to Buy sales. The revised HRA BP provides for a minimum balance of £1.4m, increased annually for inflation, to be maintained on the HRA and for a revenue surplus to be achieved annually for transfer to the Capital Investment Reserve (CIR). As shown at Appendix Two, the balance of the CIR at the start of the current financial year was £20.7m and, based on current projections, this will be capable of being increased annually until 2051/52 when a peak CIR balance of £194.2m is projected. For a period of 10 years between 2052/53 and 2061/62 the CIR balance will be reduced annually

to facilitate the repayment of the £136.2m loan financed debt but, even allowing for these reductions, projections demonstrate that there will be a healthy balance of £117.1m in the CIR at the end of this period, by which time the debt will have been cleared in full.

- 3.5 The projected CIR surplus of £117.1m at the end of the current HRA BP period has reduced by £72m as a result of the revised assumptions. However, even with the reduction the revised HRA BP demonstrates that the Council will be able to maintain existing service provision, fully meet the responsive and cyclical repair needs of the HRA stock and continue to invest in refurbishment and improvement work to maintain the Decent Homes Standard. In addition, the projected surpluses in the CIR also ensure that the Council’s ability to invest in new homes is retained.
- 3.6 Assuming that the £117m surplus was invested prior to the end of the HRA BP period, and the Council supplements this source of capital funding with judicious use of the ‘one-for-one’ receipts from Right to Buy sales the latest projections demonstrate that the Council could build a minimum of c570 new homes.
- 3.7 However, an increase in new homes at this level would still be insufficient to offset the projected reduction in the HRA stock resulting from the revised assumption of increased Right to Buy sales, as shown in the table below:

| New Build potential |                 |                    |                         |
|---------------------|-----------------|--------------------|-------------------------|
|                     | New Build Homes | Right to Buy Sales | Net HRA stock reduction |
| 2017/18 to 2061/62  | 570*            | 1,505              | 935                     |

\* Assumes new build costs based on £160k per home (2016 projection) inflated by 2.5% per annum from 2017/18

- 3.8 The next phase of Housing Futures will be to examine the financing, and undertake a cost/benefit analysis, of a range of potential options to eliminate this projected reduction in the HRA stock. During the coming year officers will examine a range of options including:
- Acquisition of existing homes
  - Acquisition of s106 affordable homes
  - Redevelopment of existing HRA homes (as was done at Featherstone Court to create the new Sayer Court development)
  - New build on Council owned land, including garage sites
  - New build on acquired land
  - Joint venture options
  - Council owned Housing Company
- 3.9 A significantly increased level of confidence in the revised HRA BP projections can be derived from the improvements made to the HRA stock condition information during the last financial year. As part of the Housing Futures project 2 separate stock condition surveys were commissioned with a specialist housing consultancy, Michael Dyson Associates Ltd. The first, completed in the 3<sup>rd</sup>

quarter of 2016/17 provided information of the main elements, known as stock attributes, of every HRA home. This new survey information, complementing existing legacy information and information from our in-house team of surveyors, has enabled us to build up a comprehensive picture of the current state of, and consequently the future investment needs, of a range of stock attributes such as kitchens, bathrooms, roof coverings, windows, doors, rainwater goods, etc.

- 3.10 The headline outcome of this first survey is that the overall stock is in a better condition that could have been expected, having benefitted from prudent and timely investment over a period of years. Stock condition surveys of this nature generally show that c20% of any given stock attribute is in poor condition at any given time but the position for the WDC stock is c12%. Detailed analysis of the survey results is now underway and this will inform a full revision of the profile of the future Housing Investment Programme (HIP) to ensure that all the poor condition attributes are remedied as quickly as possible and a tailored investment programme is put in place to replace items on a timely basis. The revised programme will be reported to Executive as part of the 2018/19 HRA base budget setting process. In the meantime the existing 2017/18 HIP budget allocation will be directed to meet the most pressing needs.
- 3.11 The second survey, completed in the final quarter of 2016/17, was a structural survey of the multi-storey blocks and those homes of 'non-traditional' construction. Again, the headline outcome is that there are no blocks or types of homes that are in poor condition or problematic. Detailed analysis of this survey is now also underway and will, again, inform future investment priorities.
- 3.12 The surveys undertaken to date allow us to fix a baseline position for the entire HRA stock which, in turn, allows for the maintenance needs to be costed for the lifetime of the revised HRA BP. This baseline will continue to be refined in coming years through a combination of in-house surveying and data analysis and, where appropriate, further specialist surveys e.g. for lifts or fire detection systems. Current projections are that we will need to invest an average of £2.9m per annum in the stock throughout the HRA BP period, slightly increased from the previous projection of c£2.2m per annum.
- 3.13 This long term maintenance programme is funded by the Major Repairs Reserve (MRR), which is forecast to have an opening balance of £4.6m at the start of the current financial year. The balance of the MRR is increased annually by the amount of the annual depreciation charge to the HRA stock, which for 2017/18 is an estimated £6.4m. This provides considerable headroom to accommodate the proposed £2.9m annual expenditure, albeit the surplus on the MRR will reduce slightly from £13.8m to 11.7m at the end of 2020/21. In simple terms the level of depreciation is such that the balance of the MRR will remain sufficient to fund the required level of improvements necessary to offset the reduction in the value of the stock were the improvements not to be undertaken. The stock itself is re-valued annually and further confidence in the viability of the HRA BP can be derived from the current valuation (£283.2m based on the Existing Use Valuation methodology for social housing or £826.5m based on an unrestricted use valuation) being significantly higher than the outstanding self-financing debt.

3.14 The HRA BP will continue to be carefully monitored, the stock condition information maintained and improved and an annual review of the underpinning assumptions undertaken to allow any further revisions to be reported to Executive as part of the HRA budget setting process. However, members will note that there is still a considerable level of uncertainty in respect of the detail around certain provisions contained within the Housing and Planning Act 2016 and the timing of their implementation. The continuing absence of detailed regulations from the Government setting out how these proposals will be taken forward means that, although they could have a significant impact on the HRA BP, it has not been possible to make definitive assumptions about the scale of that impact. These issues are explored further in section 6 but, at this stage, the only option is to monitor development closely and, if necessary, undertake and report on an in-year review of the current HRA BP.

#### **4 Policy Framework**

4.1 The HRA BP contributes to the Fit for the Future transformation programme and assists the Council to deliver its Vision and supports the priorities set out in the Sustainable Community Strategy, particularly the Housing and Health & Well-being strands by:

- Ensuring the Council operates a financially viable HRA that allows for the provision of effective services to HRA tenants and investment in the housing stock to provide tenants with a safe, secure and well maintained home within which they can thrive.
- Supporting the overall capacity of the Council to operate as an effective public service organisation with the capability to influence housing investment within the district
- Providing the financial capacity to allow investment in new affordable housing within the district
- Ensuring that financial capacity is maintained to continue the provision of specialist support services for older residents such as the Council's sheltered housing schemes and the cross-tenure Lifeline service

#### **5 Budgetary Framework**

5.1 Effective monitoring and forecasting of expenditure and income is a fundamental part of the proper financial management of the Council, enshrined within the Code of Financial Practice and the monthly Budget Review process.

5.2 Under the 'Self Financing' regime the Council took on £136.2m of debt in return for the ability to locally determine decisions on future investment in the housing stock, management services and building the financial capacity to provide new homes. The HRA BP is predicated on debt repayments commencing in 2052/53 so it is essential to project income and expenditure over the full 50 year plan rather than the 5 year period used for the Medium Term Financial Strategy, although actual investment programmes will continue to be managed and monitored on shorter 5 year periods.

5.3 A series of informed assumptions underpin the income and expenditure projections and changes to these provide the basis for revisions to the HRA BP. For example, the Council currently owns over 5,500 socially rented homes and sixteen shared ownership properties. Sale of properties impacts on both income and expenditure – there is a marginal reduction in maintenance and

improvement costs, which fluctuate through the plan period, and a more significant one in terms of lost rental income which is fixed throughout the plan period and projected to increase annually. A revised assumption has been made on the level of Right to Buy (RTB) sales based upon current trends. Sale levels are influenced by the discounts available to tenants, the availability of mortgage finance and the prevailing market prices of homes in the district. If any of these factors change the assumption will require further review, hence the need for careful and continual monitoring of the HRA BP's underpinning assumptions.

- 5.4 The revised HRA BP set out at Appendix Two shows that the Council will suffer a net loss of properties through RTB even if the potential new build numbers, referred to in paragraphs 3.6 and 3.7 and themselves dependent on a range of financial viability considerations and the availability of suitable development sites, are achieved. However, the viability of the HRA BP is not compromised by this potential net reduction in stock levels and, as options to replace the RTB losses are worked up, there will be a further revision to the BP.
- 5.5 The Major Repairs Reserve (MRR) is used to fund capital repairs of the HRA stock. The contributions to the reserve are based on depreciation calculations.

## **6 Risks**

- 6.1 A revised HRA BP Risk Register is attached at **Appendix Four**.
- 6.2 The HRA BP will continue to be regularly monitored and an annual update provided to Executive as part of the HRA budget setting process.
- 6.3 There are still significant, but at this stage unquantifiable risks associated with the full implementation of the provisions within the Housing and Planning Act 2016:
- The Right-to-Buy (RTB) is to be extended to tenants of housing associations, with the cost of funding the discounts given to the associations' tenants to be covered by local housing authorities, potentially requiring payments to be made from the HRA. Local authorities will have a duty to consider (but not an obligation to proceed with) the sale of 'high value' properties as a way of helping them to find the necessary funds to make these payments. The Government has chosen not to implement this provision and, instead, a pilot scheme will be run elsewhere in the country during 2017/18 to assess the feasibility of future national implementation and allowing for more detailed consideration of the portability of discounts between sectors and the treatment of 'one for one' capital receipts. It is, therefore, still not clear when, or if, this provision will be implemented or, when it is, the contribution each council with a HRA would need to contribute towards this policy. The emerging intelligence around this issue will continue to be closely monitored.
  - One provision of the Act, the mandatory 'Pay to Stay' provision, has now been scrapped. This was a policy whereby social housing tenants with a combined income for the two highest earning members of the household exceeded £30,000 would be required to pay an increased rent up to the market rent for a similar property. The council landlord would then be required to collect the difference between this and the existing rent and pay it over to Government. Councils are instead being offered the opportunity to introduce this provision on a discretionary basis. Given the uncertainties

over the number of tenants affected, the cost of assessing income, collecting the monies and monitoring the operation of the system and the additional management costs these requirements would create this is not a recommended approach.

- The proposed introduction of short term tenancies of between two and five years does, however, remain as an unimplemented provision of the Act. Currently the Council currently offers unrestricted secure tenancies to support commitment and investment by residents in their homes and their community. The future introduction of short term fixed tenancies for new tenants would increase management costs within the HRA BP as a regular review of a household's income would be required, this being the proposed determinant as to whether the fixed term tenancy should be extended. There would also be costs associated with devising a suitable Tenancy Agreement and, potentially an increase in legal fees were the Council to have to evict anyone no longer meeting the Government's criteria. A prudent estimate is for an annual cost of not less than £85,000 if this provision is implemented in 2018/19 as currently envisaged. Again this will be kept under careful review and any changes to the current position reported to members.

- 6.4 The external fact that presents a potential significant risk to the HRA BP is around the continuing changes to the social security system. One known issue relates to the implementation, from April 2018, of the Local Housing Allowance (LHA), currently used as a cap for Housing Benefits payments for private sector tenancies, to the social rented sector for all tenancies that commenced after April 2016. The current intention of Government is to further limit the Housing Benefit payable to those aged 35 or under, whether in work or not, by linking their LHA threshold to a rate equivalent to the cost of a shared room in a single household rather than the actual cost of their tenancy. This poses a risk to the maintenance of assumed income streams within the HRA BP as, although all council rents are below LHA levels, the proposed level of the threshold for a tenant aged 35 or below is less than the cost of a one bedroom flat. This raises the risk that people of this age group will be excluded from the Council's homes, potentially placing pressure on General Fund budgets, or, if they do attempt to maintain a HRA tenancy, increasing the risk of rent arrears.
- 6.5 Another potential risk to the HRA BP is around the continuing introduction of Universal Credit. This is expected to be fully implemented by Summer 2018. Current feedback from the introduction of Universal Credit nationwide has indicated that the number of council tenants in arrears has increased, as well as the average level of arrears, in comparison to tenants who do not receive Universal Credit.
- 6.6 In response to the risks highlighted in paragraphs 6.4 and 6.5 the bad debt provision within the HR BP has been increased to 2% from 2018/19, as set out in Appendix One.

## **7 Alternative Options Considered**

- 7.1 The assumptions underpinning the HRA BP could be left unchanged from those that underpinned the version approved by Executive in 2016. This has been rejected as it would result in the BP not reflecting the most up to date policies, strategies and research on the conditions of the local housing and land markets. Changes to the forecast number of RTB's, and the 1% rent reduction for

Designated, Sheltered and Very Sheltered dwellings are significant changes and should be reflected within the HRA BP. The plan would therefore not be able to deliver services in a way that is viable, maintain services and service the debts taken on by the Council.

- 7.2 Members could choose to vary the assumptions within the HRA BP or agree alternative policies, service standards and investment options. If these alternative options were financially viable and deliverable, the HRA BP could be amended. However, officers consider that, given the uncertainties around what will ultimately emerge into legislation from the Housing and Planning Act, it would be prudent to retain the current assumptions and policy positions that underpin the HRA BP at this stage.



## Appendix One: Housing Revenue Account Business Plan (2017/18 to 2061/62) Assumptions

| Assumption        | March 2016 Business Plan  | March 2017 Business Plan  | Explanatory Notes   |
|-------------------|---|---|---|
| General Inflation | RPI estimated over the life on average to be CPI + 1% = 2%.   | RPI estimated over the life on average to be CPI + 1% = 2%.   | Inflation remains at a very low level and the fundamentals that influence the level of inflation such as fuel and energy prices are expected to put a downward pressure on inflation.   |
| Dwelling Rents    | <p>Reduction of 1% over 4 years from 2016-17 in line with Government proposals.<br/>CPI+1% assumed for Very Sheltered, Sheltered and designated in 2016/17.</p> <p>CPI + 1% assumed over the life of the remainder of the business plan i.e. from 2020/21 onwards.<br/>September CPI is Negative 0.1%.<br/>In line with this, it is estimated that CPI will be on average about 1% from 2020/21 onwards.</p> <p>Move void properties to target social rent.</p> | <p>Reduction of 1% over 3 years from 2017-18 in line with Government proposals. This now includes Very Sheltered, Sheltered and designated following a 1 year deferral</p> <p>CPI + 1% assumed over the life of the remainder of the business plan i.e. from 2020/21 onwards.<br/>September CPI is 1%. In line with this, it is estimated that CPI will be on average about 1% from 2020/21 onwards.</p> <p>Move void properties to target social rent.</p> | <p>In July 2015 the Government announced that from April 2016, the rents charged for existing tenants by local authority housing landlords should be reduced by 1% per year, for four years.</p> <p>In March 2016, a one year deferral was introduced for supported housing from the reduction of social rents in England of 1%, allowing the Council to continue to apply a CPI (at September) + 1% rent increase in 2016/17. From 2017/18, the rent reduction will now apply, with these rents decreasing by 1% a year for 3 years, up to and including 2019/20.</p> <p>For void properties, the Council is able to set the base rent as the Target Social Rent (also known as Formula Rent).</p> |
| Garage Rents      | Increase of 5% per year for the remainder of the business plan.   | <p>Average £4 per garage increase in 2017-18.</p> <p>Increase of 5% per year for the remainder of the business plan from 2018-19.</p>   | 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.  |

| <b>Assumption</b>                    | <b>March 2016 Business Plan</b>   | <b>March 2017 Business Plan</b>   | <b>Explanatory Notes</b>   |
|--------------------------------------|---|---|--|
| Rents Other                          | Increase of 5% per year for the remainder of the business plan.   | Increase by CPI (September CPI was 1%) per year for the remainder of the business plan.   | Within the Housing Revenue Account the Council has a number of shops etc. which whilst still forming part of its Operational non-current assets are leased out on a commercial basis in order to derive rental income.   |
| Bad Debts as a % of Gross Rents      | Bad debt Provision remains at 1.84%. It is necessary to maintain provision at this level to ensure the HRA is insulated from shocks that can substantially increase the level of arrears or write offs. | Bad debt Provision reduced to 1.5% in 2017/18 following review of arrears. It is necessary to maintain provision at this level to ensure the HRA is insulated from shocks that can substantially increase the level of arrears or write offs.<br><br>From 2018/19, it is increased to 2% to coincide with Universal credit being widely introduced in Summer 2018. To be reviewed again once the impact of the change is known. | The Government began to introduce Universal Credit across the county during 2015 (albeit full roll-out to all claimant-types is expected to take until 2020). However not all tenants on housing benefit will transfer directly onto Universal Credit allowing landlords to support tenants to manage the change, which will in time require all tenants to take responsibility for managing budgets and making rent payments. There is a possibility that there could be an increase in rent arrears as payments will be paid to tenants rather than directly to the landlord and will be paid monthly in arrears. Bad debt provision has been reduced from the current level following a review of arrears, and delays in tenants moving over to Universal Credit. |
| Void Rent Loss as a % of Gross Rents | 0.7%.   | 0.7%.   |  |
| No. of Garages Demolished            | As in 2015/16 and review in line with outcome of Housing Futures Project  | It is assumed no garages will be demolished, pending updates on Housing Strategy.   | Garage sites are regularly reviewed to assess, where appropriate, sites to be considered for future redevelopment  |

| <b>Assumption</b>                                 | <b>March 2016 Business Plan</b>   | <b>March 2017 Business Plan</b>  | <b>Explanatory Notes</b>  |
|---|---|--|---|
| Management Costs                                  | Most savings assumed in previous BP. No changes to overall structure assumed after 2016/17. Costs to increase by RPI from 2017/18. When homes sold, assume no saving in management costs. | No changes to overall structure agreed at Budget Setting. Costs to increase by RPI from 2018/19. When homes sold, assume no saving in management costs.                | Staffing costs for future years will be updated on an annual basis as changes become apparent.  |
| Revenue Repairs & Maintenance Costs               | Annual costs increase of RPI assumed + additional 0.5% to take account of changes in building materials cost. When homes sold, assume no saving in repairs cost.                          | Annual costs increase of RPI assumed + additional 0.5% to take account of changes in building materials cost. When homes sold, save 100% of average unit repairs cost. | Moving to Schedule of Rates and prices will increase in line with RPI plus a percentage to reflect the increase in the costs of building materials.   |
| Capital Maintenance Costs                         | In line with previous business plan and annual costs increases assumed at RPI   | In line with previous business plan and annual costs increases assumed at RPI  | This is based on previous business plan with significant changes to costings expected on conclusion of the stock condition survey.  |
| No. of Right-To-Buy Sales                         | 1,193, over remaining 46 years. No account is taking of the potential need to sell high value properties to pay the proposed Government levies as details not known.                      | 1,505, over remaining 45 years. No account is taking of the potential need to sell high value properties to pay the proposed Government levies as details not known.   | Right to Buy sales have increased since last BP review. Number revised based on current percentage of sales (0.8% x 90%) to account for reduced pool of housing stock suitable for RTB.   |
| Income from RTB sales reserved for new build only | £1m p.a.  | £1.8m in 17-18 RTB receipts.   | Current and projected sales remain close to threshold for retaining sales receipts to support 1-4-1 replacement of sold homes. This will be available to fund additional homes over that projected to be funded from use of reserves. |

| <b>Assumption</b>   | <b>March 2016 Business Plan</b>   | <b>March 2017 Business Plan</b>   | <b>Explanatory Notes</b>   |
|---|---|---|--|
| Income from RTB sales available for any purpose, used for new homes | £0  | £0  | Assume council continues current policy of using such receipts to support Mandatory Disabled Facility Grants and Private Sector Housing Grants.  |
| New Homes - Rents   | Social, except specific schemes underway where different.   | Social, except specific schemes underway where different  | Sayer Court will be let at Warwick Affordable Rent, which is set mid-way between Target Rent and National Affordable rent (80% of market rent). This development was completed for letting in Q3 2016-17.<br>Great Field Drive includes 16 shared ownership properties, which have been sold during Q3 and Q4 2015-2016. |
| Interest Rate on HRA Balances                                       | 0.7% over the life of the BP. This is the current forecast for 2016/17 so therefore used as an average over the remaining 46 years of the BP. | 0.7% over the life of the BP. This is the current forecast for 2017/18 so therefore used as an average over the remaining 45 years of the BP. |  |
| Interest Rate on HRA Debt   | Actual rates for current debt (average 3.5%)  | Actual rates for current debt (average 3.5%)  | Debt due to be repaid annually from 2052/53 to 2061/62.  |

## Appendix Two : HRA Business Plan Projections 2017/18-2061/62 (£m)

| Year                                     | 2017/18      | 2018/19      | 2019/20      | 2020/21      | 2021/22      | 2022/23      | 2023/24      | 2024/25      | 2025/26      | 2026/27      | 2027/28      | 2028/29      | 2029/30      | 2030/31      | 2031/32      |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Projected Net Revenue Expenditure</b> |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Rental Income                            | -25.4        | -25.0        | -24.6        | -24.9        | -25.2        | -25.6        | -25.9        | -26.2        | -26.6        | -26.9        | -27.3        | -27.6        | -28.0        | -28.4        | -28.8        |
| Void Losses                              | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          |
| Service Charges                          | -0.4         | -0.4         | -0.4         | -0.4         | -0.4         | -0.4         | -0.5         | -0.5         | -0.5         | -0.5         | -0.5         | -0.5         | -0.5         | -0.5         | -0.5         |
| Non-Dwelling Income                      | -0.9         | -1.0         | -1.0         | -1.0         | -1.1         | -1.1         | -1.2         | -1.2         | -1.3         | -1.3         | -1.4         | -1.4         | -1.5         | -1.5         | -1.6         |
| Grants & Other Income                    | -0.0         | -0.0         | -0.0         | -0.0         | -0.0         | -0.0         | -0.0         | -0.0         | -0.0         | -0.0         | -0.0         | -0.0         | -0.1         | -0.1         | -0.1         |
| <b>Total Income</b>                      | <b>-26.6</b> | <b>-26.3</b> | <b>-25.9</b> | <b>-26.3</b> | <b>-26.6</b> | <b>-27.0</b> | <b>-27.4</b> | <b>-27.8</b> | <b>-28.2</b> | <b>-28.6</b> | <b>-29.0</b> | <b>-29.4</b> | <b>-29.8</b> | <b>-30.3</b> | <b>-30.7</b> |
| Supervision & Management                 | 5.8          | 5.9          | 6.0          | 6.1          | 6.3          | 6.4          | 6.5          | 6.6          | 6.8          | 6.9          | 7.0          | 7.2          | 7.3          | 7.5          | 7.6          |
| Bad Debt Provision                       | 0.4          | 0.5          | 0.5          | 0.5          | 0.5          | 0.5          | 0.5          | 0.6          | 0.6          | 0.6          | 0.6          | 0.6          | 0.6          | 0.6          | 0.6          |
| Responsive & Cyclical Repairs            | 5.3          | 5.4          | 5.5          | 5.7          | 5.8          | 6.0          | 6.1          | 6.3          | 6.4          | 6.6          | 6.7          | 6.9          | 7.1          | 7.3          | 7.4          |
| <b>Total Revenue Expenditure</b>         | <b>11.4</b>  | <b>11.8</b>  | <b>12.1</b>  | <b>12.3</b>  | <b>12.6</b>  | <b>12.9</b>  | <b>13.2</b>  | <b>13.5</b>  | <b>13.8</b>  | <b>14.1</b>  | <b>14.4</b>  | <b>14.7</b>  | <b>15.0</b>  | <b>15.3</b>  | <b>15.7</b>  |
| Interest Paid                            | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          |
| Interest Received                        | -0.3         | -0.2         | -0.2         | -0.3         | -0.3         | -0.3         | -0.4         | -0.4         | -0.5         | -0.5         | -0.5         | -0.6         | -0.6         | -0.6         | -0.7         |
| Depreciation                             | 6.4          | 6.4          | 6.5          | 6.6          | 6.7          | 6.8          | 6.9          | 6.9          | 7.0          | 7.1          | 7.2          | 7.3          | 7.4          | 7.5          | 7.6          |
| Reserve Adjustments                      | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         |
| Revenue Contribution to Capital          | 4.5          | 3.5          | 2.8          | 2.9          | 2.9          | 3.0          | 3.1          | 3.1          | 3.2          | 3.2          | 3.2          | 3.3          | 3.3          | 3.4          | 3.4          |
| <b>Net Revenue Exp/(Income)</b>          | <b>0.1</b>   | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  |
| <b>HRA Balance &amp; Reserves</b>        |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Opening HRA Balance                      | -20.7        | -26.6        | -32.0        | -36.9        | -41.9        | -46.9        | -52.0        | -57.1        | -62.2        | -67.3        | -72.4        | -77.5        | -82.7        | -87.8        | -93.0        |
| Closing HRA Balance                      | -26.6        | -32.0        | -36.9        | -41.9        | -46.9        | -52.0        | -57.1        | -62.2        | -67.3        | -72.4        | -77.5        | -82.7        | -87.8        | -93.0        | -98.1        |
| <b>Projected Capital Expenditure</b>     |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Construction/Acquisition of Homes        | 0.8          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Capital Maintenance & Improvement        | 5.2          | 4.6          | 4.6          | 4.6          | 4.6          | 4.7          | 4.8          | 5.0          | 5.1          | 5.2          | 5.3          | 5.5          | 5.6          | 5.7          | 5.9          |
| <b>Total Capital Expenditure</b>         | <b>6.0</b>   | <b>4.6</b>   | <b>4.6</b>   | <b>4.6</b>   | <b>4.6</b>   | <b>4.7</b>   | <b>4.8</b>   | <b>5.0</b>   | <b>5.1</b>   | <b>5.2</b>   | <b>5.3</b>   | <b>5.5</b>   | <b>5.6</b>   | <b>5.7</b>   | <b>5.9</b>   |
| <b>Projected Borrowing</b>               |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Borrowing b/f                            | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        |
| New Borrowing                            | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Loans Repaid                             | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Borrowing c/f</b>                     | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> |

## Appendix Two : HRA Business Plan Project

| Year                                     | 2032/33      | 2033/34      | 2034/35      | 2035/36      | 2036/37      | 2037/38      | 2038/39      | 2039/40      | 2040/41      | 2041/42      | 2042/43      | 2043/44      | 2044/45      | 2045/46      | 2046/47      |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Projected Net Revenue Expenditure</b> |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Rental Income                            | -29.1        | -29.5        | -29.9        | -30.3        | -30.7        | -31.1        | -31.5        | -31.9        | -32.3        | -32.7        | -33.2        | -33.6        | -34.1        | -34.5        | -34.9        |
| Void Losses                              | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          |
| Service Charges                          | -0.5         | -0.5         | -0.5         | -0.5         | -0.5         | -0.6         | -0.6         | -0.6         | -0.6         | -0.6         | -0.6         | -0.6         | -0.6         | -0.6         | -0.6         |
| Non-Dwelling Income                      | -1.7         | -1.7         | -1.8         | -1.9         | -1.9         | -2.0         | -2.1         | -2.2         | -2.3         | -2.4         | -2.5         | -2.6         | -2.7         | -2.8         | -3.0         |
| Grants & Other Income                    | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         |
| <b>Total Income</b>                      | <b>-31.2</b> | <b>-31.6</b> | <b>-32.1</b> | <b>-32.5</b> | <b>-33.0</b> | <b>-33.5</b> | <b>-34.0</b> | <b>-34.5</b> | <b>-35.0</b> | <b>-35.6</b> | <b>-36.1</b> | <b>-36.7</b> | <b>-37.2</b> | <b>-37.8</b> | <b>-38.4</b> |
| Supervision & Management                 | 7.8          | 7.9          | 8.1          | 8.3          | 8.4          | 8.6          | 8.8          | 8.9          | 9.1          | 9.3          | 9.5          | 9.7          | 9.9          | 10.1         | 10.3         |
| Bad Debt Provision                       | 0.6          | 0.6          | 0.6          | 0.6          | 0.7          | 0.7          | 0.7          | 0.7          | 0.7          | 0.7          | 0.7          | 0.7          | 0.7          | 0.8          | 0.8          |
| Responsive & Cyclical Repairs            | 7.6          | 7.8          | 8.0          | 8.2          | 8.4          | 8.6          | 8.8          | 9.1          | 9.3          | 9.5          | 9.8          | 10.0         | 10.3         | 10.5         | 10.8         |
| <b>Total Revenue Expenditure</b>         | <b>16.0</b>  | <b>16.4</b>  | <b>16.7</b>  | <b>17.1</b>  | <b>17.5</b>  | <b>17.9</b>  | <b>18.3</b>  | <b>18.7</b>  | <b>19.1</b>  | <b>19.5</b>  | <b>20.0</b>  | <b>20.4</b>  | <b>20.9</b>  | <b>21.3</b>  | <b>21.8</b>  |
| Interest Paid                            | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          |
| Interest Received                        | -0.7         | -0.7         | -0.8         | -0.8         | -0.8         | -0.9         | -0.9         | -1.0         | -1.0         | -1.0         | -1.1         | -1.1         | -1.1         | -1.2         | -1.2         |
| Depreciation                             | 7.7          | 7.8          | 7.9          | 8.0          | 8.1          | 8.2          | 8.3          | 8.4          | 8.5          | 8.6          | 8.7          | 8.8          | 9.0          | 9.1          | 9.2          |
| Reserve Adjustments                      | -0.1         | -0.1         | -0.1         | -0.2         | -0.2         | -0.2         | -0.2         | -0.2         | -0.2         | -0.2         | -0.2         | -0.2         | -0.2         | -0.2         | -0.2         |
| Revenue Contribution to Capital          | 3.5          | 3.5          | 3.6          | 3.6          | 3.6          | 3.7          | 3.7          | 3.7          | 3.8          | 3.8          | 3.8          | 3.9          | 3.9          | 3.9          | 4.0          |
| <b>Net Revenue Exp/(Income)</b>          | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  | <b>-0.0</b>  |
| <b>HRA Balance &amp; Reserves</b>        |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Opening HRA Balance                      | -98.1        | -103.2       | -108.3       | -113.4       | -118.5       | -123.6       | -128.6       | -133.6       | -138.6       | -143.5       | -148.4       | -153.3       | -158.1       | -162.8       | -167.5       |
| Closing HRA Balance                      | -103.2       | -108.3       | -113.4       | -118.5       | -123.6       | -128.6       | -133.6       | -138.6       | -143.5       | -148.4       | -153.3       | -158.1       | -162.8       | -167.5       | -172.1       |
| <b>Projected Capital Expenditure</b>     |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Construction/Acquisition of Homes        | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Capital Maintenance & Improvement        | 6.0          | 6.2          | 6.3          | 6.5          | 6.7          | 6.8          | 7.0          | 7.2          | 7.4          | 7.5          | 7.7          | 7.9          | 8.1          | 8.3          | 8.5          |
| <b>Total Capital Expenditure</b>         | <b>6.0</b>   | <b>6.2</b>   | <b>6.3</b>   | <b>6.5</b>   | <b>6.7</b>   | <b>6.8</b>   | <b>7.0</b>   | <b>7.2</b>   | <b>7.4</b>   | <b>7.5</b>   | <b>7.7</b>   | <b>7.9</b>   | <b>8.1</b>   | <b>8.3</b>   | <b>8.5</b>   |
| <b>Projected Borrowing</b>               |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Borrowing b/f                            | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        |
| New Borrowing                            | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Loans Repaid                             | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Borrowing c/f</b>                     | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> |

## Appendix Two : HRA Business Plan Project

| Year                                     | 2047/48      | 2048/49      | 2049/50      | 2050/51      | 2051/52      | 2052/53      | 2053/54      | 2054/55      | 2055/56      | 2056/57      | 2057/58      | 2058/59      | 2059/60      | 2060/61      | 2061/62      |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Projected Net Revenue Expenditure</b> |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Rental Income                            | -35.4        | -35.9        | -36.3        | -36.8        | -37.3        | -37.8        | -38.3        | -38.8        | -39.3        | -39.8        | -40.3        | -40.8        | -41.4        | -41.9        | -42.3        |
| Void Losses                              | 0.2          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          | 0.3          |
| Service Charges                          | -0.6         | -0.7         | -0.7         | -0.7         | -0.7         | -0.7         | -0.7         | -0.7         | -0.7         | -0.7         | -0.7         | -0.8         | -0.8         | -0.8         | -0.8         |
| Non-Dwelling Income                      | -3.1         | -3.2         | -3.4         | -3.5         | -3.7         | -3.9         | -4.0         | -4.2         | -4.4         | -4.6         | -4.8         | -5.1         | -5.3         | -5.5         | -5.8         |
| Grants & Other Income                    | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         | -0.1         |
| <b>Total Income</b>                      | <b>-39.0</b> | <b>-39.6</b> | <b>-40.2</b> | <b>-40.8</b> | <b>-41.5</b> | <b>-42.1</b> | <b>-42.8</b> | <b>-43.5</b> | <b>-44.2</b> | <b>-44.9</b> | <b>-45.7</b> | <b>-46.4</b> | <b>-47.2</b> | <b>-48.0</b> | <b>-48.6</b> |
| Supervision & Management                 | 10.5         | 10.7         | 10.9         | 11.1         | 11.3         | 11.6         | 11.8         | 12.0         | 12.3         | 12.5         | 12.8         | 13.0         | 13.3         | 13.5         | 13.8         |
| Bad Debt Provision                       | 0.8          | 0.8          | 0.8          | 0.8          | 0.8          | 0.8          | 0.9          | 0.9          | 0.9          | 0.9          | 0.9          | 0.9          | 0.9          | 1.0          | 1.0          |
| Responsive & Cyclical Repairs            | 11.0         | 11.3         | 11.6         | 11.9         | 12.2         | 12.5         | 12.8         | 13.1         | 13.5         | 13.8         | 14.1         | 14.5         | 14.9         | 15.2         | 15.6         |
| <b>Total Revenue Expenditure</b>         | <b>22.3</b>  | <b>22.8</b>  | <b>23.3</b>  | <b>23.8</b>  | <b>24.4</b>  | <b>24.9</b>  | <b>25.5</b>  | <b>26.0</b>  | <b>26.6</b>  | <b>27.2</b>  | <b>27.8</b>  | <b>28.4</b>  | <b>29.1</b>  | <b>29.7</b>  | <b>30.4</b>  |
| Interest Paid                            | 4.8          | 4.8          | 4.8          | 4.8          | 4.8          | 4.7          | 4.1          | 3.5          | 2.9          | 2.4          | 1.8          | 1.2          | 0.7          | 0.2          | -0.3         |
| Interest Received                        | -1.2         | -1.3         | -1.3         | -1.3         | -1.3         | -1.3         | -1.3         | -1.2         | -1.2         | -1.1         | -1.1         | -1.0         | -1.0         | -0.9         | -0.9         |
| Depreciation                             | 9.3          | 9.4          | 9.5          | 9.7          | 9.8          | 9.9          | 10.0         | 10.2         | 10.3         | 10.4         | 10.6         | 10.7         | 10.8         | 11.0         | 11.1         |
| Reserve Adjustments                      | -0.2         | -0.2         | -0.2         | -0.2         | -0.2         | -0.3         | -0.3         | -0.3         | -0.3         | -0.3         | -0.3         | -0.3         | -0.3         | -0.3         | -0.3         |
| Revenue Contribution to Capital          | 4.0          | 4.0          | 4.1          | 4.1          | 4.1          | 4.2          | 4.7          | 5.2          | 5.7          | 6.3          | 6.8          | 7.3          | 7.8          | 8.3          | 8.6          |
| <b>Net Revenue Exp/(Income)</b>          | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  | <b>-0.1</b>  |
| <b>HRA Balance &amp; Reserves</b>        |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Opening HRA Balance                      | -172.1       | -176.7       | -181.2       | -185.6       | -189.9       | -194.2       | -185.3       | -176.9       | -168.9       | -161.3       | -154.1       | -147.3       | -140.9       | -134.7       | -128.9       |
| Closing HRA Balance                      | -176.7       | -181.2       | -185.6       | -189.9       | -194.2       | -185.3       | -176.9       | -168.9       | -161.3       | -154.1       | -147.3       | -140.9       | -134.7       | -128.9       | -117.1       |
| <b>Projected Capital Expenditure</b>     |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Construction/Acquisition of Homes        | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Capital Maintenance & Improvement        | 8.7          | 9.0          | 9.2          | 9.4          | 9.6          | 9.9          | 10.1         | 10.4         | 10.6         | 10.9         | 11.2         | 11.5         | 11.8         | 12.0         | 12.3         |
| <b>Total Capital Expenditure</b>         | <b>8.7</b>   | <b>9.0</b>   | <b>9.2</b>   | <b>9.4</b>   | <b>9.6</b>   | <b>9.9</b>   | <b>10.1</b>  | <b>10.4</b>  | <b>10.6</b>  | <b>10.9</b>  | <b>11.2</b>  | <b>11.5</b>  | <b>11.8</b>  | <b>12.0</b>  | <b>12.3</b>  |
| <b>Projected Borrowing</b>               |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Borrowing b/f                            | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 136.2        | 123.2        | 110.2        | 97.2         | 84.2         | 71.2         | 58.2         | 45.2         | 32.2         | 19.2         |
| New Borrowing                            | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| Loans Repaid                             | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | -13.0        | -13.0        | -13.0        | -13.0        | -13.0        | -13.0        | -13.0        | -13.0        | -13.0        | -19.2        |
| <b>Borrowing c/f</b>                     | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>136.2</b> | <b>123.2</b> | <b>110.2</b> | <b>97.2</b>  | <b>84.2</b>  | <b>71.2</b>  | <b>58.2</b>  | <b>45.2</b>  | <b>32.2</b>  | <b>19.2</b>  | <b>0.0</b>   |

## Appendix Three : HRA Business Plan 2017/18 Variance Summary

| Year                                     | Forecast 16-   |                | Variance    | Key drivers of variations  |
|--|----------------|----------------|-------------|--|
|  | 17 BP          | 17-18 BP       |             |  |
|  | 2017/18        | 2017/18        |             |  |
|  | £'000          | £'000          | £'000       |  |
| <b>Projected Net Revenue Expenditure</b> |                |                |             |  |
| Rental Income                            | -25,363        | -25,413        | -50         | Sayer Court let at Warwick Affordable Rent rather than target rent offset by reduced rental income due to increased RTB's. |
| Void Losses                              | 177            | 178            | 1           |  |
| Service Charges                          | -413           | -413           | 0           |  |
| Non-Dwelling Income                      | -866           | -938           | -72         | Garage charges - 5% increase forecast in 16/17. 17/18 BP average £4 increase per month.                                    |
| Grants & Other Income                    | -43            | -42            | 1           |  |
| <b>Total Income</b>                      | <b>-26,507</b> | <b>-26,628</b> | <b>-121</b> |  |
| Supervision & Management                 | 5,852          | 5,780          | -72         | Review of staffing and management teams.   |
| Bad Debt Provision                       | 467            | 399            | -68         | BDP reduced from 1.84% to 1.5% following delays in introduction of Universal Credit and review of existing arrears.        |
| Responsive & Cyclical Repairs            | 5,758          | 5,267          | -491        | Change from Open Book Contracts to Schedule of rates and increased budgetary control of scheduled works.                   |
| <b>Total Revenue Expenditure</b>         | <b>12,076</b>  | <b>11,447</b>  | <b>-629</b> |  |
| Interest Paid                            | 4,766          | 4,766          | 0           |  |
| Interest Received                        | -152           | -253           | -101        | Increased reserves balance.  |
| Depreciation                             | 5,366          | 6,354          | 988         | Revised based on most recent Carter Jonas Asset Valuation Report.  |
| Reserve Adjustments                      | -86            | -93            | -7          |  |
| Revenue Contribution to Capital          | 4,500          | 4,483          | -17         |  |
| <b>Net Revenue Exp/(Income)</b>          | <b>-38</b>     | <b>75</b>      | <b>113</b>  |  |
| <b>HRA Balance &amp; Reserves</b>        |                |                |             |  |
| Opening HRA Balance                      | -21,159        | -20,725        | 434         | Increased HRA reserves used in 16/17 driven by Revenue Repairs and Supervisory and Management expenditure.                 |
| Closing HRA Balance                      | -25,587        | -26,575        | -988        | Driven by the changes in income and expenditure outlined above.  |
| <b>Projected Capital Expenditure</b>     |                |                |             |  |
| Construction/Acquisition of Homes        | 2,355          | 825            | -1,530      | Cloister Way only acquisition currently due to take place during 2017/18.  |
| Capital Maintenance & Improvement        | 3,121          | 5,193          | 2,072       | Capital budget reviewed to reflect ongoing requirements.   |
| <b>Total Capital Expenditure</b>         | <b>5,476</b>   | <b>6,018</b>   | <b>542</b>  |  |
| <b>Projected Borrowing</b>               |                |                |             |  |
| Borrowing b/f                            | 136,200        | 136,200        | 0           |  |
| New Borrowing                            | 0              | 0              | 0           |  |
| Loans Repaid                             | 0              | 0              | 0           |  |
| <b>Borrowing c/f</b>                     | <b>136,200</b> | <b>136,200</b> | <b>0</b>    |  |




## Appendix Four: Housing Revenue Account Business Plan Risk Register 2017-18

| Description of Risk   | Cause   | Effect  | Control/Mitigation   | L | S | RS | Action Taken  | Risk Owner                                      |
|---|---|---|--|---|---|----|---|---|
| Unable to deliver agreed Business Plan commitments.   | Government changing the regulations and legal framework that govern the provision of municipal housing.   | Business Plan becomes unsustainable.  | Keep abreast of policy developments and legislative changes so that prompt action can be taken to mitigate any adverse impacts.<br>Review and amend the Business Plan as necessary.  | 4 | 4 | 16 | Housing Futures Project ongoing. New Head of Housing to be appointed.   | Head of Housing & Property Services – Bill Hunt |
| Unsustainable debt financing leading to Business Plan inefficiencies and breaching of loan covenants. | Inadequate treasury management advice.<br>Significant changes in Business Plan assumptions on the cost of debt.   | Sub-optimal Debt Structure  | Evaluation of options – supported where necessary by external advice and expertise - to the HRA's debt structure leading to the selection of the most optimal financing strategy.<br>Review of the Business Plan to prioritise the use of funds to meet debt repayment.  | 3 | 3 | 9  |   | Head of Finance – Mike Snow                     |
| Unsustainable Business Plan due to compulsory additional expenditure                                  | Imposition of financial levies by government to cover the cost of compensating housing associations for the Right to Buy.   | Likely to reduce the income available to service all other financial commitments and responsibilities.  | Proactive management of assets, including the sale of assets.<br>Review and amend as necessary the Business Plan.<br>Maintain development programme to generate additional income and assets for the HRA.<br>Ring fencing and recycling of Right to Buy receipts (currently used to support private sector)                        | 5 | 4 | 20 | Housing Futures project ongoing. Use of right to buy receipts to replace properties sold, and increased income.<br>Prudent approach taken to house building strategy.   | Head of Housing & Property Services – Bill Hunt |
| Reduction in income to support Housing related Support services.                                      | Funding for Housing Related Support (Supporting People), which while overseen by Warwickshire County Council WCC), finances elements of the Council's services to older people, ended in July 2016. | Services provided which are currently funded from the HRS (SP) budget will have to be funded by the HRA, via service charges or some services will no longer be able to be provided, which may impact upon adversely on the ability of some tenants to sustain their tenancies. | A Housing Related Support report was agreed by executive in February 2017. This followed consultation with service users in order to ascertain the impact of changes to the service charges.<br>Income generation will be reviewed regularly to assess whether the change provides a favourable or adverse impact to the forecast. | 5 | 3 | 15 | The Council set aside in the HRA BP sufficient funding to allow for a full review of Housing Related Support Services in 2017-18. Further review of how the service is provided will take place in 2017. The service is being advertised to a greater number of potential private users in order to generate additional income. | Sustaining Tenancies Manager – Simon Brooke     |

| Description of Risk  | Cause  | Effect   | Control/Mitigation  | L | S | RS | Action Taken  | Risk Owner                                      |
|--|--|--|---|---|---|----|---|---|
| Changes in income that fall below assumptions made in the HRA Business Plan    | <p>Significant changes in social security policy which negatively impact actual income collection versus Business Plan projections. Economic downturn increases unemployment levels and reduces incomes, wages and salaries, resulting in tenants unable to maintain rent payments.</p> <p>Less than effective income collection processes and systems.</p> <p>Increase in void rates due to higher turnover as people vacate properties.</p> <p>Introduction of mandatory use of short term tenancies.</p> <p>Government-led changes in rent.</p> | <p>Likely to increase the amount of rent arrears and the cost of collection meaning a need to increase Bad Debt Provision (BDP) and/or increase the resources to be deployed on income recovery.</p> <p>More void properties taking longer to re-let will increase void rent loss.</p> | <p>Increased investment in income collection service. Keep abreast of developments and changes in national policy so that mitigation can be implemented quickly. Amendments to the Allocations Policy to better align lettings of properties with the long term ability of tenants to make rent payments. Prudent implementation of short term tenancy requirement.</p> <p>Amend BDP.</p>   | 3 | 2 | 6  | <p>The Business Plan has already managed changes announced in 2015 to national rent policy and remains in a viable position.</p> <p>Bad debt provision reviewed to reflect delays in Universal Credit roll out, with the expectation that arrears will increase from Summer 2018.</p> | Sustaining Tenancies Manager– Simon Brooke      |
| Unsustainable Business Plan following higher than projected Right to Buy Sales | <p>Further changes to the national Right to Buy policy (for example higher discounts, lower qualifying period, wider eligibility criteria, less favourable rules around the sue of sales receipts).</p> <p>Increased availability of mortgage finance allowing more people to access funds needed to exercise the Right to Buy</p>   | <p>Increased loss of stock available for letting. Reduced income to repay associated debt.</p>   | <p>Sensitivity analysis shows that the business plan is able to sustain a substantial increase in Right to Buy, although this reduces capacity to provide new homes or invest in the service.</p> <p>Amend expenditure to reflect reduced income (and reduced management and maintenance liabilities). Ring fencing and recycling of Right to Buy receipts (currently used to support private sector housing) into the Business Plan.</p> | 2 | 2 | 4  | <p>The Business Plan assumptions have been revised based on recent levels of RTB's.</p>   | Head of Housing & Property Services – Bill Hunt |

| Description of Risk   | Cause   | Effect  | Control/Mitigation  | L | S | RS | Action Taken  | Risk Owner                      |
|---|---|---|---|---|---|----|---|---------------------------------|
| Unsustainable Business Plan due to higher than projected increase in repairs and maintenance expenditure. | The assumptions made in the Business Plan regarding the condition of stock and the forecast capital expenditure differ from actual costs incurred for the following reasons:<br>Costs increase following survey of all properties.<br>Building & contractor costs higher than forecast.<br>Inefficient asset management.<br>Significant increase in the required repairs standards. | Increases cost and therefore reduces Business Plan viability.         | The contingency built into repairs and maintenance cost assumptions allow for reasonable variances in cost outturns.<br>The Business Plan forecasts capital expenditure to increase year on year by RPI from 2018/19.<br>The Business Plan will be reviewed on a regular basis to respond to any significant and business critical changes to actual expenditure versus projections.<br>The use of good business practice will continue to assist in efficient decisions on asset management.<br>Continued use of market testing to secure competitive prices for materials and services.   | 2 | 4 | 8  | A new Stock Condition Survey, covering all properties owned by the Council, was completed in 2016, with the results currently being reviewed. This will allow for an informed long term planned maintenance programme to begin in 2017. Pre and post-inspections of repairs were introduced in 2015 to give greater control to the Council over its repairs and maintenance expenditure.<br>A transition from Open Book Accounting to a Schedule of Rates cost model was introduced from April 2016, allowing greater control over costs. | Asset Manager – Russell Marsden |
| Rental Income lower than Projections in the Business Plan   | The Council takes a decision not to increase rents in line with the rent forecasts set out in the Business Plan. The Government imposes a reduction in rents.   | Rental income not sufficient to cover the costs of the Business Plan. | Consider implementing service charges where appropriate to maximize income.<br>Consider changes to service levels to reduce expenditure. Each year the Business Plan will be presented to Members during the rent setting process to allow the Council to make informed assessments regarding the implications of rent setting decisions.<br>Ring fencing and recycling of Right to Buy receipts (currently used to support private sector housing) into the Business Plan.<br>Consideration given to amending or reducing the level of services offered.<br>Continued use of market testing to secure competitive prices for materials and services. | 5 | 4 | 20 | Business plan updated to reflect obligation to reduce rents by 1% per year for the next 3 years.<br>Assumption that once this agreement ends rents will be able to be increased in line for RPI.  | Members of the Council.         |

| Description of Risk  | Cause   | Effect   | Control/Mitigation   | L | S | RS | Action Taken  | Risk Owner   |
|--|---|--|--|---|---|----|---|--|
| Unsustainable Business Plan due to higher than projected increase in supervision and management expenditure. | The actual costs of managing housing and providing services to tenants may differ from the Business Plan assumptions, for example: Increase in support service costs. Increase in staff costs. More services required for an ageing population. Changes in the services required New legal obligations to deliver new and unforeseen services | Increases cost and therefore reduces Business Plan viability.              | Consideration given to amending or reducing the level of services offered. Review housing management arrangements.   | 3 | 3 | 9  | The service redesign has been completed. All staffing structures were reviewed and revised costs have been built into the latest Business Plan. | Head of Housing & Property Services<br>– Bill Hunt |
| Income recovery lower than Projections in the Business Plan  | The nationwide roll-out of Universal Credit during 2016 will mean that increasingly social security payments will now include in one payment an amount cover housing costs Universal Credit will be paid monthly in arrears to tenants.   | Reduced revenue<br>Increased collection costs.<br>Possible increase in BDP | Increased investment in income collection service. Revised income recovery policy.<br>Consider change from weekly to monthly rent accounting.<br>Increase BDP<br>Amend service levels to match collectable income. | 3 | 3 | 9  | Active income recovery processes have seen arrears reduce. Continued investment in this area to ensure impact of changes is minimised.          | Head of Housing & Property Services<br>– Bill Hunt |

|   |   |                                    |
|---|---|------------------------------------|
|  <b>EXECUTIVE</b><br><b>5<sup>th</sup> April 2017</b>  |   | <b>Agenda Item No.</b><br><b>7</b> |
| <b>Title</b>  | Service Area Plans for 2017/18 & Annual Performance Reports for 2016/17   |                                    |
| <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>   | Executive meeting 2 <sup>nd</sup> June 2016   |                                    |
| <b>Background Papers</b>  | See 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> | Yes (Ref 837) |
| <b>Equality &amp; Sustainability Impact Assessment Undertaken</b>          | No            |
| Not applicable.  |               |

| <b>Officer/Councillor Approval</b>             | <b>Date</b>                 | <b>Name</b>                            |
|--|-----------------------------|--|
| Chief Executive                                | 14 <sup>th</sup> March 2017 | Chris Elliott                          |
| CMT  | 14 <sup>th</sup> March 2017 | Chris Elliott, Bill Hunt, Andrew Jones |
| Section 151 Officer                            | 14 <sup>th</sup> March 2017 | Mike Snow                              |
| Monitoring Officer                             | 2 <sup>nd</sup> March 2017  | Author                                 |
| Portfolio Holder(s)                            | 20 <sup>th</sup> March 2017 | All                                    |
| <b>Consultation &amp; Community Engagement</b> |                             |  |
|  |                             |  |
| <b>Final Decision?</b>                         | Yes                         |  |

## **1 SUMMARY**

1.1 The report covers a number of areas:

- Approval of the Council's Service Area Plans for 2017/18;
- Reporting of performance against Service Area Plans for 2016/17;
- Requesting additional resources to enable the Council to better manage and report on performance.

## **2 RECOMMENDATIONS**

2.1 That Executive agrees the Service Area Plans (SAP) at appendices A-G as the Council's programme of work for the financial year 2017/18.

2.2 That Executive notes the respective Service Area's Annual Performance Reports at Appendices H to N making any comments it considers appropriate.

2.3 That Executive agrees to the release of £60k from the Service Transformation Reserve (STR) to enable officers to procure or recruit resource to improve the Council's performance management arrangements.

## **3 REASONS FOR THE RECOMMENDATIONS**

### 3.1 Recommendation 2.1

3.11 The Council has seven Service Areas - Chief Executive's Office; Cultural Services; Development Services; Finance; Health & Community Protection; Housing Services; and Neighbourhood Services - each of which, following consultation with the respective Portfolio Holders, produces an annual SAP. The SAP comprises five parts:

- Part 1 - Purpose of the Services Provided
- Part 2 - Managing Service Delivery
- Part 3 - Managing and Improving People
- Part 4 - Budget (Main budgetary pressures and changes)
- Part 5 - Managing Planned Changes, Major Work-streams and Projects

3.12 The individual plans seek to describe a Service Area's scope of services and projects, and how delivery will be managed through the respective Service Area's resources. In aggregate the SAP's are the programme of work for the Council for the financial year in question.

3.13 Executive is asked to agree the SAP's at Appendices A-G, noting that performance is reported to Overview & Scrutiny Committee on a rolling basis and to Executive at the end of the municipal year.

### 3.2 Recommendation 2.2

3.21 Following Executive's agreement of the SAP' each year, Service Heads use them as a tool to manage performance. They are also used as the catalyst of discussion between individual Portfolio Holders and Service Heads, as well as giving Overview & Scrutiny Committee (O&S) the opportunity to question the Portfolio Holders on their performance against their respective Plans on a rolling basis. At Appendices H to N an annual performance report is provided for each of the Service Areas. Executive is encouraged to identify any issues that it considers pertinent.

### 3.3 Recommendation 2.3

- 3.31 Historically the Council had used a very comprehensive performance management framework to manage and report upon service delivery. Following the change of Government in 2010, Councils were encouraged to take a more streamlined approach. This Council embraced the new attitude dispensing with target-based approach to performance and instead using *measures* (not aiming for a specific output but seeking to continually improve) to understand and manage performance.
- 3.32 In tandem with this new approach the practice of presenting Councillors with a myriad of performance figures also ended and instead, Heads of Service were encouraged to use narrative performance reports to describe to Councillors how their respective Service Areas were performing. It is officers' view that this has been successful in helping Councillors get a good understanding of how a Service is performing without getting bogged-down with why a particular target has not been achieved.
- 3.33 A consequence of this new approach and the need to make significant savings was that most of the back-office officer resource to gather, monitor and report on performance across the organisation disappeared. It is senior officers' view that to enable service issues to be addressed more readily then performance information needs to be available in a more timely fashion and that extra resource is necessary to gather and interpret this information. There is already a significant amount of information in circulation covering areas such as governance, services, assets (people, money, property, ICT), projects, and customers but this needs to be considered in a joined-up fashion.
- 3.34 There are a number of ways this resource could be brought into the organisation namely direct recruitment, procurement of professional services or shared services with another organisation for example and it is officers' intention to fully explore the options should the necessary resource be approved. It is anticipated that a budget of up to £60k over two years should be sufficient.

## **4 POLICY FRAMEWORK**

- 4.1 The Council's Sustainable Community Strategy (SCS) has five thematic priorities and three cross-cutting priorities areas. The recommendations in this report are consistent with the strategy as they ask Members to agree a programme of work which to a greater or lesser degree touches on all areas of the strategy.
- 4.2 Underpinning the SCS is the Council's Fit For the Future (FFF) Change Programme which consists of three strands:

Service - Delivering customer focused services by: using customer measures, helping to build trust, continuously improving, understanding our customers, and using systems thinking.

People – Valuing our staff, empowering our staff, supporting our staff through change, ensuring our communication is clear and regular.

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.

## **5 BUDGETARY FRAMEWORK**

- 5.1 Executive's approval of the SAP's will enable work to continue of the Council's Fit For the Future Change Programme which has the aim of making significant savings/ increasing income whilst at the same time maintaining or improving the breadth and quality of Council services.
- 5.2 The STR currently stands at £214k. Should the release of £60k be approved this will reduce the Reserve to £154k. There are no further demands currently anticipated on this Reserve but it is robust enough to furnish most reasonable requests.

## **6 RISKS**

- 6.1 This report relates to all aspects of Council Service delivery. The Council has a strong risk governance framework in place from the Significant Business Risk Register through to the individual Service Risk Registers and on to day-to-day risk assessments. Individual projects have their own Issues and Risk logs and there is regular reporting either to Project Boards and/or Executive.
- 6.2 The experience of the last 6 years for local government is that the funding situation gets worse than anticipated. There is therefore a risk that even though there is a plan for delivering savings/ increased income, more is required. It is therefore prudent to put plans in place which deliver savings/ increased income in excess of the current known requirement. Officers will be reporting to Executive in June 2017 with proposals for the next stage of the FFF Change Programme wherein further savings/ income generating initiatives will be recommended.

## **7 ALTERNATIVE OPTIONS CONSIDERED**

- 7.1 No alternative options to the recommendations in this report have been considered.



## CXO Service Area Plan 2017/18

**Part 1 - Service Information/links to policy**

**Part 2 – Managing Service Delivery**

**Part 3 – Managing and Improving People**

**Part 4 – Budget**

**Part 5 – Managing Planned Changes/Projects**

|                                 |                         |
|---------------------------------|-------------------------|
| <b>Service Area :</b>           | Chief Executives Office |
| <b>Service Area Manager:</b>    | Chris Elliott           |
| <b>Deputy Chief Executives:</b> | Andrew Jones, Bill Hunt |
| <b>Portfolio Holder(s):</b>     | Cllr Andrew Mobbs       |

### **1 Purpose of the Services Provided**

**To provide comprehensive, professional and customer-focused support services which meet the Council's corporate objectives through the provision of cost effective and high quality services**

#### **Warwick District Council External Customers (Citizens) – We will**

- enable the creation of a customer focussed Council, supporting joined up services and facilitating the creation of more efficient processes.
- improve customer access to Council services, taking advantage of electronic channels of contact and delivery.
- ensure all new developments achieve Value for Money for the citizens of the district.
- support transparent government and enable the democratic process.
- ensure that we operate and manage our assets to support effective service deliver, maintains the safety of their users and provides value for money solutions to minimise costs to our residents

#### **Warwick District Council (Corporate) – We will**

- support the delivery of Fit for the Future, relevant policies and service priorities through the development and implementation of relevant strategies and the democratic process.
- ensure the effective and efficient delivery of support services.

- provide appropriate data security and continuity of service delivery.
- create a capability to exploit joined up working.
- establish and exercise effective strategic and service governance and management
- research and implement effective ways of reducing energy use and carbon emissions through technology.
- support transformational and incremental improvement interventions.
- ensure that key programmes and corporate projects are run effectively and deliver benefits to staff and customers.
- support leaders of the organisation by collating and providing relevant data about the customers and the community.
- help the organisation and people in it to develop, learn and improve.
- provide technical advice on all aspects of asset management, new development and asset base re-configuration to ensure our assets are used in the most effective way possible and support efficient service delivery

**Warwick District Council Internal Customers (Users of the Service) – We will**

- provide high quality and responsive support services to officers and members.
- deliver high levels of service availability.
- empower staff to make better use of Council resources through the provision of training and development.
- undertake a programme of Continual Service Improvement supported by the monitoring and reporting of service performance
- provide professional high quality advice appropriate to the needs of Council

**1.1 Linkages to Sustainable Community Strategy**

|                | <b>Direct</b>  | <b>Indirect</b>  |
|----------------|--|--|
| <b>Housing</b> | provision of technical advice, collection and maintenance of stock condition information and management of responsive repair, planned improvement, gas/electric and other safety contracts for the Council’s retained housing stock<br>undertaking options appraisals for the Housing Service area on the most effective means of developing new HRA housing | the service will act as an enabler for others to deliver their aspects of Sustainable Community Strategy |

|                              |  |  |
|------------------------------|--|--|
| <b>Prosperity</b>            | implementing an asset management strategy to ensure that opportunities for the Council to use its assets and land holdings to the benefit of the local economy are maximised   | the service will act as an enabler for others to deliver their aspects of Sustainable Community Strategy |
| <b>Safer Communities</b>     |  | the service will act as an enabler for others to deliver their aspects of Sustainable Community Strategy |
| <b>Health and Well Being</b> | Embedding health and wellbeing in the Council at all levels<br>Ensuring that the Council meets all health and safety requirements in respect of its housing and corporate assets   | the service will act as an enabler for others to deliver their aspects of Sustainable Community Strategy |
| <b>Sustainability</b>        | Will seek to use and move towards sustainable methods of service delivery.<br>Monitoring the energy efficiency of all the Council's assets and devising cost effective proposals to improve their energy efficiency<br>Managing the energy supply contracts for the Council in the most efficient way possible | the service will act as an enabler for others to deliver their aspects of Sustainable Community Strategy |
| <b>Involving Communities</b> |  | the service will act as an enabler for others to deliver their aspects of Sustainable Community Strategy |
| <b>Supporting Families</b>   |  | the service will act as an enabler for others to deliver their aspects of Sustainable Community Strategy |
| <b>Rural Issues</b>          | Implementation of Digital Council Services to assist communities with poor transport links.<br>Ongoing support for BDUK, promoting rural broadband connectivity.   | the service will act as an enabler for others to deliver their aspects of Sustainable Community Strategy |

## 2 Managing Service Delivery

### 2.1 Service Overview

(NB – Specify main aspects of service delivery during the year)

| Service Being Delivered | Priorities (with Justification)   | Service Demand |   |
|-------------------------|---|----------------|---|
| <b>Assets Team</b>      | Developing and manage the delivery of the Council's Asset Management Strategy in order to support the Fit for the Future Programme and to achieve the Council's Medium Term Financial Strategy objective and HRA Business Plan viability and objectives                     | c.5500         | No. HRA properties  |
|                         |   | c.200          | No. Corporate properties                                  |
|                         | Providing property holding service areas with technical advice, assistance and support in the feasibility, development and delivery of asset related maintenance and development projects   |                |   |
|                         | Maintaining the value and quality of the Council's HRA and corporate stock through cost effective and customer focused repairs and maintenance  | c. 18000       | No. HRA repairs completed per annum                       |
|                         |   | £xxxx          | Budget: HRA Repairs and Void Properties                   |
|                         |   | c. xxxx        | No. corporate property repairs completed per annum        |
|                         |   | £xxxx          | Budget: Corporate Property Repair and Planned Maintenance |
|                         | Assisting in the appraisal, planning and delivery of the Council's major refurbishment and re-development projects across the Council's HRA and corporate stock   | £xxxx          | Budget: Housing Investment Programme                      |
|                         |   | £xxxx          | Budget: Corporate property                                |
|                         | Ensuring a robust approach is taken to maintaining the Council's assets in line with statutory regulation and best practice   |                |   |
|                         | Collecting, maintaining and reviewing stock condition survey data for HRA and corporate stock to ensure flexible and effective repair, maintenance and improvement strategies, and to provide up to date plans and work programmes to inform future investment requirements |                |   |
|                         | Seeking opportunities to improve the environmental impact and sustainability of the Council's new and existing assets   |                |   |

| Service Being Delivered                 | Priorities (with Justification)  | Service Demand           |   |
|---|--|--------------------------|---|
|   | To ensure that works and services required to manage the Council's corporate assets are regularly reviewed to ensure that they comply with the Code of Procurement Practice and the Public Contract Regulations  | Xxxx                     | No. works and services contracts  |
| <b>ICT Services</b>                     | Develop and manage the ICT Strategy to meet the Council's priorities   |                          |   |
|   | Develop and monitor the Information Security Policy to ensure the Confidentiality, Integrity and Availability (CIA) of Council data.   |                          |   |
|   | Develop and rehearse the ICT Business Continuity Plan to ensure the continuity of Council services   |                          |   |
|   | Develop and monitor the ICT investment plan to maintain a stable and secure platform for current service delivery and to meet the future needs identified in the ICT Strategy  |                          |   |
| <b>Desktop Services</b>                 | Provision of first line and second line Desktop Support, including the provision of a Helpdesk Service, to minimise the disruption caused by service incidents and to improve personal productivity through the adoption of technology.                  | 14,000<br><br>600+ Users | No. of Helpdesk calls per annum, excluding Face-To-face, and emails. The team also has project work.<br><br>Staff, Councillors, Contractors & WCC staff |
| <b>Applications Support</b>             | Provision of support services to users of the Council's line-of-business applications to maintain system availability and to ensure that the applications are exploited to the benefit of the Council and the citizen.                                   | 3,200                    | Ad-hoc requests per year, although the majority of the work is project based  |
| <b>Infrastructure</b>                   | Provision of a stable, secure, performant network, storage, server and telephony services stable operating environment for all the IT functions using the technology   | 120+ servers             | Primarily a project based team  |
| <b>Geographical Information Systems</b> | Provision and maintenance of the Council's Local Land & Property Gazetteer (LLPG) is a statutory requirement and one which provides an authoritative address database for the Council and its systems;   | 23,000                   | Approx. number of address creations/updates for the current year  |
|   | Delivery of a corporate geographical information service to the Council is designed to capture, manage, analyse and present all types of spatial and geographical data that it holds – equating to over 80% of all information held by a local authority |                          |   |
|   | The provision of a Street Naming & Numbering Service is a statutory requirement.   | 150<br>£45,000           | Requests per annum<br>Income target   |
| <b>Electoral Services</b>               | To deliver and maintain the electoral register for Warwick District, in line with the requirements for Individual Electoral Registration   | 106,000                  | Number of electors  |

| Service Being Delivered               | Priorities (with Justification)   | Service Demand |                                   |
|---------------------------------------|---|----------------|-----------------------------------|
|                                       | To deliver the requirements placed on this Council in Warwickshire CC in May 2017, and potential Neighbourhood Plan referendums                             |                |                                   |
| <b>Civic &amp; Committee Services</b> | To manage and support all Council, Executive, Committee and Sub-Committee meetings of the Council   | 180            | Committee meetings per year       |
|                                       | To manage & support the Chairman of the Council, at the functions they host and attend.   |                |                                   |
| <b>Corporate Support Team</b>         | To administer all information requests, associated reviews and work with the Information Commissioner.  | 700            | Requests for information per year |
|                                       | To administer all Stage 1, Stage 2, LGO and HO complaints about this Council  | 100            | Complaints per year               |
|                                       | To provide a same day document processing service and to manage the corporate scanning project  |                |                                   |
|                                       | To provide an accurate same say cash receipting system  |                |                                   |
|                                       | To provide an efficient postal system offering timely delivery  |                |                                   |
| <b>Payroll</b>                        | To liaise with Coventry City Council to co-ordinate payroll and HR transactional services   |                |                                   |
|                                       | To ensure people management information – vacancies, absence etc is up to date at all times   |                |                                   |
|                                       | To co-ordinate pension information between Coventry City Council and our Pension provider – Warwickshire County Council                                     |                |                                   |
|                                       | To provide 'Self Serve' to all staff and Councillors which includes Expenses, Overtime, Time sheets and Mileage   |                |                                   |
| <b>HR</b>                             | Develop and manage the People Strategy to meet the Council's priorities.  |                |                                   |
|                                       | To ensure the Council Policies and practices are fit for purpose and acts within legislation in order to maintain its role as a fair and equitable employer |                |                                   |
|                                       | To provide management information regularly to enable the Council to make informed decisions, for example absence, turnover and agency costs.               |                |                                   |
|                                       | To continue to work with Service Areas in reviewing efficiencies and resourcing in all service areas  |                |                                   |

| Service Being Delivered           | Priorities (with Justification)  | Service Demand |  |
|-----------------------------------|--|----------------|--|
|                                   | Review E & D priorities including updated training for EQIA's and link to Public Sector Equality Duty  |                |  |
|                                   | To ensure the organisation continues in its drive to support different ways of working throughout the council  |                |  |
| <b>Learning &amp; Development</b> | To review key indicators, such as IIP, Peer Review and Safeguarding Agenda, to determine corporate training needs  |                |  |
|                                   | To complete Training Needs Analysis of Service Area needs from Personal Development Plans to develop Corporate Training Plan   |                |  |
|                                   | To provide comprehensive, blended learning solutions for all staff and managers across the Council, including e-learning.  |                |  |
| <b>Media</b>                      | To coordinate and manage all corporate communications, both internally and externally, providing advice and assistance where necessary and in line with the Council's Communications Strategy. |                |  |
|                                   | To provide marketing support across the Council  |                |  |
|                                   | To provide a comprehensive graphic design service to all service areas   |                |  |
| <b>Website</b>                    | To manage the corporate web site, developing best practice and ensuring service areas present information and digital services appropriately for our customers.                                | No of visits   | WDC Residents, businesses and visitors |

## 2.2 Key Corporate Measures

The following measures are reported to SMT/CMT (Management Information) on a quarterly basis and are used for strategic monitoring purposes. For corporate reporting purposes, the measures are summarised to show adverse, neutral or favourable variance from the preceding quarter. Measures that are either adverse or favourable and fall outside of the 'Reporting Tolerance' are accompanied by an explanatory narrative.

Operational measures are contained within each teams respective Team Operational Plan (TOP).

**Customer Measures – those important to the people/organisations who use our services**

**Note : these measures should be used on a daily, weekly or monthly basis to identify the impact of interventions in the system and to plan future interventions. Interventions may be very small adjustments to resources, or may involve transformational change**

| Measure  | Performance Target | Reporting Tolerance | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 |
|--|--------------------|---------------------|-----------|-----------|-----------|-----------|
| <b>Assets Team</b>   |                    |                     |           |           |           |           |
| %age of HRA repair requests completed on time                      | 90%                |                     |           |           |           |           |
| %age of corporate property repair requests completed on time       | 90%                |                     |           |           |           |           |
| %age HRA dwellings with in date Gas Safe certificate               | 100%               |                     |           |           |           |           |
| %age corporate properties with in date Gas Safe certificate        | 100%               |                     |           |           |           |           |
| %age HRA dwellings with in date Electrical Test certificate        | 100%               |                     |           |           |           |           |
| %age corporate properties with in date Electrical Test certificate | 100%               |                     |           |           |           |           |
| %age HRA dwellings with in date Fire Risk Assessment               | 100%               |                     |           |           |           |           |
| %age corporate properties with in date Fire Risk Assessment        | 100%               |                     |           |           |           |           |
| <b>ICT Services</b>  |                    |                     |           |           |           |           |
| %age Service Availability – Servers, Network, Applications         | 99.99%             | >=-0.5%             |           |           |           |           |
| %age Service Availability – Corporate Telephones (CallManager)     | 99.99%             | >=-0.5%             |           |           |           |           |



|   |        |         |  |  |  |  |
|---|--------|---------|--|--|--|--|
| %age Service Availability – Virtual Desktops                                  | 99.99% | >=-0.5% |  |  |  |  |
| %age Completion rate for combined Incident & Service Request Calls within SLA | 95.00% | >=-5%   |  |  |  |  |
| <b>Democratic Services</b>  |        |         |  |  |  |  |
| %age of Complaints to Ombudsman upheld  | 0      | >=1     |  |  |  |  |
| %age of Freedom of Information Requests not Responded to on time              | 20%    | >=5%    |  |  |  |  |
| Number of Subject access requests received                                    | 2      | >=2     |  |  |  |  |
| %age of subject access requests responded to on time                          | 100    | 0       |  |  |  |  |
| Number of cases to ICO  | 0      | 0       |  |  |  |  |
| %age of ICO case upheld   | 0      | 0       |  |  |  |  |

| <b>Human Resources</b>  |                  |          |  |  |  |  |
|---|------------------|----------|--|--|--|--|
| HR - staff satisfaction and engagement levels via:  |                  |          |  |  |  |  |
| • Sickness absence levels - Av no of working days lost to Absence per employee (tolerance against annual local gov figures) | 2.2 Days Per Qtr | >=5%     |  |  |  |  |
| • Average number of Vacant Post per quarter   | 40               | >=10%    |  |  |  |  |
| • Staff Turnover %age of FTE (tolerance against annual local gov figures)   | 3% Per Quarter   | +/- 0.5% |  |  |  |  |
| <b>Media</b>  |                  |          |  |  |  |  |
| Number of Twitter followers   |                  |          |  |  |  |  |
| Number of retweets  |                  |          |  |  |  |  |
| Press coverage; coverage as readership & equivalent advertising value   |                  |          |  |  |  |  |

### 2.3 Managing Risk

The Chief Executive's Office has adopted a layered approach to risk management which ensures risks are managed at an appropriated level.

- The **Significant Business Risk Register** contains the CXO risks which have the potential to have a **significant** adverse impact on the Council. It is the responsibility of CXO team managers to advise, through their head of service, SMT of these risks so that SMT can decide whether to update the corporate risk register as appropriate.
- The **CXO Risk Register** identifies the high level Service Area risks that have the potential to adversely impact multiple Service Areas. The document uses the corporate formatting standard and uses language that is more understandable to the business. The format also supports political scrutiny.
- **Thematic Risk Registers** are used to identify risks associated with particular aspects of the CXO's service that requires additional focus and risk management. For example, ICT has a specific risk register that relates to malware.
- **Project Risk Registers** are created, when appropriate, to manage the risks associated with the introduction of new technology.
- **Individual Risks Assessments** are created when a Request for Service requires a deviation from an agreed policy.
- The **Team Operational Plan** contains the key operational service risks for the period of the plan.

| <b>Risk</b>   | <b>Planned Actions during year</b>                                   | <b>Comments</b> |
|---------------|--|-----------------|
| <b>Budget</b> | • Monthly budget monitoring as part of Finance's corporate budgetary |                 |

|                            |  |  |
|----------------------------|--|--|
|                            | <p>control.</p> <ul style="list-style-type: none"> <li>• Bi-Annual review of the ICT Equipment Reserve</li> </ul>  |  |
| <b>Procurement</b>         | <ul style="list-style-type: none"> <li>• Appropriate training for all officers undertaking procurement.</li> <li>• Early involvement of the procurement team in relevant procurement exercises.</li> <li>• Ensuring procurement undertaken is in accordance with the Council's Code of Procurement practice.</li> <li>• Major Procurements: <ul style="list-style-type: none"> <li>• Postal Vote/Ballot Paper/ Poll Cards &amp; Electoral Canvas printing contracts</li> <li>• Network Support and Maintenance; plus purchasing framework</li> <li>• Datacentre Support and Maintenance; plus purchasing framework</li> <li>• Microsoft Enterprise Agreement</li> <li>• MFD &amp; corporate black &amp; white printer</li> </ul> </li> </ul> |  |
| <b>Contract Management</b> | <p>Quarterly update of contract register</p> <p>Contract monitoring</p> <p>Contracts for Renewal:</p> <ul style="list-style-type: none"> <li>• HRA Housing Investment Programme contracts for 01.04.2018</li> <li>• HRA Repairs and Voids contract for 01.04.2018</li> <li>• Corporate Property Repairs contract for 01.04.2018</li> <li>• HRA and Corporate Property Lift Maintenance and Repair contract for 01.04.2018</li> <li>• Wood Fuel and Biomass Supply</li> </ul>   |  |
| <b>Audits</b>              | <ul style="list-style-type: none"> <li>• Implementation of outstanding audit recommendations.</li> <li>• Audits: <ul style="list-style-type: none"> <li>• ICT audit plan to be developed with TIAA and Internal Audit Apr 2017</li> <li>• Corporate Training</li> <li>• Communications</li> <li>• Media Services</li> <li>• Data Protection</li> <li>• Committee Services</li> <li>• Income Receipting and Document Management</li> <li>• Shared Legal Service</li> </ul> </li> </ul>  |  |
| <b>Risk Register</b>       | <ul style="list-style-type: none"> <li>• Team Operational Plan risks are reviewed monthly by the management team.</li> <li>• Technical and operation risks are managed according to areas own risk management policy</li> </ul>  |  |

|                                      |   |  |
|--------------------------------------|---|--|
|                                      | <ul style="list-style-type: none"> <li>Review of Risk register quarterly at One to One with Deputy Chief Executive/CXO</li> <li>Identifying new risks, managing existing risks, developing risk mitigation and removing redundant risks.</li> </ul> |  |
| <b>Service Assurance</b>             | <ul style="list-style-type: none"> <li>Undertake any outstanding actions identified in the Service Assurance Statement.</li> </ul>  |  |
| <b>Corporate Health &amp; Safety</b> | <ul style="list-style-type: none"> <li>Ensuring appropriate H&amp;S risk assessments are undertaken.</li> <li>Assess the H&amp;S implications of any new services prior to launch.</li> <li>Reviewing all current Risk Assessments.</li> </ul>      |  |

### Part 3 – Managing and Improving People

#### Workforce Planning

| Category  | Sponsor                | Activity  | Budget Impact  | Impact on other Service Areas         | Milestones   |
|---|------------------------|---|--|---------------------------------------|--|
| <b>1. Succession Planning (E.g. planning for leavers)</b> |                        |   |  |                                       |  |
|   | All                    | Review critical posts and activities to ensure continuity of service.                           | Additional training.<br>Additional resource.<br>Revised structure.<br>Third party contracts.             | Potential for reduced service levels. | Include in risk register if appropriate.   |
| <b>2. Skills, Training, Competency Needs</b>              |                        |   |  |                                       |  |
|   | All                    | Completion of the PDPs as part of the appraisal process to enable the creation of a KSA matrix. | Align training needs to the available budget, also considering training required to deliver key projects | None                                  | Ongoing updates throughout the year as a result of appraisals, 1-2-1, succession planning and specific area needs. |
|   | Ty Walter / Tass Smith | Review of digital skills required by the Apps team to   | Training to be accommodated within the ICT   | None                                  | Skills matrix to be completed in Q1.   |

|                                      |               |  |   |  |   |
|--------------------------------------|---------------|--|---|--|---|
|                                      |               | support the Council's Digital Strategy   | training revenue budget,  |  |   |
| <b>3. Service Changes</b>            |               |  |   |  |   |
| <b>Demands on staff resource</b>     | All           | Responding to and supporting business change throughout the Council.                 | Unknown   | Insufficient capacity to enable, implement and support effective change.   | Include in the service area risk register.  |
| <b>Service Review</b>                | Tracy Dolphin | Review HR / Media Team in line with response to demand and impact of Leisure changes | Possible salary saving or realignment of service to customer needs                  | Consideration of how we use the service and other options  | Ongoing review to Dec 2017  |
| <b>Change to service delivery</b>    | Graham        | Trial and potential introduction of Hybrid mail                                      | Possible salary saving and efficiencies across the Council                          | Potential savings in terms of service delivery and improved performance for mail delivery. Changes in operation for sending mail.  | Business case being developed.  |
| <b>Asset contract re-procurement</b> | Bill Hunt     | Improvements to contract delivery to be included in revised tender specifications    | Unknown   | Potential to deliver more cost effective outcomes and improved contract delivery for service areas that hold or operate assets<br><br>Support from Procurement Team and potentially WLS required | Tender documents being reviewed.<br><br>Procurement process timeline being agreed to enable new contracts to be in place for April 2018 |
| <b>Recruit Asset Manager</b>         | Bill Hunt     | Recruitment of permanent postholder to replace current secondment                    | Likely increase in cost to arise from current HAY evaluation of revised JD & PS. In | None   | HAY evaluation March 2017<br><br>Recruitment process  |

|  |           |  |   |   |   |
|--|-----------|--|---|---|---|
|  |           | arrangement  | short term this can be accommodated from vacancies within the team  |   | completed by end April 2017   |
| <b>Re-design Asset Team structure and responsibilities</b> | Bill Hunt | Full re-design once Asset Manager recruited to ensure that the team is capable of providing the envisaged support service role to internal customers, effectively procure works on their behalf and effectively manage significant contracts | Consultancy support for re-design process to be procured using Service Transformation Reserve budget allocation.<br><br>Possible savings but report to Executive as appropriate if any additional budget required | Consultation on re-design options will involve other service areas.<br><br>Finance team will need to re-configure budget book | Re-design to commence May 2017<br><br>Report to Employment Committee Nov 2017 |

#### Part 4 BUDGET – Main budgetary pressures and changes

| Activity   | Budgetary Impact  | 2017/18                             | 2018/19 | 2019/20 |
|--|---|-------------------------------------|---------|---------|
| HR/Media Service Review  | Ongoing challenges to manage the consequences of budget reductions on service delivery.   | £0                                  | £35,000 | £0      |
| Review of Members Allowances   | At present no budget allocation has been made for any changes proposed (and agreed by Council) as a result of the Independent Review.   | Potential adverse – Figure unknown  |         |         |
| Key ICT Support & Maintenance Contracts  | Many of the Council's ICT contracts are initially quoted in USD. Due to the devaluation of sterling following the Brexit vote, there is the potential for significant contract price increases at renewal. Microsoft increase 22% | Unknown                             |         |         |
| Re-procurement of major repair, and improvement contracts for HRA and corporate assets | Unknown but price increases possible.   | Minimal – biomass and woodfuel only | Unknown | Unknown |

## Part 5 – Managing Planned Changes, Major Workstreams and Projects

| Project   | Sponsor / Lead Officer                                | Budget Impact   | Impact on other Services                  | Milestones  | Date |
|---|---|---|---|---|------|
| <b>Corporate Projects</b>   |   |   |   |   |      |
| <b>Digital by Design</b><br>To assist in the definition and delivery of the DbD programme and to act as the project lead.   | Ty Walter (ICT Lead)<br>Web Site Manager / Media Team | £200,000 allocated  | All Services                              | Set out in the Digital Programme of Works 2017/18 submitted to the Executive March 2017 |      |
| <b>Transforming our Workplace (ToW)</b><br>To assist in the identification and delivery of technology and processes that will enable staff to operate efficiently and effectively delivering revenue savings and service improvements.  | Ty Walter (ICT Lead)<br>Tracy Dolphin (HR lead)       |   | All Services                              |   |      |
| <b>Governance &amp; Management</b>  |   |   |   |   |      |
| <b>ICT Strategy 2015-19</b><br>To monitor, review and update ICT Strategy to ensure it remains aligned the Council's corporate objectives.  | Ty Walter   |   | All Services                              |   |      |
| <b>People Strategy 2016-2020</b><br>Monitor, review and update of People Strategy Action Plan priorities aligned to Workforce Steering Group, themes to include: <ul style="list-style-type: none"> <li>• Leadership &amp; Organisational Development</li> <li>• Workforce Planning &amp; Performance</li> <li>• Learning &amp; Development</li> <li>• Communications &amp; Involvement</li> <li>• Equality &amp; Diversity</li> <li>• Employee Well-being, Reward &amp;</li> </ul> | Tracy Dolphin   | Potential savings/additional costs from specific workstreams identified | Impact across levels of Staff and Manager | Updates to JCF/WSG quarterly  |      |

|   |                              |                      |  |   |          |
|---|------------------------------|----------------------|--|---|----------|
| <b>Recognition</b>  |                              |                      |  |   |          |
| <b>ICT Business Continuity Plan</b><br>To continue to update ICT BC Plan in conjunction with the Civil Contingencies Officer to make it a stronger operational document.                        | Ty Walter                    | None                 | Will be used to inform other services on the BC actions they need to undertake |   |          |
| <b>Information Governance</b><br>To bring forward updated policies and practices in advance of the introduction of GDPR in May 2018   | Graham Leach/ Janice Robbins |                      | All service areas  | Report to CMT on steps forward by end of April 2017 |          |
| <b>Security &amp; Compliance</b>  |                              |                      |  |   |          |
| <b>PSN CoCo</b><br>Retain PSN CoCo compliance for Warwick District Council  | Ty Walter                    |                      | Finance<br>Democratic Services   |   |          |
| <b>Digital Resilience</b><br>To identify opportunities, largely through cloud based services, to provide increased digital resilience in the event that Council ICT facilities are compromised. | Ty Walter                    |                      | All Services   |   |          |
| <b>Desktop Projects</b>   |                              |                      |  |   |          |
| <b>Desktop Refresh Review</b><br>Look at the implications of implementing Windows10 and Office 2016, plus the use of RSA soft tokens.   | Lee Millest                  |                      | All Services   |   |          |
| <b>Application Support Projects</b>   |                              |                      |  |   |          |
| <b>Corporate Development</b><br>To deliver the projects authorised in the ICT Steering Group's development plan   | Tass Smith                   | Service Area Budgets | All services   |   | On-going |
| <b>Infrastructure Projects</b>  |                              |                      |  |   |          |
| <b>Network Core &amp; Firewall Replacement</b>  | Richard Bates                |                      | All Services   |   |          |



|   |                           |  |   |  |  |
|---|---------------------------|--|---|--|--|
| Major project to replace the Council's network core and corporate firewalls because the equipment has gone end-of-life with the manufacturer.   |                           |  |   |  |  |
| <b>Reconfigure File Server</b><br>Major project to restructure the fileserver to reduce service recovery time in the event of a service outage.   | Richard Bates             |  | All Services                                |  |  |
| <b>Expand VoIP telephony to Satellite Sites</b><br>Potential to join the Crematorium and Pump Rooms to the Council's VoIP telephone network. This will allow access to services such as Jabber and corporate preferential call rates.   | Richard Bates             |  | Neighbourhood Services<br>Cultural Services |  |  |
| <b>GIS Projects</b>   |                           |  |   |  |  |
| <b>Support of the Neighbourhood Services Data capture project.</b><br>A major exercise to capture spatial data relating to the tasks in Neighbourhood Services has been identified in the 2017/18 Digital Programme of Works. For example, the capture of grounds maintenance data to allow for more accurate contract mismanagement. | Mark Barnes<br>(ICT lead) |  |   |  |  |

| <b>Project</b>  | <b>Sponsor / Lead Officer</b> | <b>Budget Impact</b>  | <b>Impact on other Services</b>      | <b>Milestones</b>   | <b>Date</b> |
|---|-------------------------------|---|--------------------------------------|---|-------------|
| <b>Electoral Services</b>   |                               |   |                                      |   |             |
| <b>Boundary review</b><br>To lead on a Boundary review of the Council's Ward Boundaries, if approved by the Boundary Commission and Parish/Town boundary changes as a result of the Community Governance Review | Graham Leach                  | Potential reduction in cost through less Councillors however there will be a need to dedicate resources to this review. This may be | At this stage these would be minimal | Additional information to be submitted to the Boundary Commission in Spring 2017 with any potential review starting in January 2018.. |             |

|   |               |  |   |   |  |
|---|---------------|--|---|---|--|
|   |               | accommodated so long as no significant elections are called within 2018.   |   |   |  |
| <b>Contracts</b><br>Procurement for new contracts to deliver ballot papers, postal ballots, polling cards and electoral canvas.               | Gillian Friar | The costs for these are, in the majority met from within the budget allocated for elections. The only impact would be on cost of administering Warwick District Council elections and neighbourhood plan referendums. It is anticipated that the costs will remain broadly the same as at present and with the potential pricing structure of the contract keeping increases to a minimum. | Procurement team for advice and support                               | Spec for contracts with procurement<br>Timetable for procurement awaited.<br>Re-let printing contract by June 2017.<br>Award contract for temporary polling station and delivery polling booth April 2017 |  |
| <b>Planning for HQ relocation</b><br>To consider the implications for delivering the service from within the new HQ and without the Town Hall | Gillian Friar |  | Discussions and planning with project officer on storage requirements |   |  |
| <b>Civic &amp; Committee Services</b>   |               |  |   |   |  |
| <b>Councillors IT Working Party</b><br>To complete the review of the Councillors IT Working Party following the outcome and                   | Graham Leach  |  | Meeting with relevant Councillors                                     | This will be dependent on the outcome of the review of Members' Allowances.   |  |

|  |             |   |  |   |  |
|--|-------------|---|--|---|--|
| decisions on the Members Allowances Scheme review  |             |   |  |   |  |
| <b>Implement the new Scheme of Members Allowances</b><br>Following the outcome of the Independent Review of Members Allowances and it has been determined by Council implement the recommendations and changes | Amy Carnall | Potential adverse budgetary impact at this stage unknown. |  | Independent report due to Executive in April 2017 |  |

| <b>Project</b>  | <b>Sponsor / Lead Officer</b>            | <b>Budget Impact</b>  | <b>Impact on other Services</b> | <b>Milestones</b>   | <b>Date</b>         |
|---|--|---|---------------------------------|---|---------------------|
| <b>HR</b>   |  |   |                                 |   |                     |
| <b>T&amp;C Review</b><br>Impact on other areas relating to T & C Phase 1 and 2:<br><ul style="list-style-type: none"> <li>Update of Policies/Contract e.g. subsistence/training expenses</li> <li>Outcome Trial of Standby Phase 2</li> <li>Next steps terms and conditions:</li> <li>E.g . Car Loans/Relocation</li> </ul> |  | Trial of T&C's Phase 2 - impact on budget relating to standby/overtime                                    | All areas                       | Emp Com/Executive Updated policies and guidance                                 | June 2017 for trial |
| <b>Review of Salary Benefits &amp; Recruitment:</b><br>Priorities of People Strategy Action Plan include Salary Review; Recruitment & Branding/Advertising; Generic Roles; Hay Guidance; Hay benchmarking; Learning & Dev Matrix; Living Wage/ Apprenticeships / Reward & Recognition                                       | HR Senior Officers/<br>Tracy Dolphin/WSG | Priority workstreams progressing. Possible impact on budget relating to specific areas e.g. Salary Review | All areas                       | Now linked to Workforce Steering Group/timeline for works teams agreed end 2017 | End 2017            |
| <b>Organisational Development:</b> <ul style="list-style-type: none"> <li>Leisure Development</li> <li>Contract Services</li> <li>Tourism</li> </ul>  | HR Senior Officers                       | Linked to individual service area budgets   |                                 | As part of Service area timelines   |                     |

|   |                             |   |           |                     |                  |
|---|-----------------------------|---|-----------|---------------------|------------------|
| <ul style="list-style-type: none"> <li>• Health &amp; Community Protection</li> <li>• Lifeline Services</li> <li>• HR &amp; Media</li> <li>• Property</li> <li>• Visitor Information Centre</li> <li>• Development Management</li> <li>• Procurement</li> <li>• Benefits</li> <li>• Finance – support services provision (Accountancy/Audit/FS Team)</li> </ul> |                             |   |           |                     |                  |
| <b>HR/Media Review</b><br>Review of operational needs and structure/processes to support.   | Tracy Dolphin/Nicki Curwood | Part of Support Service Review Cost saving planned for 18/19 £35K | All Areas | SMT Report Oct 2017 | Emp Com Dec 2017 |

## Service Area Plan 2017/18

**Part 1 - Service Information/links to policy**

**Part 2 - Managing Service Delivery**

**Part 3 - Managing and Improving People**

**Part 4 - Budget**

**Part 5 - Managing Planned Changes/Projects**

|                                |                    |
|--------------------------------|--------------------|
| <b>Service Area :</b>          | Cultural Services  |
| <b>Service Area Manager:</b>   | Rose Winship       |
| <b>Deputy Chief Executive:</b> | Andy Jones         |
| <b>Portfolio Holder(s):</b>    | Cllr Michael Coker |

### 1 Purpose of the Services Provided

To provide a range of quality cultural services with opportunities for residents and visitors to participate in the activity of choice. Provision will reflect the principles of the Sustainable Community Strategy. These will include:

Sports and Leisure:

To provide facilities, activities and support to encourage people from all sectors of the community to start, sustain and improve active lifestyles.

Arts:

To increase attendance and participation in the Arts, ensuring that opportunities for engagement and inspiration are maximised for visitors and residents; to strengthen the creative economy of the District by supporting its thriving cultural infrastructure and using the Council's influence to develop new and existing partnerships with artists, organisations and key funding bodies.

All Cultural Services:

To contribute to the tourist economy by helping make the district a top visitor destination.

**1.1 Linkages to Sustainable Community Strategy**

|                              | <b>Direct</b>   | <b>Indirect</b>  |
|------------------------------|---|--|
| <b>Housing</b>               |   |  |
| <b>Prosperity</b>            |   | Contribution to thriving economy and vibrant areas; tourism and visitor economy through diverse and quality cultural offering. |
| <b>Safer Communities</b>     |   | Diverse range of opportunities for all sectors of community – including those normally unwilling to participate                |
| <b>Health and Well Being</b> | Active lifestyles; increased well being and mental health. This includes the contribution made through physical activity and Sport provided by a wide range of opportunities in the District. As well as the opportunities for the community to participate in and benefit from the diverse arts and cultural activities in the district. |  |
| <b>Sustainability</b>        |   | Openness to new technologies and products in the design and operation of buildings.  |
| <b>Involving Communities</b> | Encourage volunteering including work with Town Councils and Community groups.  | Support for Community Forums etc   |
| <b>Narrowing the Gaps</b>    |   | Range of concessions available; range of targeted activities for specific sectors or groups                                    |
| <b>Supporting Families</b>   |   | Awareness raising of opportunities available for families including those experiencing levels of deprivation                   |
| <b>Rural Issues</b>          | Arts and Sports outreach activities initiatives   |  |

## 2 Managing Service Delivery

### 2.1 Service Overview

Summary of the main aspects of service delivery during the year

|  | Service Being Delivered         | Priorities  | Service Demand   |  |
|--|---------------------------------|---|--|--|
|  | <b>Art Gallery &amp; Museum</b> | Provide quality Art Gallery and Museum for members of the public and relevant groups 6 days a week          |  |  |
|  |                                 | Deliver range of art and craft workshops for all ages   |  |  |
|  |                                 | Market the venues to maximise attendance  | Annual Visitors 2016/17<br>112,205   |  |
|  |                                 | Maximise the opportunities for visitors to the venue to enjoy the collections                               |  |  |
|  |                                 | Deliver a range of exhibitions  |  |  |
|  |                                 | Manage the Catering contract  |  |  |
|  | <b>Arts Development</b>         | Manage the Arts Grants process allocating small grants across the district                                  | 16 grants awarded, in 2016/17 totalling<br>£11,000   |  |
|  |                                 | Monitor performance of key clients receiving grant funding from WDC   | Key Client grants<br>£16,500   |  |
|  | <b>Royal Spa Centre</b>         | Deliver a range of performances at the venue to maximise income and offer a diverse choice of entertainment | Annual footfall: 93,000<br><br>Qty Tickets sold: 75,000<br>Value Tickets sold:<br>£1,035,000<br><br>No. of performances 2016/17<br>Commercial: 157<br>Community: 105<br>Film Screenings: 250 |  |
|  |                                 | Develop cinema attendances  | Total Cinema/studio attendances 2016/17:   |  |

|  |  |   |  |
|--|--|---|--|
|  |  | 5,600   |  |
|  |  | Cinema only income:<br>£38,500  |  |
|  | Maintain the venue in a safe and comfortable condition   |   |  |
|  | Market the venue to maximise attendance and income   | Total Income:<br>£1,215,000<br><br>Annual Panto income:<br>£275,829 (22,786<br>attendance)  |  |
|  | Deliver professional service for customers, hirers, and performers   | Customer Feedback:<br>79% Positive  |  |
|  | <b>Town Hall</b><br>Manage the venue to accommodate the range of users including WDC democratic functions, Leamington Town Council, University of Warwick, charities, commercial hires and other ad hoc bookings   | Visitors 2016/17:<br>65,000<br><br>No. of events/bookings<br>Commercial Hires: 53<br>Community Hires: 57<br>WDC Events: 465<br><br>Fees and charges<br>Income 2016/17:<br>£78,000 |  |
|  | Maintain the venue in a safe and comfortable condition   |   |  |
|  |  |   |  |
|  | <b>Sports and Leisure</b><br>Manage 4 main leisure centres plus 2 dual use sites with associated facilities to offer diverse range of activities to the local population and other users in the lead up to the transfer to the new operator in June 2017 |   |  |
|  | Monitor/manage the new leisure contract from June 2017. Key performance indicators as per the specification will include but not be limited to:  | Attendances (by target group)<br><br>Passport to Leisure memberships<br><br>Membership  |  |



|  |   |   |  |
|--|---|---|--|
|  |   | Income  |  |
|  |   | QUEST quality scheme  |  |
|  | Maintain non contract venues (pavilions etc) in a safe and comfortable condition  |   |  |
|  | Monitor/manage the Newbold Comyn golf contract  |   |  |
|  | Manage the facilities and coordinate bookings of bowling greens at Victoria Park; football pitches across the district, athletics track and oversee the VP Tennis Agreement |   |  |
|  | <b>Sports Development</b> Manage the development of holiday activities programme for youngsters (with leisure centre contractor from June 2017)                             | 56 Outreach sessions in the community   |  |
|  | Support those sectors of the community not currently not active in order to increase activity levels  | Active Lives –<br>75.1 % Active<br>11.6 %% moderate<br>13.3 % Inactive  |  |
|  | Coordinate programme of coach education courses for local sports clubs  | 3 Coach Education courses for from April to March 2016  |  |
|  | Advise local sports clubs on funding applications, coach education, safeguarding  | Database of sports clubs and other agencies<br><br>Annual Sports Development Evening  |  |
|  | Manage the Sport Grants process allocating small grants across the district   | 21 Sports grants awarded, totalling £6700 to end Jan 2017<br><br>13 Sport and Physical Activity grants awarded totalling £900 |  |

## 2.2 Measures

### Key Corporate Measures

#### Customer Measures – those important to the people/organisations who use our services

Note : these measures should be used on a daily, weekly or monthly basis to identify the impact of interventions in the system and to plan future interventions. Interventions may be very small adjustments to resources, or may involve transformational change

|  | Qtr. 1 | 2 | 3 | 4 |
|--|--------|---|---|---|
| Visitor Footfall – Spa Centre (previous year in red)                                 |        |   |   |   |
| Footfall – Town Hall (previous year in red)  |        |   |   |   |
| Visitor Footfall – Art Gallery & Museum (previous year in red)                       |        |   |   |   |
| Visitor Footfall – Royal Pump Rooms (previous year in red)                           |        |   |   |   |
| Visitor Footfall – Leisure Centres (previous year in red)                            |        |   |   |   |
| External grant income secured for the service (total)                                |        |   |   |   |
| Customer Satisfaction – Temporary Exhibition Gallery                                 |        |   |   |   |
| Customer Satisfaction – Royal Sap Centre and Town Hall                               |        |   |   |   |
| Customer Satisfaction – Leisure Centres  |        |   |   |   |
| Members of Passport to Leisure Scheme  |        |   |   |   |
| Active Lives Survey - % community leading active lives (Annual Sport England Survey) |        |   |   |   |
| % Active   |        |   |   |   |
| % moderate activity  |        |   |   |   |
| % Inactive   |        |   |   |   |

## 2.3 Managing Risk

| Risk                | Planned Actions during year  | Comments |
|---------------------|--|----------|
| Budget              | <p>(E.g. – Regular budget monitoring, training of budget managers etc etc)</p> <p>Implementation of OLR for Box Office and Front of House services – increased efficiency of reconciliation process, and more accurate budget information for managers</p> <p>Consistency of financial control procedures across the Arts section (and including the VIC from summer 2017)</p> <p>Ongoing review of budget monitoring procedures aiming to make the processes more resilient within the new teams.</p> |          |
| Procurement         | <p>Ongoing training with specific reference to “contract management”</p> <p><u>Major procurement during 2017/18:</u></p> <ul style="list-style-type: none"> <li>- PA system (RSC)</li> <li>- RSC/Town Hall ticket booking system – TBC</li> <li>- Tennis courts resurface – Abbey Fields - TBC</li> </ul>  |          |
| Contract Management | <p>Quarterly update of contract register</p> <p>Contract Register to F&amp;A</p> <p>Contracts coming up for renewal within the year:</p> <p>Ongoing monitoring of major contracts</p> <ul style="list-style-type: none"> <li>- Leisure Centre management contract</li> <li>- Construction contract (leisure centres)</li> <li>- Newbold Comyn Golf Course – Mack Golf</li> <li>- Catering – Royal Pump Rooms and Jephsons – Kudos</li> </ul>   |          |
| Audits              | <p>Royal Spa Centre (date TBC)</p> <p>Town Hall (date TBC)</p>   |          |

|                           |   |  |
|---------------------------|---|--|
| Risk Register             | <p>Report to F&amp;A – April 2017</p> <p>Actions being addressed within the year:</p> <ul style="list-style-type: none"> <li>- Monitoring of Leisure, Golf and Catering contracts</li> <li>- Plant failure – liaison with H&amp;PS; impact of Sport &amp; Leisure investment projects</li> <li>- Leaks and flood risk – RPR – under ongoing review</li> <li>- Replacement for Databox system</li> </ul> |  |
| Service Assurance         | <p>Actions within year:</p> <ul style="list-style-type: none"> <li>- Implementation of new KPIs for Sports &amp; Leisure in line with contract specification through new software designed by ICT</li> <li>- Appointment of rep to sit on Risk Management Group</li> <li>- Ongoing monitoring of Annual Orders to avoid mis-use</li> </ul>  |  |
| Corporate Health & Safety | Corporate Compliance Group  |  |
| Service Delivery          | <p>Transition to the new integrated Arts team</p> <p>Transition to the new Sports &amp; Leisure client team and operation of outdoor sports provision</p> <p>Effective mobilisation of the new leisure centre contract</p> <p>Management of the construction project of the leisure centres at St Nicholas Park and Newbold Comyn.</p>  |  |

## Part 3 – Managing and Improving People

### Workforce Planning

| Category   | Sponsor        | Activity  | Budget Impact  | Impact on other Service Areas  | Milestones  |
|--|----------------|---|--|--|---|
| <b>1. Succession Planning</b><br><br>(E.g. planning for leavers) | Stuart Winslow | Anticipated leavers triggered by transfer of leisure centres to external operator       | None   | HR support in recruitment  | Possible leavers in lead up to TUPE process (May 2017)<br><br>Ongoing monitoring.   |
| <b>2. Skills, Training, Competency Needs</b>                     | Rose Winship   | Monitoring and updating Training Matrix   | Within existing budget   | HR as required   | Main allocations from CS Training Budget made Autumn 2017.  |
|  | Rose Winship   | Corporate project to review cross Council use of training resources                     | TBC  | Workforce Steering Group – all service areas                                       | Further work ongoing  |
|  | Rose Winship   | Consider additional training needs in all teams as a result of new structures and roles | TBC (service area training budget)   | HR as required   | Ongoing   |
| <b>3. Service Changes –</b><br><br>Demands on staff resource     | Rose Winship   | Leisure Development Programme   | £100k in FFF for Phase II feasibility including extension of Programme Manager and Project Officer posts to March 2019 | Property, Finance, HR, Legal, Planning – ongoing officer time from all these areas | Milestones for Phase II TBC<br><br>Construction works due for completion n NC & SN end of 2017.<br><br>New management contract starts June 2017 |

|   |                                |  |                         |     |         |
|---|--------------------------------|--|-------------------------|-----|---------|
| Establish new roles and responsibilities in teams | David Guilding, Stuart Winslow | Service redesigns (implemented Jan 2017) | Within existing budgets | N/A | Ongoing |
|---|--------------------------------|--|-------------------------|-----|---------|

**Part 4 BUDGET – Main budgetary pressures and changes**

| Activity                                | Budgetary Impact  | 2017/18  | 2018/19 | 2019/20 |
|---|---|--|---------|---------|
| Seek 1% saving on discretionary budgets | Ongoing challenges to budget managers to find the savings without impacting on service delivery or income levels  | £1,500 (1%)  | NIL     | NIL     |
| Leisure Development Programme           | Build contract – budget £14.5m approved by Council in Nov 2016.<br><br>Leisure centre operator procurement – to be completed March 2017. Contract starts June 2017. | Ongoing monitoring of spend v budget (including client budget/contingency)<br><br>Concession to be confirmed on award of contract (March 2017) | TBC     | TBC     |
| Income generation                       | Range of initiatives in new integrated Arts team to drive up attendances and income and consequently reduce Council subsidy for these services as per FFF           | Increased income of £40,000  | TBC     | TBC     |

## Part 5 – Managing Planned Changes, Major Workstreams and Projects

| Change/Project  | Sponsor/Lead Officer  | Budget Impact                               | Impact on other Services  | Milestones   |
|---|---|---|---|--|
| Leisure Development Programme   | Andy Jones (Sponsor)<br>Padraig Herlihy (Programme Manager) | Unknown until contract award completed      | Programme Board includes reps from Finance, H&PS, Neighbourhood, Planning with significant input from WCC Legal team.                     | <b>Investment Plans:</b><br>Construction completed at NCLC & SNPLC end 2017<br><br><b>Operator procurement:</b><br>Contract commences: June 2017 |
| Strategic projects (related to the item above but being managed outside of the Programme)                         | Tim Hepworth<br><br>Chris Elliott<br><br>Andy Jones         | Unknown                                     | Europa Way/Myton School/track – work with Planning, H&PS &WCC Legal<br><br>Castle Farm – partnership with Kenilworth Wardens – WCC Legal. | Various<br><br>Phase II (Kenilworth) – work to continue with the scoping of this project from summer 2017  |
| Leisure Centres – preparing the service and the team for service transfer   | Stuart Winslow<br><br>Kevin Carty                           | None  | HR – support for staff (training, TUPE, pension roadshows etc)<br><br>H&PS – repairs & maintenance  | Mobilisation commences March 2017; contract starts June 2017   |
| Implementation of new Arts team and Arts Strategy Action Plan   | David Guilding<br><br>Rose Winship                          | TBC   |   | Ongoing through 2017/18  |
| Implement the transfer of the Leamington VIC into the Arts team and combine VIC/Box Office/ Reception services at | David Guilding  | £15,000 initially allocated for data comms. | Development Services, HR.   | Transfer of staff from 1 <sup>st</sup> March 2017; further report on new structure to Employment Committee                                       |

|   |   |   |  |  |
|---|---|---|--|--|
| Royal Pump Rooms  |   | Budget for redesign of concourse area and reception TBC |  | June 2017.   |
| Complete Equality Impact Assessments for key services/activities                                  | Rose Winship<br>Stuart Winslow<br>David Guilding<br>Padraig Herlihy | None  | None<br>Support from WCC Equalities Officer      | Ongoing – working on priority EIAs or as required by service reviews – to include:<br>- Review of agreements with partners |
| Creative Quarter - corporate project  | David Guilding  |   | CMT<br>Development Services<br>Property Services |  |
| Update sports facilities audits and then update Playing Pitch Strategy and Indoor Sports Strategy | Stuart Winslow  | TBC   | Development Services;<br>Neighbourhood Services  | TBC  |



## Service Area Plan 2017/18

- Part 1 - Service Information/links to policy
- Part 2 – Managing Service Delivery
- Part 3 – Managing and Improving People
- Part 4 – Budget
- Part 5 – Managing Planned Changes/Projects

|                                |   |
|--------------------------------|---|
| <b>Service Area :</b>          | Development Services                    |
| <b>Service Area Manager:</b>   | Tracy Darke                             |
| <b>Deputy Chief Executive:</b> | Bill Hunt                               |
| <b>Portfolio Holder(s):</b>    | Cllr Stephen Cross and Cllr Noel Butler |

### 1 Purpose of the Services Provided

**To promote and deliver safe and attractive development, in the right place and at the right time in a timely manner, to meet the future needs of the residents, visitors and businesses within the district, whilst protecting the natural and historic environment.**

**Providing support to businesses in the town centres and rural areas together with attracting inward investment and encouraging growth.**

**Providing a variety of well managed events in our district to attract residents and visitors to our towns and villages and provide leisure and recreational activities.**

**To support the delivery of key corporate studies and projects.**

**1.1 Linkages to Sustainable Community Strategy**

|                | <b>Direct</b>   | <b>Indirect</b>  | <b>PFH</b> |
|----------------|---|--|------------|
| <b>Housing</b> | <p>The development and implementation of policies that guide and direct housing, meeting the needs of the communities and ensuring the delivery of high quality residential environments.</p> <p>Provision of suitable sites for the delivery of housing to meet local housing need.</p> <p>Project feasibility development for major corporate projects that deliver new housing</p> <p>Pre-application advice and efficient development management processes for new housing developments within the district</p> | <p>The provision of a high quality responsive building control service</p> | <p>SC</p>  |

|                              |  |  |   |
|------------------------------|--|--|---|
| <b>Prosperity</b>            | <p>The development and implementation of a strategy for economic growth and inward investment into our district</p> <p>Supporting the delivery of key corporate projects to regenerate areas, encourage growth and support the wider prosperity of the district.</p> <p>Provision of suitable sites for the delivery of employment to meet local, and where relevant sub-regional need.</p> <p>Promotion of vital and vibrant town centres</p> <p>Management and operation of events</p> <p>Project feasibility development for major corporate projects</p> | <p>Ensuring that planning applications are dealt with in an efficient and timely manner to support investment into the district.</p> <p>The development and implementation of policies to support investment and growth.</p> | <p>SC/NB</p> <p>NB</p> <p>SC/NB</p> <p>NB</p> <p>NB</p> <p>NB</p> |
| <b>Safer Communities</b>     | <p>Assisting in the design process of developments to ensure that they provide safe environments for our communities.</p> <p>Adoption of Policies to enable community safety to be taken in to account in new developments</p>   | <p>Assisting in purple flag status. Ensuring development meets the requirements of the Building Regulations.</p>   | <p>SC</p> <p>SC</p>   |
| <b>Health and Well Being</b> | <p>Supporting the delivery of development which supports and assists the health and well-being of our communities and encouraging investors and developers to incorporate such considerations into their proposals.</p> <p>Adoption of Policies to enable health and wellbeing to be taken in to account in new</p>  | <p>The development and implementation of policies and guidance which support this. Providing a vibrant economy, creating additional jobs and consequently contributing to Health and Well-being.</p>                         | <p>SC</p> <p>SC</p>   |

|                              |  |   |    |
|------------------------------|--|---|----|
|                              | developments<br>Project feasibility development for major corporate projects   |   | NB |
| <b>Sustainability</b>        | The provision of infrastructure through Section 106 contributions/Community Infrastructure Levy to provide community facilities<br>Sustainability appraisal for all major site allocations and development strategy.   | Policies through our local plan   | SC |
|                              | Adoption of Policies to encompass sustainability in new developments   | Building Control Regulations  | SC |
| <b>Involving Communities</b> | In the 'Statement of Community Involvement' there is a clear engagement and consultation process for developing planning policies and dealing with all other related planning matters. Ensure all stakeholders understand how to engage in the planning process. |   | SC |
|                              | Joint working with communities to ensure best outcomes as a result of HS2.   |   | SC |
|                              | Engagement with and assistance to business   |   | NB |
|                              | Project feasibility development for major corporate projects communities in the district   |   | NB |
| <b>Narrowing the Gaps</b>    | Development of schemes such as Job Clubs and Local Labour agreements.  |   | NB |
|                              | Identification of Gypsy and Traveller sites to meet the needs of this community and development of appropriate DPD   | Ensuring that there is community cohesion when considering development proposals. | SC |

|                            |  |  |                                  |
|----------------------------|--|--|----------------------------------|
|                            | <p>Ensuring that there is adequate provision of affordable housing.</p> <p>Supporting regeneration schemes where these can support communities and tackle local deprivation.</p> <p>Project feasibility development for major corporate projects</p> | Assisting in delivering better living conditions through high quality design   | <p>SC</p> <p>NB/SC</p> <p>NB</p> |
| <b>Supporting Families</b> | Developing policies to ensure the provision of an appropriate mix and standard of housing in residential development schemes.  | Supporting residents in improving their homes in an affordable way through the provision of design guidance and speedy decision making in the application process. | SC                               |
| <b>Rural Issues</b>        | Assisting the rural areas through planning policies to ensure that the rural economy is protected and that villages maintain services, community facilities and the right level of housing   |  | SC/NB                            |

## 2 Managing Service Delivery

### 2.1 Service Overview

Summary of the main aspects of service delivery during the year

| Service being delivered       | Priorities   | Service demand                       |   | PFH |    |
|-------------------------------|--|--------------------------------------|---|-----|----|
| <b>Development Management</b> | Providing pre-application advice and processing planning applications to deliver timely decisions in supporting quality development. | 2000+ planning applications per year | Up to 200 pre-application requests per year | SC  |    |
|                               | Defending planning and enforcement decisions through the appeal process.   | 60 appeals per year                  |   | SC  |    |
|                               | Addressing harmful unauthorised development through planning enforcement.  | Up to 500 complaints per year        |   | SC  |    |
|                               | Protecting the historic heritage of the District through conservation work.  |                                      |   | SC  |    |
|                               | Protecting important trees which provide the character of the District through TPO and related safeguards.                           |                                      |   |     |    |
|                               | Supporting the housing market through processing property searches.  |                                      | 1600 full searches per year                 |     | SC |
|                               | Monitoring of Section 106 contributions.   |                                      | 30-40 active agreements                     |     | SC |

|  |  | monitored<br>per year                  |   | SC    |
|--|--|--|---|-------|
| <b>Policy and Projects</b>                                 | Implementing the Local Development Scheme, including the Local Plan  |  | Government requirements and response to longer term market forces | SC    |
|  | Delivering strategic allocations and providing a facilitating role to assist development through to implementation, including infrastructure requirements              |  |   | SC/NB |
|  | Supporting neighbourhood plans   |  |   | SC    |
|  | Working with partners in the sub-region to deal with sub-regional strategic policy and development   |  |   | SC    |
|  | Understanding & analysis of the local economy  |  |   | NB    |
|  | Active management and promotion of Town Centres through development and delivery of Town Centre Action Plans with key stakeholders                                     |  |   | NB    |
|  | Targeted sectoral interventions to enable growth and innovation  | <b>Businesses supported 150+ /year</b> |   | NB    |
|  | Promotion of the District to attract and deliver Inward Investment opportunities   |  |   | NB    |
|  | Support for the tourism industry via Destination Management Organisation (Shakespeare's England Ltd), including developing and delivery of Destination Management Plan |  |   | NB    |
|  | Management of the Enterprise Projects and maximisation of their impact through exploring alternative delivery models   |  |   | NB    |
| Co-ordination and delivery of the joint authority Business |  |  | NB  |       |

|                                |  |  |  |  |
|--------------------------------|--|--|--|--|
|                                | <p>Support Programme intervention</p> <p>Providing assistance to businesses, through Enterprise team and ED interactions and interventions</p> <p>ED policy development of the prosperity agenda</p> <p>Undertaking feasibility and other studies to support Council decision-making on key corporate project.</p> <p>Working with partner organisations, landowners and developers to understand development opportunities.</p> <p>Undertaking stakeholders and public consultation as required to progress projects.</p> | <p><b>Projects have different milestones as set out in part 5 below.</b></p> |  | <p>NB</p> <p>NB</p> <p>NB</p> <p>SC/NB</p> <p>NB</p> |
| <p><b>Building Control</b></p> | <p>Processing all types of Building Regulation submissions for Warwick, Rugby and Daventry.</p> <p>Providing expertise in dealing with dangerous structures, demolitions, safety at sports grounds.</p> <p>Providing Fire Risk Assessments for Corporate Properties, and fire related advice for HIMO's.</p>   |  |  | <p>SC</p> <p>SC</p> <p>SC</p>                        |



## 2.2 Measures

### Key Corporate Measures

| <b>Customer Measures – those important to the people/organisations who use our services</b>   |        |   |   |   | <b>PFH</b> |
|---|--------|---|---|---|------------|
| Note : these measures should be used on a daily, weekly or monthly basis to identify the impact of interventions in the system and to plan future interventions. Interventions may be very small adjustments to resources, or may involve transformational change |        |   |   |   |            |
|   | Qtr. 1 | 2 | 3 | 4 |            |
| Building Regulation Applications acknowledged within 3 working days   |        |   |   |   | SC         |
| Building Completion Certificates issued within 5 working days of final inspection (% overall)   |        |   |   |   | SC         |
| % of site inspections achieved on time or meeting customer requests   |        |   |   |   | SC         |
| Building Regulation applications determined within the statutory time period  |        |   |   |   | SC         |
| Dangerous structures attended to within 2 hours (imminent danger), within 24 hours (non-imminent danger) (% overall)  |        |   |   |   | SC         |
| Customer questionnaires returned satisfied with Building Control service (% overall)  |        |   |   |   | SC         |
| Number of planning applications determined within the statutory timeframe (%)   |        |   |   |   | SC         |
| Time taken to process minor amendment/discharge of condition applications (no. of average days)   |        |   |   |   | SC         |
| % of planning applications refused permission   |        |   |   |   | SC         |
| Number of pre-application enquiries responded to on time (%)  |        |   |   |   | SC         |
| Time taken to validate all types of applications (no. of days average)  |        |   |   |   | SC         |

|   |        |   |   |   |    |
|---|--------|---|---|---|----|
| Time taken to resolve enforcement enquiries – see charter (no. of days average for investigations completed without having to take formal action)   |        |   |   |   | SC |
| Number of Enforcement Notices issued.   |        |   |   |   | SC |
| Number of dwellings granted planning permission (annually)  |        |   |   |   | SC |
| Number of dwellings with extant planning permission(annually)   |        |   |   |   | SC |
| Number of years housing land supply (annually)  |        |   |   |   | SC |
| Employment land with extant planning permission (hectares)(annually)  |        |   |   |   | SC |
| Use class B employment land granted planning permission (hectares – annually)   |        |   |   |   | SC |
| Number of new businesses created or attracted to area (via ESIF programme or Enterprise assistance)   |        |   |   |   | NB |
| Number of new jobs created (via ESIF programme or Enterprise assistance)  |        |   |   |   | NB |
| Number of businesses utilising Enterprise facilities who have expanded (either internally or externally)  |        |   |   |   | NB |
| Customer questionnaires returned satisfied with Enterprise facilities and services (upon exit)  |        |   |   |   | NB |
| Number of corporate projects (as identified by CMT) that are given a RAG rating of “red” in accordance with agreed project milestones.  |        |   |   |   | NB |
| <b>Operational Measures – other (non customer) measures essential to ensure that “purpose” can be achieved.</b>   |        |   |   |   |    |
| Note: <u>this section will not be used by most service areas</u> as their Customer Measures are expected to be sufficient. However, there may be cases where an operational measure is required to ensure the smooth running of a service area. |        |   |   |   |    |
|   | Qtr. 1 | 2 | 3 | 4 |    |
| Occupancy levels of property – optimal rent income V actual for our Enterprise units(%)   |        |   |   |   | NB |
| Number of neighbourhood plans designated  |        |   |   |   | SC |
| Number of neighbourhood plans adopted   |        |   |   |   | SC |
| Amount of S106/CIL contributions to be paid (£)   |        |   |   |   | SC |

|   |  |  |  |  |    |
|---|--|--|--|--|----|
| S106/CIL contributions paid but not yet spent (£)                   |  |  |  |  | SC |
| Appeal decisions contrary to WDC decision                           |  |  |  |  | SC |
| Time taken to determine planning applications (no. of days average) |  |  |  |  | SC |

## 2.3 Managing Risk

| Risk                      | Planned Actions during year  | Comments   |
|---------------------------|--|--|
| Budget                    | Regular budget monitoring, Training of budget managers<br>Better day to day management of budgets, ie.<br>PO's/invoice   | Monitoring of budget on a monthly basis  |
| Procurement               | Close working with procurement officers in improving procurement processes   | DS Team meeting: July, Oct, Jan, April<br>Surgery sessions set up regularly with Procurement |
| Contract Management       | Ensure Contract Register is kept up to date  | Reviewed at the DS Team meeting: June, Sept, Dec, March                                      |
| Audits                    | Internal audits programmed in the year:<br>- Building Control<br>-<br>Check audit plan and ensure actions are implemented  | During 17/18 ensure previous Building Control actions are completed.                         |
| Risk Register             | Regular review of register at management meetings<br><br>Local Plan identified as significant risk (red).  | DS Team meeting: May, August, Nov, Feb<br>Mitigation put in place                            |
| Service Assurance         | Procurement/Contract register management training  |  |
| Corporate Health & Safety | Health and Safety Assessments to be regularly checked and updated<br><br>Corporate risk and Liability assessments regarding events in our parks and gardens, road closures, etc. are carried out |  |

## Part 3 – Managing and Improving People

### Workforce Planning

| Category   | Sponsor                           | Activity   | Budget Impact  | Impact on other Service Areas | Milestones               |
|--|-----------------------------------|--|--|-------------------------------|--------------------------|
| <b>1. Succession Planning</b><br><br>(E.g. planning for leavers) | Tracy Darke                       | Planning for career development and any loss of staff through retirement.<br><br>Planning for more generic planning and administration roles<br><br>Consideration of using apprentices | Within existing budgets  | Support from HR               | March 2018               |
| <b>2. Skills, Training, Competency Needs</b>                     | Service area managers             | Develop a service area training plan(training matrix) from appraisal PDPs  | Budget for training needs to be adequately resourced to support officers, in particular those doing professional courses | Finance                       | Sept 2017                |
| <b>3. Service Changes</b>  | Tracy Darke/Service area managers | Skilling the teams to enable them to be more flexible to change<br><br>Working   | Within existing budgets<br><br>Within existing   | None<br><br>None              | On-going<br><br>On-going |

|  |  |  |         |  |  |
|--|--|--|---------|--|--|
|  |  | differently supporting a work/life balance | budgets |  |  |
|--|--|--|---------|--|--|

**Part 4 BUDGET – Main budgetary pressures and changes**

| Activity   | Budgetary Impact  | 2017/18    | 2018/19  | 2019/20       | PFH   |
|--|---|------------|----------|---------------|-------|
| 2.5% discretionary budget reduction  | On-going challenges to budget managers to address savings without affecting service delivery                                    | £21,900    | £8,760   | £8,760        | SC/NB |
| Pre-application planning charges   | Poor take up of scheme may result in lack of income to cover cost of post   | £50,000    | £50,000  | £50,000       | SC    |
| Additional work following the outcome of the local plan, particularly preparing Development Plan Documents for Canal side, Gypsy and Travellers and various supplementary planning documents | Preparing evidence, consultations and Examinations  | £60,000    | £60,000  | £60,000       | SC    |
| Review of Building Control salaries due to difficulty in recruiting as directly competing with the private sector  | Building Control account is ring-fenced and service has to be cost neutral – to be reviewed when end of year accounts completed | tbc        | tbc      | tbc           | SC    |
| Forecasting/monitoring planning fee income   |   | £1,072,400 | £853,350 | 5£883,85<br>0 | SC    |

## Part 5 – Managing Planned Changes, Major Work-streams and Projects

| <b>Change/Project</b>                                | <b>Sponsor/Lead Officer</b> | <b>Budget Impact</b>   | <b>Impact on other Services</b>              | <b>Milestones</b>  | <b>PFH</b> |
|--|-----------------------------|--|--|--|------------|
| Designation of the canal as a Conservation Area      | Gary Fisher/Nick Corbett    | None   | <b>None</b>                                  | Mar 2018   | SC         |
| Preparation of Canal-side DPD                        | Dave Butler/Nick Corbett    | Unknown  | <b>None</b>                                  | Publication Draft by March 2018                          | SC         |
| Re-design and improvements to Development Management | Tracy Darke/Gary Fisher     | Unknown  | None   | Dec 2017   | SC         |
| Local Plan Adoption                                  | Chris Elliott/Dave Barber   | Significant cost in the preparation of the local plan examination and adoption. Significant financial opportunities to fund infrastructure | Neighbourhood Services, Culture and Housing. | Adoption Sept 2017                                       | SC         |
| Community Infrastructure Levy charging schedule      | Dave Barber                 | Significant financial opportunities to fund infrastructure   | Neighbourhood Services, Culture and Housing. | Examination possibly July 2017<br>Adoption Sept 2017     | SC         |
| CIL Transition Project                               | Dave Barber                 | Cost approx. £10,000. Significant financial benefits expected by ensuring effective collection of CIL                                      | Will require input from Finance              | Commence Autumn 2016. Complete on adoption of Local Plan | SC         |

## Appendix C

|  |                                   |   |   |  |       |
|--|-----------------------------------|---|---|--|-------|
| Facilitating and supporting the delivery of significant housing schemes in the district  | Dave Barber                       | Fund for monitoring contributions.  | Will involve Housing, Neighbourhood and Cultural Services | Specific milestones predominantly driven by planning applications. | SC/NB |
| Develop and implement the Infrastructure Delivery Plan   | Dave Barber                       | Significant financial benefits expected by ensuring effective collection of CIL | Neighbourhood and Cultural Services                       | To align with the local plan                                       | SC/NB |
| Preparation of a Gypsy and Traveller DPD   | Dave Barber                       | There may be costs associated with establishing sites                           | Housing   | Publication Draft by March 2018                                    | SC    |
| Prepare Supplementary Planning Documents: <ul style="list-style-type: none"> <li>• Parking standards</li> <li>• Custom and Self-Build</li> <li>• Residential design guide</li> <li>• Open Space Standards</li> </ul> | Dave Butler                       | Some costs associated with compiling evidence base                              | Neighbourhood Services Housing                            | Adopted 2018   | SC    |
| Review of development monitoring   | Dave Barber                       | None  | Joint working with Finance                                | On-going   | SC    |
| FFF priorities linked to the prosperity plan to ensure business growth/inward investment related partnerships are maximised. Business Support review to be implemented.  | Bill Hunt/Tracy Darke/Dave Barber | Implementation costs  | All service areas   | On-going<br><br>Sept 2017  | NB    |
| Embedding redesign to ensure staff are aware of their priorities and are   | Tracy Darke                       | None  | Housing, Culture, CE                                      | End 16/17  | SC/NB |



|   |   |  |                                 |   |       |
|---|---|--|---------------------------------|---|-------|
| effective in achieving them   |   |  |                                 |   |       |
| Marketing of Building Control service   | Phil Rook   | From Reserves (agreed by Exec)   | None                            | Implemented by Sept 17  | SC    |
| Explore AI status for Building Control service  | Phil Rook   | Implementation costs and insurances  | None                            | End 17/18   | SC    |
| Alternative delivery model for Enterprise   | Gayle Spencer                                     | unknown  | All support services            | Implementation 17/18.   | NB    |
| Review Events service to focus resources on events that add the greatest value  | Dave Barber (plus BM Policy and Development)      | Unknown  | Culture; Community Protection   | Consultation Sept/Oct 2017. Implementation Jan 2018                                 | NB    |
| Provision of advice to assist the development of corporate projects as required, e.g. pre-application for Relocation Project, policy input etc. as required during the year | Tracy Darke/Gary Fisher/Dave Barber/Philip Clarke |  |                                 |   | SC/NB |
| Provision of project feasibility support for the development of the Europa Way Project  | Tim Hepworth                                      | Potentially £20m (HRA) for affordable housing, £3.5m for the land purchase for the stadium with a further £1.2m to deliver the stadium | Housing, Finance, Culture       | Decision on whether to proceed to next stage - April 2017                           | NB    |
| Provision of project feasibility support for the Creative Quarter project   | / Phil Clarke                                     |  | Culture, Neighbourhood Services | Developer appointment Apr 2017. Stakeholder engagement and master-planning Dec 2017 | NB    |
| Provision of project support for the  | Philip Clarke                                     | Provisional budget allocation  | All service areas               | Stakeholder meeting Apr/May 2017. Public  | NB    |

|   |                |                                       |   |   |    |
|---|----------------|---------------------------------------|---|---|----|
| Leamington town centre vision and strategy  |                | of £80k in Community Projects Reserve |   | consultation June 2017.   |    |
| Provision of project feasibility support for the Lillington regeneration project                          | Philip Clarke  |                                       | Housing, Finance, Neighbourhood Services  | Decision on regeneration proposal following local plan modifications Summer 2017. | NB |
| Provision of project feasibility support for the 2 <sup>nd</sup> Warwick Sea Scouts HQ relocation project | / Tim Hepworth | Grant of £50k has been agreed.        | Neighbourhood Services, Cultural Services | Milestones determined by pace at which Sea Scouts can progress project.           | NB |

## Service Area Plan 2017/18

**Part 1 - Service Information/links to policy**

**Part 2 - Managing Service Delivery**

**Part 3 - Managing and Improving People**

**Part 4 - Budget**

**Part 5 - Managing Planned Changes/Projects**

|                                |                             |
|--------------------------------|-----------------------------|
| <b>Service Area :</b>          | Finance                     |
| <b>Service Area Manager:</b>   | Mike Snow – Head of Finance |
| <b>Deputy Chief Executive:</b> | Andrew Jones                |
| <b>Portfolio Holder(s):</b>    | Councillor Peter Whiting    |

### 1 Purpose of the Services Provided

- To seek to ensure that the Council's finances are well managed, in accordance with best practice whilst ensuring best value and value for money is always obtained.
- To ensure that suppliers can do business with the Council and be able to tender fairly on an equal basis along with all other prospective businesses.
- To provide sound and understandable financial advice and a responsive support service to enable members and officers to make the right decisions and to ensure the Council's services are properly managed.
- To seek to provide assurance that all risks are being properly managed and controls are in place.
- To provide the right benefits that claimants are due at the right time.

#### 1.1 Linkages to Sustainable Community Strategy

|                   | <b>Direct Contribution</b>  | <b>Indirect Contribution</b>   |
|-------------------|---|--|
| <b>All Themes</b> | The support services within Finance (Accountancy, Audit/Risk, Procurement, FSTeam), and Council Tax/Business Rates directly and indirectly contribute to all the themes by providing finance and support services for the Council's services. |  |
| <b>Prosperity</b> |   | Benefits and Procurement assist in providing funding which will circulate in the local |

|                              | <b>Direct Contribution</b>  | <b>Indirect Contribution</b> |
|------------------------------|---|------------------------------|
|                              |   | economy.                     |
| <b>Health and Well Being</b> | By assisting tenants with their housing, Benefits is contributing to the health and well-being of those households. | Council Tax Reduction        |
| <b>Sustainability</b>        |   |                              |
| <b>Housing</b>               | Benefits service assists tenants afford their homes   | Council Tax Reduction        |
| <b>Safer Communities</b>     |   |                              |

## 2 Managing Service Delivery

### 2.1 Service Overview

(NB – Specify main aspects of service delivery during the year)

|                    | <b>Service Being Delivered</b>    | <b>Priorities (with Justification)</b>  | <b>Service Demand</b>                                   |                               |
|--------------------|-----------------------------------|---|---|-------------------------------|
| <b>Accountancy</b> | <b>Budget/Council Tax Setting</b> | Ensure council tax and budget setting complies with legislation, meets Council priorities and is within available resources.  | Statutory Requirement                                   |                               |
|                    | <b>Budget Review</b>              | To monitor income and expenditure on an on-going basis and assess implications for medium term financial strategy, reporting regularly to SMT and members.                  | 11 Budget Review Reports to SMT, 5 Reports to Executive |                               |
|                    | <b>Final Accounts</b>             | Ensure annual accounts closed down correctly and promptly. Production of Annual Statement of Accounts within statutory deadlines. Liaison with external auditors.           | Statutory Requirement                                   |                               |
|                    | <b>Treasury Management</b>        | Manage the Council's investments to minimise risk whilst securing the optimum return. Manage the Council's cashflow and borrowing. Funding the Council's Capital Programme. |   | £60m invested as at 31/3/2016 |
|                    | <b>Financial advice</b>           | Advise officers and members of the financial implications of proposed actions and decisions and provide appropriate challenge.  |   |                               |
|                    | <b>Financial Planning</b>         | Forecast the Council's income and expenditure for the General   |   |                               |

|                             | <b>Service Being Delivered</b>     | <b>Priorities (with Justification)</b>  | <b>Service Demand</b>                                  |  |
|-----------------------------|------------------------------------|---|--|--|
|                             |                                    | Fund and Housing Revenue Account as part of the Medium Term Financial Strategy and HRA Business Plan.   |  |  |
|                             | <b>Parish/town council support</b> | Arrange payments to parish/town council in respect of precepts, concurrent services and grants in respect of council tax (latter 2 being phased out).             |  |  |
| <b>Audit &amp; Risk</b>     | <b>Internal Audit</b>              | Provision of comprehensive internal audit service for management in line with the Internal Audit Strategic Plan.  | Statutory requirement.                                 | Approx.36 audits completed p.a.          |
|                             | <b>Risk Management</b>             | Promote and advise on good risk management across the authority.  | Statutory requirement. Effective corporate governance. |  |
|                             | <b>Insurances</b>                  | Ensure that the Council is appropriately insured in the provision of its services and manage any resulting claims.  | Effective corporate governance.                        |  |
|                             | <b>Investigations</b>              | Undertake ad-hoc internal investigations on behalf of management.   | Effective corporate governance.                        |  |
|                             |                                    |   |  |  |
| <b>Benefits &amp; Fraud</b> | <b>Housing Benefits</b>            | Assessment and payment of claims for housing benefit in line with DWP scheme.   | Changes processed p.a<br>New claims determined p.a     | 25,500<br>2,100                          |
|                             | <b>Council Tax Reduction</b>       | Assessment of council tax reduction claims in line with Council's scheme.   | Changes processed p.a<br>New claims determined p.a     | 18,000<br>2,200                          |
|                             | <b>Fraud investigation</b>         | Undertake investigations into fraud against the council in respect of services such as council tax, business rates, house lettings. Promotion of fraud awareness. |  |  |
|                             | <b>Customer Service Team</b>       | Take Revenues, Benefits and Switchboard telephone calls   | Service calls pa<br>Switchboard calls                  | 45,000<br>estimate<br>12,000<br>estimate |
|                             |                                    |   |  |  |
| <b>Exchequer</b>            | <b>Collection of Council Tax</b>   | Maintenance of council tax records, award of reliefs, calculation of tax due, billing and recovery thereof.   | Council tax payers<br>Reliefs & discounts              | 62,400<br>23,000                         |

|                    | Service Being Delivered                            | Priorities (with Justification)  | Service Demand   |                          |
|--------------------|--|--|--|--------------------------|
|                    |  |  |  |                          |
|                    | <b>Collection of Business Rates</b>                | Maintenance of business rates records, award of reliefs, calculation of rates due, billing and recovery thereof.   | Business Rate payers<br>Reliefs & discounts            | 4,700<br>2,500           |
|                    | <b>Recovery of CT, BR and Benefit overpayments</b> | Take appropriate action to recover sums due to the Council, including use of magistrates courts.   | Summonses<br>Reminder notices<br>Collectible per annum | 6,250<br>25,500<br>£160m |
|                    | <b>Payment of suppliers</b>                        | Arrange payment to suppliers for goods ordered.  | Transactions<br>Paid to suppliers                      | 10,000<br>£48m           |
|                    | <b>Recovery of sundry debts</b>                    | Raise sundry debt accounts for sums due to the Council, and recovery thereof.  | Transactions<br>Collected pa                           | 13,000<br>£7.0m          |
|                    | <b>Rural and Urban Capital Initiatives Scheme</b>  | Manage the Council's RUCI scheme, making recommendations to Executive on grant awards, payment and monitoring of awards agreed.  | Budget<br>Applications per annum                       | £150,000<br>10-12        |
|                    |  |  |  |                          |
| <b>Procurement</b> | <b>Manage corporate procurement</b>                | Review and develop the Council's approach to procurement, management of the Council's Procurement Strategy and completion of the Procurement Action Plan.                        |  |                          |
|                    | <b>Maintain contracts registers</b>                | Work with officers across the Council to ensure that the Council's contract register is correct, is duly published, and contracts within the register are appropriately managed. | Approx 240 contracts on<br>Contracts Register          |                          |
|                    | <b>Lead/advise on procurement and tenders</b>      | Advise and assist officers in the procurement of goods and services in line with the Council's Code of Procurement Practice and EU Regulations.                                  |  |                          |

## 2.2 Measures

Key Corporate Measures –

### Customer Measures – those important to the people/organisations who use our services

Note : these measures should be used on a daily, weekly or monthly basis to identify the impact of interventions in the system and to plan future interventions. Interventions may be very small adjustments to resources, or may involve transformational change

|   | Qrt 1 | 2 | 3 | 4 |
|---|-------|---|---|---|
| Average number of days from receipt of all information to determine new benefit/reduction claims. |       |   |   |   |

|   |       |   |   |   |
|---|-------|---|---|---|
| Prompt payment of invoices within agreed payment terms  |       |   |   |   |
| Unqualified audit statement on Statement of Accounts  |       |   |   |   |
| Average number of days from receipt of all information to determine changes to benefit/reduction claims.  |       |   |   |   |
| Timely and informed Budget and Financial Forecasts  |       |   |   |   |
| Number of Benefits/Revenues calls to Customer Service Centre.   |       |   |   |   |
| Efficient & timely CTax processing (Age of oldest item)<br>Days   |       |   |   |   |
| Efficient & timely NNDR processing (Age of oldest item)<br>Days   |       |   |   |   |
| <b>Operational Measures – other (non customer) measures essential to ensure that “purpose” can be achieved.</b>   |       |   |   |   |
| Note: <u>this section will not be used by most service areas</u> as their Customer Measures are expected to be sufficient. However, there may be cases where an operational measure is required to ensure the smooth running of a service area. |       |   |   |   |
|   | Qrt 1 | 2 | 3 | 4 |
| Sundry Debt balance outstanding over 90 days  |       |   |   |   |
| Numbers of transactions – orders, creditor invoices, sundry debtor invoices   |       |   |   |   |
| Value cashable and non-cashable fraud savings detected.   |       |   |   |   |
| Council tax collection rate   |       |   |   |   |
| NNDR collection rate  |       |   |   |   |
| Business Rate Growth (Rateable Value)   |       |   |   |   |
| Completion of Internal Audit Plan (percentage variation to profiled plan)   |       |   |   |   |
| No of Outstanding appeals (Business Rates)  |       |   |   |   |

## 2.3 Managing Risk

| Risk                              | Planned Actions/Mitigations during year   | Comments |
|-----------------------------------|---|----------|
| Budget                            | <ul style="list-style-type: none"> <li>• Regular budget monitoring</li> <li>• Achievement of 1% savings target for 2017/18, and other FFF savings agreed by members.</li> </ul>   |          |
| Procurement                       | <ul style="list-style-type: none"> <li>• Management of corporate procurement</li> <li>• Continue provision of Procurement training.</li> <li>• Attendance of key officers at in-house training.</li> <li>• Maintenance of Finance and Council Contract Register</li> </ul>                            |          |
| Contract Management               | <ul style="list-style-type: none"> <li>• Attendance of appropriate officers on Contract Management training.</li> </ul>   |          |
| Audits                            | <ul style="list-style-type: none"> <li>• Internal Audits of various Finance functions scheduled for year in accordance with Internal Audit Plan.</li> <li>• External Audit of Statement of Accounts and grant claims.</li> </ul>  |          |
| Risk Register and Risk Management | <ul style="list-style-type: none"> <li>• Risks reviewed at management team meeting and on on-going basis</li> <li>• Quarterly risk register review with portfolio holder.</li> <li>• Risk Management Action plan being formulated for 2017/18 based on external review of Risk Management.</li> </ul> |          |
| Service Assurance                 | <ul style="list-style-type: none"> <li>• Actions arising out of Annual Service Assurance Statement include: -<br/>Provision of Procurement training<br/>Update of Business Continuity Plan</li> </ul>   |          |
| Business Continuity Planning      | <ul style="list-style-type: none"> <li>• BCP to be further update to reflect internal and external changes.</li> </ul>  |          |
| Corporate Health & Safety         | <ul style="list-style-type: none"> <li>• Completion of H&amp;S Assessments.</li> </ul>  |          |



## Part 3 – Managing and Improving People

### Workforce Planning

| Category   | Sponsor                                 | Activity  | Budget Impact                          | Impact on other Service Areas               | Milestones   |
|--|---|---|--|---|--|
| <b>1. Succession Planning</b><br><br>(E.g. planning for leavers) | Head of Service and Divisional Managers | Encourage training, coaching etc of staff; assist them to maximise their potential and roles within the organisation. |  | Support from HR                             | On-going   |
|  |   |   |  |   |  |
| <b>2. Skills, Training, Competency Needs</b>                     | Head of Service and Divisional Managers | Formal staff training / professional qualifications to encourage them to maximise their potential.                    | Cost of professional training courses. | Support from HR                             | Staff commencing formal training.<br>Staff completing formal training. |
|  | Divisional Managers                     | On-going CPD training for staff.  | Met out of existing budgets.           |   | On-going, March 2018   |
|  | Procurement Manager                     | Organising Corporate Procurement advanced training  | Met out of existing budgets.           | Support from Learning & Development Officer | ??   |
|  | Procurement Manager                     | Contract management training  | Met out of existing budgets.           | Support from Learning & Development Officer | ??   |
| <b>3. Service Changes –</b><br><br>Demands on staff resource     | Benefits & Fraud Manager                | Review of Benefits Team senior structure in light of Universal Credit and service demands.                            | TBC                                    | Support from HR.                            | Staff consultation process.<br>????? Employment Committee.             |

| Category | Sponsor             | Activity   | Budget Impact   | Impact on other Service Areas | Milestones  |
|----------|---------------------|--|---|-------------------------------|---|
|          | Exchequer Manager   | Review of Generic working  | TBC   | Support from HR.              | Staff consultation process commencing June. September Employment Committee. |
|          | Procurement Manager | Review Procurement staffing resources against workload and agree requirement and how to implement. | Use of existing budget plus potential call upon Service Transformation Reserve. | Support from HR               | Agree approach June 2017  |

#### Part 4 BUDGET – Main budgetary pressures and changes

| Activity   | Budgetary Impact   | 2017/18 | 2018/19                                  | 2019/20 |
|--|--|---------|--|---------|
| Need to achieve 1% savings 2017/18   | Not achieving savings will increase savings to be found across the Council, with potential impact upon services. |         |  |         |
| Potential reductions in Government grants/subsidy above reductions currently projected.                    | Will increase savings requirement of Council and potential impact upon service provision.                        |         |  |         |
| Review Support Service provision to make savings from Service in line with Medium Term Financial Strategy. |  |         | £28k staff + £8k other savings recurring |         |
| Court fees income continuing to be volatile.   |  |         |  |         |
| Benefits/Benefits Overpayments -   |  |         |  |         |

## Part 5 – Managing Planned Changes, Major Workstreams and Projects

| Change/Project  | Sponsor/Lead Officer      | Budget Impact  | Impact on other Services   | Milestones  | Date                          |
|---|---------------------------|--|--|---|-------------------------------|
| Early Closure of Accounts – for 2016/17 inc de-cluttering, improved electronic WPs, planning for 2018/19 closedown. | Strategic Finance Manager | N/A  | All services will be required to be committed to earlier deadline for provision of financial information in line with the Final Accounts timetable | 2016/17 Detailed Timetable (will have sub-milestones). F&A  | July 2017                     |
| Re-write HRA Business Plan Model  | Strategic Finance Manager | N/A  | H&PS   | Base Budget report, February 2018 Rent and HRA Business Plan Executive report. Updated Business Plan Report to Executives | December 2017                 |
| Budget Review – increase engagement across all Services   | Strategic Finance Manager | N/A  | All  | Quarters One and Two Reports to Executive (August and November 2017. Closure of 2017/18 Accounts (Summer 2018)            | ongoing                       |
| Revenues Visiting Officer mobilisation  | Benefits & Fraud Manager  | £xxxx from Digital Transformation Work Programme budget. | ICT  | ?????   | ????                          |
| Universal Credit – prepare for June 2018 rollout to new working age housing benefits claimants.                     | Benefits & Fraud Manager  | ?? some funding from DWP??                               | Front Line/Reception   | ????  | ???                           |
| Auto-matching for Creditor invoices – implement across Council  | Exchequer Manager         | N/A  | DMC, All Services  | Cease non-order payments<br><br>Implementation of scanning  | July 2017<br><br>October 2017 |
| Council Tax “Self Serve” (Open Channel) module  | Exchequer Manager         | £48,380 from Digital Transformation Work Programme       | Front line/Reception   | Project plan in development. Project completed  | December 2017                 |

| Change/Project   | Sponsor/Lead Officer  | Budget Impact  | Impact on other Services  | Milestones  | Date              |
|--|---|--|---|---|-------------------|
|  |   | budget. Running costs to be found from existing budgets. |   |   |                   |
| Total Upgrade  | Strategic Finance Manager & Exchequer Manager                       | N/A  | ICT   | Complete Auto Matching Project. Complete testing, go live | January 2018      |
| Progress actions from January 2016 Risk Management Review  | Audit & Risk Manager  | N/A  | All Services  | Progress in line with agreed action plan                  | March 18          |
| Progress actions from April 2016 Internal Audit Review   | Audit & Risk Manager  | N/A  | All Services  | Progress in line with agreed action plan                  | On-going          |
| Review of Procurement function.  | Procurement Manager   | £10k Contingency Budget funding likely to be required.   | All services  | Appointment of consultant                                 | 1 April 2017      |
| Enhance use being made of Intend system for reports etc to assist procurement process.                     | Procurement Manager   | N/A  | All Services  | ????  | ?????             |
| Updated Code of Procurement Practice and Procurement Strategy – rollout across organisation.               | Procurement Manager   | N/A  | All services Support from HR and Media  | Intranet notices Training plan                            | ??<br>??          |
| Review Contract storage  | Procurement Manager   | ???  | All Services. DMC currently manage storage.   | ?????   | ????              |
| Contract Register – review with ICT format held, how shared and accessed.                                  | Procurement Manager   | Internal resources.                                      | ICT<br>All services   | ??<br>??  | ??<br>??          |
| Review Support Service provision to make savings from Service in line with Medium Term Financial Strategy. | Audit and Risk Manager/Exchequer Manager/Strategic Finance Manager/ | £36k saving within MTFS from 2018/19.                    | HR will need to support any staffing review. Savings may impact upon other services which are supported by Finance, which will need full consideration. | November 2017 Base Budget Report                          | Novemb<br>er 2017 |



## Service Area Plan 2017/18

**Part 1 - Service Information/links to policy**

**Part 2 - Managing Service Delivery**

**Part 3 - Managing and Improving People**

**Part 4 - Budget**

**Part 5 - Managing Planned Changes/Projects**

|                                |                               |
|--------------------------------|-------------------------------|
| <b>Service Area :</b>          | Health & Community Protection |
| <b>Service Area Manager:</b>   | Marianne Rolfe                |
| <b>Deputy Chief Executive:</b> | Andy Jones                    |
| <b>Portfolio Holder(s):</b>    | Moira-Ann Grainger            |

### 1 Purpose of the Services Provided

Purpose – To protect individuals and the community from harm, improving their health & wellbeing and the quality of the environment.

I want protection from practices, nuisance, infection and pollution which could have an adverse effect; and support for the disadvantaged in the community towards improving health & wellbeing. This includes:-

- Effective and fast response to environmental health, nuisance, animal welfare and public protection issues.
- Effective use of regulatory and licensing controls to ensure business practices are appropriate and comply with legislation and guidance
- To provide high quality services which support sustainable development, mitigate flood risk, maintains safety & security in the public domain and delivers effective solutions to meet the customer's needs.
- Support for local community and voluntary sector engagement, in particular for the most disadvantaged communities.
- Making my neighbourhood feel safer.
- In the event of Civil Emergencies, a quick and co-ordinated incident response with recovery, help & assistance to the community, whilst still being able to access Council services.
- Prompt and professional advice for businesses on legislative issues related to food safety, health & safety and environmental emissions; and to individuals across a wide range issues affecting health & wellbeing
- A dog warden service providing effective control over stray dogs and dog fouling
- A pest control service providing prompt and effective response to pest infestations having a public health significance, at low or no cost to those on low income

**1.1 Linkages to Sustainable Community Strategy**

|                          | <b>Direct</b>   | <b>Indirect</b>  |
|--------------------------|---|--|
| <b>Housing</b>           | <p>Health &amp; Wellbeing Lead Officer working with staff with regard to 'making every contact count' and other H&amp;W issues.</p> <p>Joint working on Priority Families county-wide programme and Anti-social behaviour issues.</p>   | <p>Some overlap through Health, Safer Communities and Sustainability agendas.</p> <p>Determining where best to put new housing outside of flood risk areas.</p> <p>Designing out crime from new developments</p> |
| <b>Prosperity</b>        | <p>Regulatory Services work directly with local businesses providing advice and guidance. Maintenance of the Purple Flag accreditation to support the evening economy</p> <p>Heads of Service Group working with LEP towards 'Better Business for All' agenda.</p> <p>CPT Manager representing WDC on Countywide Financial Inclusion Partnership</p>  | <p>Encouraging greater use and diversity of our town centres attractions in a safer environment through the tackling of the issues below in the Safer Communities section.</p>                                   |
| <b>Safer Communities</b> | <p>Lead responsibility for this priority.</p> <p>Licensing and enforcement of premises and taxis. ASB interventions</p> <p>Resilience to ensure safe &amp; secure Events programme of WDC and third party events across the District.</p> <p>Community Safety multi-agency partnership initiatives to deliver the priorities of the South Warwickshire Community Safety Partnership, namely;</p> <p>Individuals, parents, householders, vehicle owners and business owners to take greater responsibility. The Community Safety Partnership will work with the voluntary sector and</p> | <p>Overlap with the Housing agendas. Working with stakeholders to address the agenda.</p> <p>Engaging stakeholders and other services in the delivery of safer communities' agenda.</p>                          |

|                              |   |   |
|------------------------------|---|---|
|                              | <p>Neighbourhood Watch to reduce the opportunity for crime and disorder.</p> <p>To mitigate against malicious disruption to Crowded places in the Districts Towns with our multi-agency partners.</p> <p>Lead responsibility for Emergency &amp; Business Continuity planning</p>   |   |
| <b>Health and Well Being</b> | <p>Lead responsibility for this priority.</p> <p>Much of the work of the department has a direct link to health &amp; wellbeing. There are strong links with the new Health agenda</p> <p>Mitigating flooding to property in flood risk areas.</p> <p>Quick and co-ordinated response with remedies to any Civil Emergency incident and recovery help &amp; assistance.</p> <p>To promote greater responsibility including a good neighbour guide and Going Out &amp; Staying Safe.</p> | <p>Working with stakeholders in the community to address the agenda.</p> <p>Engaging stakeholders and other services in the delivery of Health and wellbeing.</p>                           |
| <b>Sustainability</b>        | <p>Lead responsibility across the Council for this priority.</p> <p>Much of the work of the community protection team has a direct link towards community resilience and independence.</p> <p>Public Confidence Agenda</p> <p>Promoting Parish Emergency Planning</p> <p>Civil Contingency and Flood Management work</p>  | <p>Ensure new developments adopt sustainable urban drainage techniques</p> <p>The design &amp; construction new Council projects where they add value and meet invest to save criteria.</p> |
| <b>Involving Communities</b> | <p>Community Partnership Team (CPT) works with voluntary and community sector, managing grants and funding for voluntary and community</p>  | <p>General service delivery</p>   |



|                            |  |                          |
|----------------------------|--|--------------------------|
|                            | sector.<br>Support for Community Forums.   |                          |
| <b>Narrowing the Gaps</b>  | Particularly in relation to the health & wellbeing agenda and health inequalities.<br>The work of the CPT on Financial Inclusion   |                          |
| <b>Supporting Families</b> | Particularly in relation to the health & wellbeing agenda and health inequalities.<br>The work of the CPT on Financial Inclusion<br>Priority families partnership work                                       | General service delivery |
| <b>Rural Issues</b>        | The work of the CPT in administering funding and grants towards rural inequality etc.<br>Rural Community Forums<br>Community Development outreach in rural areas<br>Rural crime is a priority areas in SWSCP | General service delivery |

## 2 Managing Service Delivery

### 2.1 Service Overview

(NB – Specify main aspects of service delivery during the year)

|                                   | <b>Service Being Delivered</b>      | <b>Priorities (with Justification)</b>                            | <b>Service Demand/Service Requests</b> |  |
|-----------------------------------|-------------------------------------|---|--|--|
| <b>Community Partnership Team</b> | <b>Support for Community forums</b> | 7 Locality areas  | 2 a year for each                      | Meetings and administration activities |
|                                   |                                     | Dealing with grant applications and monitoring delivery and spend |  |  |
|                                   |                                     |   |  |  |

|  |   |   |  |                          |
|--|---|---|--|--------------------------|
|  | <b>Voluntary and Community sector funding support</b> | Monitoring VCS main funded contracts.<br>Community needs mapping and assessment of VCS contracts in order to determine priorities for new contracts 2018/19 |  |                          |
|  |   | Progressing the VCS spending review   |  |                          |
|  | <b>Small grants</b>                                   | Dealing with grant applications   |  | <b>2 rounds per year</b> |
|  |   | Monitoring delivery of projects   |  |                          |
|  |   | Delivering the Community Forum Fund   |  | <b>2 rounds per year</b> |
|  | <b>Community Development Work</b>                     | Two CDWs in the community.  |  |                          |
|  |   | Working out of 4 community hubs   |  |                          |
|  |   | Support for corporate projects e.g. Lillington regeneration   |  |                          |
|  |   | Progressing the officer steering groups for health & wellbeing and sustainability.  |  |                          |
|  | <b>Sustainability</b>                                 | Roll out of strategic plan actions  |  |                          |
|  |   | Heat Network Mapping project  |  | Project plan timetable   |
|  |   | Energy Efficiency identification of projects and schemes  |  |                          |
|  |   | Working with Service areas to review policies relating to climate change and sustainability   |  |                          |
|  |   | Work with communities and supporting voluntary agencies to increase community sustainability.   |  |                          |
|  | <b>Health and Wellbeing</b>                           | Roll out the Health and Wellbeing Approach  |  |                          |
|  |   | Work with other services to ensure that the Health and wellbeing embedded in decisions.   |  |                          |
|  |   | Progression of projects to have a positive impact on Health and Wellbeing on community  |  |                          |

|   |                                      |  |                      |  |
|---|--------------------------------------|--|----------------------|--|
|   |                                      |  |                      |  |
| <b>Safer Communities (Environmental Protection)</b> | <b>Civil Contingencies</b>           | Work to support statutory local authority duties as Category 1 responder.  |                      |  |
|   |                                      | Review of Emergency Plan and Business Continuity Plans   | -                    | Annual Review of plans.                  |
|   |                                      | Testing of Emergency and Business Continuity Plans   | 1 event              |  |
|   |                                      | Representing the Council at Warwickshire LRF Tactical Group and chairing the LRF Communications Sub-Group                      | -                    | Monthly meetings                         |
|   |                                      | Organise and Chair Safety Advisory Groups (representatives attend from across HCP)   | 50                   | Internal and External Events             |
|   |                                      |  |                      |  |
|   |                                      | <b>Chairing the Event Safety Advisory Group.</b>   |                      |  |
|   | <b>Corporate Health &amp; Safety</b> | Programme of H&S Audits within the year  | 10                   | Internal audits of services or processes |
|   |                                      | Review and ongoing updating of H&S policy and procedures   | -                    |  |
|   |                                      | Accident investigations reports  |                      | Numbers of incidents reported            |
|   |                                      | Monitoring, review and reporting on management systems   | -                    |  |
|   |                                      | Training and induction   | 30                   | Number of training sessions delivered    |
|   | <b>Environmental Protection</b>      | Advice to Planning on Environmental Protection issues  | -                    |  |
|   |                                      | Expert noise input on HS2  | -                    | As required                              |
|   |                                      | Contaminated Land advice and monitoring  | 20                   | Requests for detained site information   |
|   |                                      | Investigation of complaints relating to commercial and industrial premises   | 200<br>80            | Noise<br>Air/smoke                       |
|   |                                      | Monitoring of air quality – Operation of monitoring stations and equipment, preparation of reports as required by legislation. | 60<br>(approx.)<br>3 | Diffusion tubes<br>Monitoring sites      |
|   |                                      | Advice to Licensing as a 'responsible authority' (public nuisance)   | -                    |  |

|                           |                                      |   |                         |  |
|---------------------------|--------------------------------------|---|-------------------------|--|
|                           |                                      | Permitting of polluting businesses (EPA Part 1)   | 37                      | Number of permits currently  |
|                           |                                      | Public Health Funerals  | 10                      | Tender for public health funerals (September)                                      |
|                           |                                      | Domestic Noise  | 480                     |  |
|                           |                                      | General Nuisance/Accumulations  | 150                     |  |
|                           |                                      | Dealing with planning applications  | 100                     |  |
|                           | <b>CCTV &amp; Crime and Disorder</b> | CCTV  | 13,000 (approx.)<br>350 | Incidents observed<br>Arrests due to CCTV support                                  |
|                           |                                      | Crime & Disorder - Includes support of Community Safety Partnership, Operational Group with support for action plan in reducing violent crime. Organise 4 x Operational Your Town, Your Choice events in July, September, December and March. Tender for the weekend Street Marshal Service (September) and carrying out Domestic Homicide Reviews. | -                       |  |
|                           |                                      | Lead agency in tackling Anti-Social Behaviour reducing incidents, reducing the risk of 80% of high risk cases and producing new policy following legislation.   | 100                     | Perpetrator cases with warning letters sent.                                       |
|                           |                                      |   | 140                     | Victim profiles created.   |
|                           |                                      | Support for Community Safety Partnerships   | -                       | Attendance at meetings, preparation of data and reports etc.                       |
|                           | <b>Services</b>                      | Dog Warden Service  | 160<br>165<br>160       | Stray Dogs<br>Dog Fouling<br>Others  |
|                           |                                      | Pest Control Service  | 1,365                   | enquiries and requests for treatment   |
| <b>Regulatory Section</b> | <b>Food Safety</b>                   | Food business inspection programme as part of FSA agreed work plan  | 639<br>400<br>50<br>197 | Planned inspections<br>Revisit<br>FHRS rescore requests<br>Non planned inspections |
|                           |                                      | Investigation of food complaints  | 15                      | Food complaints etc.   |
|                           |                                      | Food Safety advice, enquiries, registrations, hygiene   | 484                     | Total number not   |

|  |  |                   |   |
|--|--|-------------------|---|
|  | complaints etc.  |                   | accounted for in other categories   |
|  | Response to imported food notifications  | 35                |   |
| <b>Health &amp; Safety Enforcement</b> | Interventions (visits for a variety of reasons)                                    | 100               | Interventions   |
|  | Complaints and enquiries   | 172               |   |
|  | Accident reports   | 110               |   |
| <b>Licensing</b>                       | Dealing with licensed Premises (Application, Variations, meetings and inspections) | 650               |   |
|  | Dealing with Taxi Licenses   | 155<br>460+<br>60 | Driver licences<br>Vehicle licences<br>Operators<br>(Private hire and Hackney combined) |
|  | Dealing with complaints and enquiries  | 300               |   |
|  | Personal treatment registrations   | 11                |   |
|  | Temporary Event Notices  | 500               | Applications  |
|  | Licensing Policy – Amendments and updating of policy areas                         |                   |   |

## 2.2 Measures

### Customer Measures – those important to the people/organisations who use our services

Note: these measures should be used on a daily, weekly or monthly basis to identify the impact of interventions in the system and to plan future interventions. Interventions may be very small adjustments to resources, or may involve transformational change

|  | Qtr. 1 | 2 | 3 | 4 |
|--|--------|---|---|---|
| Average time taken to resolve noise nuisance service requests  |        |   |   |   |
| Average time taken to resolve pest control, dog warden and other nuisance (excl. noise) service requests   |        |   |   |   |
| % Food businesses with '5' score in Food Hygiene Rating Scheme   |        |   |   |   |
| % Food businesses which are 'broadly compliant'  |        |   |   |   |
| Reduce the risk of 80% of all ASB victims assessed as high   |        |   |   |   |
| To reduce the number of violent crimes across the District   |        |   |   |   |
| Percentage of monitoring sites exceeding national air quality standards ( <i>*unverified data as must be verified nationally at the end of the year</i> ). |        |   |   |   |
| Percentage of Planning consultation requests completed to within target time.  |        |   |   |   |
| % of hackney carriage private hire fleet passing fleet inspection  |        |   |   |   |
| % premises compliant with their license at compliance visit  |        |   |   |   |
| Overall % of Community Forum spent   |        |   |   |   |
| Overall % of Small grants spent (2 rounds per annum)   |        |   |   |   |
| Number of community groups in receipt of grant   |        |   |   |   |
| % of VCS spend (6 monthly)   |        |   |   |   |
| Number of community initiatives supported via Community Forums & small grants  |        |   |   |   |

### Operational Measures – other (non customer) measures essential to ensure that “purpose” can be achieved.

Note: this section will not be used by most service areas as their Customer Measures are expected to be sufficient. However, there may be cases where an operational measure is required to ensure the smooth running of a service area.

|   | Qtr. 1 | 2 | 3 | 4 |
|---|--------|---|---|---|
| % Requests for Service received, first response to within target time |        |   |   |   |
| % Requests for service received, completed within target time         |        |   |   |   |
| To increase the No of arrests from CCTV incident information          |        |   |   |   |
| To increase the No of crime incidents observed by CCTV Control Room   |        |   |   |   |
| Number of persons participating in walking for health                 |        |   |   |   |
| Number of persons trained as dementia friends                         |        |   |   |   |

### 2.3 Managing Risk

| Risk                | Planned Actions during year  | Comments  |
|---------------------|--|---|
| Budget              | <ul style="list-style-type: none"> <li>Regular budget monitoring</li> <li>Delivering service within budget</li> <li>Savings to be achieved without service impact</li> <li>Reviewing opportunities to gain income for services.</li> </ul>                   | Expansion of current Primary Authority Arrangements.<br>Commerciality of Services |
| Procurement         | <ul style="list-style-type: none"> <li>Attendance of key officers at in-house training</li> <li>Regular meetings with procurement officers</li> <li>Procurement project meetings to VCS procurement.</li> </ul>  | Ongoing training of officers and those participating in procurement               |
| Contract Management | <ul style="list-style-type: none"> <li>No. Contracts due for renewal during the year</li> <li>Training in relation to contract monitoring</li> </ul>   | Ongoing training of officers and those managing contracts.                        |
| Audits              | <ul style="list-style-type: none"> <li>Intra-Authority audit of Food Safety</li> <li>Peer Review of Health &amp; Safety</li> <li>British Standard 7958 Management &amp; Operation of Closed Circuit Television</li> <li>Internal audit programme.</li> </ul> | Internal audit programme to be confirmed  |
| Risk Register       | <ul style="list-style-type: none"> <li>Regular review at management meetings</li> <li>Annual review</li> </ul>   | Reported to the Committee in Q2   |

|                           |   |  |
|---------------------------|---|--|
|                           | <ul style="list-style-type: none"> <li>• Quarterly PH review</li> <li>• Peer Review at SMT, by Risk Manager and Insurance Officer</li> </ul>  |  |
| Service Assurance         | <ul style="list-style-type: none"> <li>• Actions arising out of Annual SA document include: -</li> <li>• Amendment of customer measures</li> <li>• Refresher training in procurement and finance procedures, where appropriate</li> <li>• Update of Business Continuity Plan</li> <li>• Completion of the statutory returns.</li> <li>• Completion of the statutory Regulatory Service Plan</li> <li>• Completion of the SWSCP review.</li> </ul> |  |
| Corporate Health & Safety | <ul style="list-style-type: none"> <li>• H&amp;S audit programme</li> <li>• Training schedule</li> <li>• Satisfactory completion of Corporate Compliance Group actions</li> <li>• Regular Reports to SMT</li> </ul>   |  |



## Part 3 – Managing and Improving People

### 3.1 Staff Resource

There are currently 47.4 FTE posts in the department.

### 3.2 Workforce Planning

| Category   | Sponsor                               | Activity  | Budget Impact | Impact on other Service Areas                                       | Milestones                 |
|--|---------------------------------------|---|---------------|---|----------------------------|
| <b>1. Succession Planning</b><br>(E.g. planning for leavers) | Marianne Rolfe                        | Developing new post holders                                       | Within Budget | In liaison with HR  | Ongoing                    |
|  | Marianne Rolfe                        | Review of any vacant posts  | Within Budget | In Liaison with HR  | Ongoing                    |
| <b>2. Skills, Training, Competency Needs</b>                 | Marianne Rolfe                        | Ongoing requirements for professional and technical staff.        | Within budget | In liaison with HR  | March 2018                 |
|  | Marianne Rolfe                        | Meeting development needs of new potholders                       | Within Budget | N/A   | Ongoing                    |
|  | Marianne Rolfe/Ian Carden/Sam Collins | Organising Corporate H&S, Prevent and Counter Terrorism training. | Within budget | In liaison with HR and other service areas                          | March 2017                 |
| <b>3. Service Changes –</b>                                  | Marianne Rolfe                        | Implementation of Restructure & recruiting to vacant posts        | Within Budget | Transfer of engineering responsibilities to HSP and in SLA with WCC | 1 <sup>st</sup> April 2017 |

|  |   |  |                          |  |            |
|--|---|--|--------------------------|--|------------|
| <b>Determining the need for additional resource to address the increasing planning application workloads</b> | Marianne Rolfe/Pete Cutts/Michael Jenkins | Determining the need for additional post | External Funding sources | Failure to address will impact on Development services | March 2018 |
|--|---|--|--------------------------|--|------------|

#### Part 4 BUDGET – Main budgetary pressures and changes

| Activity   | Budgetary Impact   | 2017/18  | 2018/19      | 2019/20 |
|--|--|--|--------------|---------|
| Review of VCS Spend  | Reduction in budget  | -  | £49K savings | -       |
| Delivery of Sustainability projects, namely District Heat network and project manager for the study. | Budget already in place.                                   | £10K project manager<br>100K for the study -<br>(government grant for the study) | -            | -       |
| Night Noise & CCTV overtime  | Reduction in overtime budget                               | £2000 and £1500 respectively   |              |         |
| Electric Vehicles, Priority Families, Flood Alleviation and Pumping stations                         | Whole budget transfer to HSP (to relevant budget managers) |  |              |         |

#### Part 5 – Managing Planned Changes, Major Work streams and Projects

| Change/Project   | Sponsor/Lead Officer                                    | Budget Impact | Impact on other Services | Milestones                                       | Date     |
|--|---|---------------|--------------------------|--|----------|
| Implementing the restructure and recruiting to posts as needed | Marianne Rolfe/Pete Cutts/ Lorna Hudson/Elizabeth Young | Within budget | Cross Cutting            | Employment committee 22 <sup>nd</sup> March 2017 | May 2017 |

|   |   |                        |   |   |            |
|---|---|------------------------|---|---|------------|
|   |   |                        |   |   |            |
| St John's Warwick – Flood mitigation project  | Pete Cutts/Sam Collins  | Not known              | Finance Neighbourhood   | Response to decision by Environment Agency  | TBC        |
| Purple Flag Maintenance   | Pete Cutts<br>Jayne Bailey  | None                   | Development Services  | Submission of renewal application   | March 2018 |
| Civil Contingencies – Programme of training and exercises to be delivered to staff and members  | Pete Cutts<br>Sam Collins   | Within budget          | Corporate<br>Regular updates to SMT   | Reissuing of Emergency Plan Q2 2017/18  | March 2018 |
| Health & Wellbeing <ul style="list-style-type: none"> <li>Wellbeing Charter accreditation progress</li> <li>Walking for health scheme for staff and out in the community via hubs and CDWs</li> <li>Developing the Officer Steering Group for Health and Wellbeing</li> <li>Development of the South Warwickshire Health and Wellbeing Partnership</li> </ul> | Elizabeth Young<br>Rob Chapleo                                      | None                   | Cross-cutting<br>Regular updates to SMT, O&S subcommittee and Health and Wellbeing Board. | Review of the vacant post<br>Annual submission for (Sept 2017)<br>Director of Public Health report (June 2017)<br>PH statement updates for the WHB. | March 2018 |
| Sustainability <ul style="list-style-type: none"> <li>Heat network mapping studies</li> <li>Development of the Sustainability programme and approach</li> <li>Development of the Steering Group for Sustainability</li> </ul>   | Elizabeth Young<br>Sustainability Lead<br>Officer<br>Marianne Rolfe | Within existing budget | Cross-cutting work.<br>Need for regular updates to SMT                                    | Appointment of Project Manager<br>Appointment of procured feasibility study contractor<br>Phase 1 & 2 reports                                       | March 2018 |

## Appendix E

|   |   |                        |   |   |            |
|---|---|------------------------|---|---|------------|
| Re-acting to budgetary pressures following corporate decisions                      | Marianne Rolfe                            | Not known              | Unknown                                       | Unknown   | March 2018 |
| Total mobile Development  | Lorna Hudson                              | Within existing budget | ICT   | Beta testing April 2017<br>Live testing to be confirmed   | March 2018 |
| Tascomi Development Work  | Lorna Hudson                              | Not Known at present   | ICT (expansion to other services longer term) | Determination of system suitability. 12 months' notice to existing provider.                          | March 2018 |
| Contribution to Lillington regeneration project.                                    | Marianne Rolfe/CPT                        | Within existing budget | Corporate project                             | Unknown   |            |
| Contribution to major corporate projects – e.g. Relocation                          | Marianne Rolfe                            | Not Known              | Corporate project                             | Unknown   |            |
| Review of the Night Noise service   | Pete Cutts/Michael Jenkins                | Within existing budget | HCP project                                   | Estimated start June 2017   | March 2018 |
| Charging for Pre application costs for Planning                                     | Pete Cutts/ Michael Jenkins               | Within existing budget | Development Services                          | Business case in time for fees and charges report to Exec October 2017<br>Implementation January 2018 | March 2018 |
| Funding sources for additional EHO resource needed to address planning applications | Marianne Rolfe/Pete Cutts/Michael Jenkins | External funding       | Development Services                          | Review of external funding opportunities in partnership with Development Services                     | March 2018 |

## Service Area Plan 2016/17

**Part 1 - Service Information/links to policy**

**Part 2 - Managing Service Delivery**

**Part 3 - Managing and Improving People**

**Part 4 - Budget**

**Part 5 - Managing Planned Changes/Projects**

|                                |                           |
|--------------------------------|---------------------------|
| <b>Service Area :</b>          | Housing Services          |
| <b>Service Area Manager:</b>   | Vacant                    |
| <b>Deputy Chief Executive:</b> | Bill Hunt                 |
| <b>Portfolio Holder(s):</b>    | Councillor Peter Phillips |

### 1 Purpose of the Services Provided

To provide effective, value for money, customer-focussed housing services by:

- Helping people to find and maintain housing appropriate to their needs by providing housing advice and homelessness services
- Managing the HomeChoice scheme on behalf of all affordable housing providers operating within the district
- Improving standards within the private rented sector by licensing Homes in Multiple Occupation, undertaking Housing Health & Safety Rating System inspections and taking enforcement action if appropriate
- Providing people-based services, tailored to reflect individual needs, that allow council tenants and leaseholders to thrive and participate in their community and succeed to the best of their abilities
- To provide effective management of our council housing stock including tenancy enforcement, rent collection, estate management
- Supporting people to live independently by providing high quality sheltered and supported housing, lifeline services, Disabled Facility Grants, an aids and adaptation service for council homes, affordable warmth and financial inclusion advice
- Maintaining a financially viable Housing Revenue Account (HRA) to ensure the provision of a high quality council housing service through timely collection of income, value for money deployment of management resources and prudent management of costs
- Supporting the creation of stable, inclusive communities by managing an effective Housing Strategy for the district.
- Encouraging the development of affordable housing across the district through effective use of s106 funding, deployment of commuted sums and exploration of options to increase the level of council housing to offset Right to Buy sales
- Supporting the delivery of key corporate projects or studies

**1.1 Linkages to Sustainable Community Strategy**

|                | <b>Direct</b>  | <b>Indirect</b> |
|----------------|--|-----------------|
| <b>Housing</b> | <ul style="list-style-type: none"> <li>• Exploring options to maximise the delivery of affordable housing including: <ul style="list-style-type: none"> <li>○ Working with developers to effectively use resources made available through s106 planning obligations or CIL contributions</li> <li>○ Taking advantage of any public funded investment made available by the Homes and Communities Agency or other Government funding streams</li> <li>○ Explore the potential of development sites, both publically and privately owned which can be used to deliver affordable housing for rent, shared ownership or sale</li> <li>○ Purchasing shared ownership properties e.g. Great Field Drive, Cloister Way, as opportunities present themselves</li> </ul> </li> <li>• Helping people to find, maintain and enjoy a secure home by: <ul style="list-style-type: none"> <li>○ Deploying effective homelessness prevention strategies and providing support for those threatened by homelessness at an early stage</li> <li>○ Providing high quality temporary accommodation for anyone whose homelessness can not be prevented with as little use of bed and breakfast accommodation as possible</li> <li>○ Effective administration of the HomeChoice scheme to ensure affordable housing is allocated in a fair and transparent way</li> <li>○ Helping council tenants to sustain their tenancies by providing advice and tailored people-focussed services that equip people to develop the skills and knowledge they need to maintain their tenancy.</li> </ul> </li> </ul> |                 |

|  |  |  |
|--|--|--|
|  | <ul style="list-style-type: none"><li>○ Assisting older people to maintain their independence by providing housing support and developing the Council's 24/7 cross-tenure Lifeline Service.</li><li>○ Contributing to the effective management of the county-wide HEART service to deliver a programme of Disabled Facilities Grants (all tenures) and Aids &amp; Adaptations (Council homes) so that people can continue to enjoy their homes regardless of any disability</li><li>● Improving the quality of the districts existing housing stock, including:<ul style="list-style-type: none"><li>○ Raising the standard of homes in the private rented sector by deploying an effective regime for HMO licensing and HHRS inspections, supported by enforcement action when necessary</li><li>○ Supporting a Landlord Steering Group and a Landlords' Forum</li><li>○ Helping people remain healthy and safe in their homes, we will provide discretionary grants to owner occupiers where the condition of their home is dangerous but they do not have the means or capacity without help to resolve the situation.</li><li>○ Maintaining high standards of cleaning of communal areas and grounds maintenance on housing estates where the Council is the majority landlord</li></ul></li><li>● Providing high quality Council homes by:<ul style="list-style-type: none"><li>○ Regularly reviewing the Housing Revenue Account Business Plan to ensure the Council can continue to effectively manage and maintain its landlord function and continue to make a proactive contribution to the provision of a range of housing options for the district</li></ul></li></ul> |  |
|--|--|--|

|                              |   |   |
|------------------------------|---|---|
| <b>Prosperity</b>            | <ul style="list-style-type: none"> <li>• Providing an effective financial inclusion support service for Council tenants</li> <li>• Contributing to the 'Breathing Space' project, operated in partnership with other housing associations providing homes in the district, to support residents who are struggling financially by offering money advice and signposting services and referrals to Job Clubs</li> <li>• Providing accommodation for the Lillington Job Club</li> <li>• Letting the majority of Council owned homes on social rents</li> </ul>  | <ul style="list-style-type: none"> <li>• Our Procurement Strategy gives weighting to organisations who commit to using the local labour force.</li> </ul>   |
| <b>Safer Communities</b>     | <ul style="list-style-type: none"> <li>• We reduce anti-social behaviour by having the Tenancy Enforcement Officers work alongside the Community Safety Team and sharing capacity and skills.</li> <li>• Ensuring effective engagement with the county-wide safeguarding structures</li> <li>• Training staff to recognise potential safeguarding issues, incidents of domestic violence and equipping them to make effective referrals to ensure appropriate action is taken</li> </ul>  |   |
| <b>Health and Well Being</b> | <ul style="list-style-type: none"> <li>• Recognising that a secure home is fundamental to the health and well-being of the district's residents and ensuring that effective people-focussed services are provided that allow tenants to sustain their tenancies.</li> <li>• Improving the quality of living by reducing the risk of damp and poor quality housing within the private rented sector.</li> <li>• Preventing homelessness and providing temporary accommodation and a route into housing in those cases when it can not be prevented</li> <li>• Working to reduce the distress and ill-health that can be caused by the loss of a home by carrying out regular routine tenancy visits to all WDC tenants to help make</li> </ul> | <ul style="list-style-type: none"> <li>• The Council currently offers secure tenancies to all tenants. Secure tenancies offer the security needed by households to invest in their homes and communities, build healthy and sustainable lives and avoid disruption to family life. (NB this may change if the Government proceeds with its current intention of requiring Council's to offer only fixed term tenancies for new tenancies)</li> <li>• Our Housing Advice, Tenancy and Housing Support Officers work in partnership with the NHS, Public Health, the Alcohol and Drug Support Services, to support our tenants to choose healthier lifestyles. We do this by identifying support needs and making referrals where they will help and by working closely with the agencies that can help people live a healthier lifestyle.</li> </ul> |



|                              |   |  |
|------------------------------|---|--|
|                              | <p>sure that people get the right support to sustain their tenancy and allowing potential problems to be identified early and solutions deployed to maintain pleasant neighbourhoods and well-kept homes.</p> <ul style="list-style-type: none"> <li>• Helping to reduce the number of admissions to hospitals and care homes and help people return home more quickly after receiving treatment by carrying out aids and adaptations and providing Disabled Facilities Grants so that residents can remain in their homes safely and for longer.</li> <li>• Maintaining and improving the Council's 24/7 Lifeline service which currently has over 3,000 users.</li> <li>• Ensuring our sheltered housing schemes maximise the opportunity for older people to maintain their independence, by providing social activities that improve residents' mental and social wellbeing.</li> <li>• Visiting every illegal gypsy and traveller encampment to identify if there are particular housing needs amongst the occupants that require redress</li> </ul> |  |
| <b>Sustainability</b>        | <ul style="list-style-type: none"> <li>• Providing financial advice to tenants to maximise their income</li> <li>• Exploring options to enable council tenants to access affordable warmth</li> </ul>   | <ul style="list-style-type: none"> <li>• Contributing to the corporate financial inclusion agenda</li> </ul>   |
| <b>Involving Communities</b> | <ul style="list-style-type: none"> <li>• Engaging with tenants and leaseholders through a variety of approaches</li> <li>• Ensuring tenants are represented on the Housing Advisory Group which assists in the development of housing policy and practice</li> </ul>  | <ul style="list-style-type: none"> <li>• Utilising HRA properties to provide facilities that benefit the wider community e.g. Packmores Centre, Warwick</li> </ul> |
| <b>Narrowing the Gaps</b>    | <ul style="list-style-type: none"> <li>• Financial inclusion strategies</li> <li>• Direct provision of council homes at social rents in a district with an unbalanced housing market and high</li> </ul>  |  |

|                            |  |  |
|----------------------------|--|--|
|                            | costs of private sector renting or home purchase   |  |
| <b>Supporting Families</b> | <ul style="list-style-type: none"> <li>Hosting the Warwick District Priority Families Programme officer.</li> </ul>                  |  |
| <b>Rural Issues</b>        | <ul style="list-style-type: none"> <li>Direct provision of affordable council homes in many villages across the district.</li> </ul> |  |

## 2 Managing Service Delivery

### 2.1 Service Overview

(NB – Specify main aspects of service delivery during the year)

| Service Being Delivered          | Priorities (with Justification)   | Service Demand                   |                          |
|----------------------------------|---|----------------------------------|--------------------------|
| <b>Sustaining Tenancies Team</b> | <p>Re-designing Housing Support and the Lifeline service to address the £463K shortfall in 2017/18 created by the cessation of Supporting People funding</p> <p>Review the cleaning contract and determining whether the contract should be re-procured</p> <p>Determine plans for cleaning of all our blocks and amend the contracts if necessary</p> <p>Maintain the Service Visit programme to ensure every tenant is visited at least once every 3 years</p> <p>Maintain the Council's ability to continue to provide its landlord service by making sure that all income due to the Council is collected promptly and to see ongoing improvement in performance.</p> | 3,500 Lifeline alarm users       | Annual rent debit £26.3m |
|                                  |   | 102 blocks cleaned               |                          |
|                                  |   | 1,800 visits programmed for year |                          |
|                                  |   | 1,900 tenants in arrears         |                          |
|                                  |   | Value of current, £693K, former  |                          |

|  |  |  |  |
|--|--|--|--|
|  | <p>Deal effectively with anti-social behaviour ensuring new policies on ASB and Domestic abuse are implemented successfully</p> <p>Deal effectively with breaches of tenancy</p> <p>Review our approach to tenancy management in light of the Housing and Planning Act and specifically fixed term tenancies. This may mean the introduction of a new Tenancy Agreement as well as related procedures</p> <p>Ensure the newly established Neighbourhood Officers team is operating effectively in improving the management of our estates</p> <p>To review the disaggregation of service charges</p> | <p>£215K and garage rent debt £3K</p> <p>c1.15% bad debt write-offs</p> <p>c2500 NSPs served pa</p> <p>c40 evictions</p> |  |
| <b>Housing Strategy &amp; Development Team</b> | <p>Effectively administer the district-wide HomeChoice scheme</p> <p>Complete the 12 month review of the new Homechoice Policy</p> <p>Reduce the time people have to spend waiting for a new home and reduce income loss to the Council's landlord service by letting empty homes to new tenants as quickly as possible</p> <p>Prevent people from becoming homeless or when that is not possible help them find a new place to live as quickly as possible by providing a</p>   | <p>c2,500 applicants on the Housing Register</p> <p>Average void time 44 days</p> <p>c620 homeless applications pa</p>   | <p>500 Voids pa</p> <p>700 lettings &amp; nominations pa</p> |

|  |   |  |  |
|--|---|--|--|
|  | <p>homelessness service that is compliant with the legal requirements placed upon the Council to help those who are homeless.</p> <p>To implement the recommendations of the Temporary Accommodation review.</p> <p>Offer an effective, tailored and relevant advice and assistance service.</p> <p>Inspect (or re-inspect) all HMOs requiring a license and issue an up to date license as appropriate.</p> <p>Effectively manage complaints and concerns raised by private sector tenants about the quality of their homes.</p> <p>Respond to reports of Gypsies and Travellers settling on unauthorised sites such as country parks, highway and privately owned land, taking direct action in respect of land owned by the Council and supporting with advice encampments on land owned by other landholders.</p> <p>Maintain effective administration of the service area.</p> | <p>c140 homeless acceptances pa</p> <p>c5 rent bonds issued</p> <p>c30 homelessness preventions</p> <p>c480 advice and assistance approaches per year</p> <p>335 licensable properties</p> <p>220 inspections undertaken pa</p> <p>c380service requests per year</p> <p>c25 enforcement notices issued</p> <p>c30 illegal encampments</p> <p>580 leaseholder statements issued</p> <p>c£19k service charge arrears</p> |  |
|--|---|--|--|

|  |  |   |  |
|--|--|---|--|
|  | <p>Monitor and ensure an effective response to the implementation of the Housing and Planning Act</p> <p>Continuing to manage and respond to incoming consultations for affordable housing development to ensure maximum delivery of varied affordable housing provision.</p> <p>Evaluate options to increase our council stock portfolio via the purchase of clusters of viable properties.</p> | <p>65 Right-to-Buy applications</p> <p>c200 completions of new affordable housing</p> |  |
|--|--|---|--|

## 2.2 Measures

### Key Corporate Measures

| <b>Customer Measures – those important to the people/organisations who use our services</b><br><b>Note: these measures should be used on a daily, weekly or monthly basis to identify the impact of interventions in the system and to plan future interventions. Interventions may be very small adjustments to resources, or may involve transformational change</b> |       |   |   |   |
|--|-------|---|---|---|
|  | Qrt 1 | 2 | 3 | 4 |
| Number of empty homes brought back into use as a consequence of PSH team activity (Target: 1 per quarter)  |       |   |   |   |
| the average number of days it took to let each property (Target: 33 days)  |       |   |   |   |
| The percentage of decisions on each homelessness case accepted within 33 days (Target: 75%)  |       |   |   |   |
| The average number of weeks each homeless applicant spends in temporary accommodation (Target: 6 months)   |       |   |   |   |

|   |       |   |   |   |
|---|-------|---|---|---|
| Total number of Service Visits (Target: 140 per annum   |       |   |   |   |
| Percentage of calls to Lifeline answered within one minute (Target: 97.5%)  |       |   |   |   |
| The percentage of private sector housing service requests resolved within target (target 90%)   |       |   |   |   |
| Total Rent Arrears as % of rent debit (Target: 2.8%)  |       |   |   |   |
| Tenants seven or more weeks in arrears (Target: 575)  |       |   |   |   |
| <b>Operational Measures – other (non-customer) measures essential to ensure that “purpose” can be achieved.</b>   |       |   |   |   |
| Note: <u>this section will not be used by most service areas</u> as their Customer Measures are expected to be sufficient. However, there may be cases where an operational measure is required to ensure the smooth running of a service area. |       |   |   |   |
|   | Qrt 1 | 2 | 3 | 4 |
| Commercial Income earned by Lifeline (Target: £60,000 )   |       |   |   |   |
| Total number of affordable homes completions  |       |   |   |   |
| Total number of people registered with Home Choice  |       |   |   |   |
| Number of Homes in Multiple Occupation Licences which were relicensed   |       |   |   |   |
| The average number of days applicants remain in Band 1  |       |   |   |   |

## 2.3 Managing Risk

| Risk                | Planned Actions during year  | Comments                                      |
|---------------------|--|---|
| Budget              | <ul style="list-style-type: none"> <li>Maintain monthly budget monitoring regime</li> <li>Review HRA budget assumptions when further information on implementation of outstanding Housing &amp; Planning Act proposals and timescale for local implementation of changes to the social security system are known</li> <li>Ensure savings/additional income is planned for reduced income from Supporting People for funding our housing related support</li> </ul> | Maintain close liaison with ARCH, CiH and DWP |
| Procurement         | <ul style="list-style-type: none"> <li>To ensure contracts are managed well. In particular ensure current risk issues with the cleaning contract are mitigated</li> </ul>  |   |
| Contract Management | <ul style="list-style-type: none"> <li>Quarterly reviews of the Contracts Register at Housing Management Team meetings.</li> </ul>   |   |
| Audits              | <ul style="list-style-type: none"> <li>Internal Audits scheduled for 2017/18:</li> </ul>   | Review action plan for previously             |

|                           |   |  |
|---------------------------|---|--|
|                           | Housing rent collection<br>Private sector housing regulation<br>Housing related support services<br>Building cleaning services  | completed audits at monthly 1-1s             |
| Risk Register             | <ul style="list-style-type: none"> <li>Quarterly review of Risk Register by the Housing Management Team</li> </ul>  | Full review reported to F&A Committee 4/1/17 |
| Service Assurance         | <ul style="list-style-type: none"> <li>Handover of assurance responsibilities to form part of Induction Programme for new Head of Service and process will include an in-year review of assurance arrangements</li> </ul> |  |
| Corporate Health & Safety | <ul style="list-style-type: none"> <li>Health and Safety Assessments to be regularly checked and updated</li> <li>Contribution to corporate agenda to be reviewed as part of Risk Register review</li> </ul>              |  |

### Part 3 – Managing and Improving People

#### Workforce Planning

| Category   | Sponsor   | Activity   | Budget Impact  | Impact on other Service Areas | Milestones                          |
|--|---|--|--|-------------------------------|-------------------------------------|
| <b>1. Succession Planning</b><br><br>(E.g. planning for leavers) | Bill Hunt   | Recruitment of new Head of Service   | Assumed to be within existing budget   | Support from HR agreed        | Advert April<br><br>Appointment May |
|  | New Head of Service   | Decision on service team manager secondments                               | None   | Support from HR               | After Head of Service in post       |
| <b>2. Skills, Training, Competency Needs</b>                     | Bill Hunt/new Head of Service/<br>Sustaining Tenancy Manager/<br>Housing Strategy & Development Manager | Develop a service area training plan (training matrix) from appraisal PDPs | Budget for training needs to be adequately resourced to support officers, in particular those doing professional courses | Finance                       | Sept 2017                           |

|                           |          |   |                         |      |                 |
|---------------------------|----------|---|-------------------------|------|-----------------|
| <b>3. Service Changes</b> | As above | <p>Skilling the teams to enable them to be more flexible to change</p> <p>Working differently supporting a work/life balance</p> <p>Deployment of ICT to support flexible working</p> | Within existing budgets | None | Throughout year |
|---------------------------|----------|---|-------------------------|------|-----------------|

**Part 4 BUDGET – Main budgetary pressures and changes**

| Activity                                  | Budgetary Impact   | 2017/18                                    | 2018/19   | 2019/20                       |
|---|--|--|---|-------------------------------|
| <b>General Fund</b>                       |  |  |   |                               |
| Identify savings on discretionary budgets | Ongoing challenge to find savings without impacting upon statutory service delivery  | £10,300 Target                             | TBA   | TBA                           |
| <b>Housing Revenue Account</b>            |  |  |   |                               |
| Social security changes                   | <p>Local Housing Allowance (LHA) rates and caps will now apply to social housing tenants beginning from April 2019. Nearly all current council rents are below LHA rates. However, tenants aged under 35 will be affected by the shared room rate that for some will be below our rent levels and therefore tenants will have a shortfall to pay, and some single occupiers of larger/more expensive properties may also be affected and have a shortfall from the one room rate. Occupiers in the private sector are already subject to LHA rates. HA tenants will be more severely affected due to higher rents than we charge.</p> <p>The introduction of Universal Credit has now started to impact upon us, although due to the small numbers involved this is not having a negative impact on rent collection overall, The full roll out from June 2018, will have a bigger impact and we will monitor the impact and measures prior to this time.</p> | Bad debt provision (BDP) set at 1.5% £399k | HRA BDP increased to 2% £524k to reflect increased risk of rent arrears | BDP set at 2% in HRA BP £517k |
| Reduction in                              | Funding shortfall of £546K identified from July 2017 when  | HRA has agreed                             | Current funding   | TBA                           |



|  |   |  |   |                 |
|--|---|--|---|-----------------|
| cost/increase in income for Lifeline Service | existing transition arrangements for withdrawal of Housing Related Support funding from WCCC cease.<br>Re-design of service to be reported to June Employment Committee<br>Proposal to appoint fixed term Project Manager to support income generation activities taken to March Employment Committee | budget of up to £546k as per HRA Budget report at February 2017 Executive. | shortfall of £819k at 2017/18 values (Pending re-design and income generation programme). |                 |
| 1% annual rent reduction                     | Mandatory until 19/20   | £253k reduction  | £243k reduction   | £237k reduction |

## Part 5 – Managing Planned Changes, Major Workstreams and Projects

| <b>Change/Project</b>   | <b>Sponsor/ Lead Officer</b> | <b>Budget Impact</b>  | <b>Impact on other Services</b> | <b>Milestones</b>   | <b>Date</b>                              |
|---|------------------------------|---|---------------------------------|---|--|
| Agree and implement workplan for Year One actions for the Housing & Homelessness Strategy | Ken Bruno                    |   | Development Services            | Agree workplan with Portfolio<br>Report to HAG<br>Report to Executive | April 2017<br>June 2017<br>March 2018    |
| Review the Allocation Policy  | Ken Bruno                    |   |                                 | Commence review<br>Executive report<br><br>Implement any changes      | June 2017<br>November 2017<br>March 2018 |
| Complete re-design of Housing Support & Lifeline service                                  | Simon Brooke                 | £463k additional budget included for 17/18 – savings proposals will allow an element to be returned |                                 | Complete consultation<br>Report to Employment Committee and Executive | May 2017<br><br>June 2017                |

| <b>Change/Project</b>  | <b>Sponsor/<br/>Lead<br/>Officer</b> | <b>Budget<br/>Impact</b>   | <b>Impact on other<br/>Services</b> | <b>Milestones</b>          | <b>Date</b>             |
|--|--------------------------------------|--|-------------------------------------|----------------------------|-------------------------|
|  |                                      | to<br>reserves   |                                     |                            |                         |
| Promote the Lifeline Service to increase number of users and maximise income   | Simon<br>Brooke                      | £463k<br>additional<br>budget<br>included<br>for<br>17/18-<br>additional<br>income<br>savings<br>proposals<br>will allow<br>an<br>element<br>to be<br>returned<br>to<br>reserves |                                     | Appoint Project Manager    | April 2017              |
| Review approach to Service Charges   | Simon<br>Brooke                      |  |                                     |                            |                         |
| Review Tenant Engagement Strategy  | Ken Bruno                            |  |                                     | New strategy               | March 2018              |
| Review the effectiveness of the Housing Advisory Group   | Ken Bruno                            |  |                                     |                            |                         |
| Review services provided to leaseholders   | Ken Bruno                            |  |                                     | Consultation<br>Proposals  | Summer 17<br>October 17 |
| Review service charges   | Simon<br>Brooke                      |  |                                     |                            |                         |
| Offer benefit and income maximisation advice to all sheltered scheme tenants adversely affected by the revised service charges | Simon<br>Brooke                      |  |                                     | Commencement<br>Completion | April 2017<br>June 2017 |
| Complete the fire alarm system improvement programme   | Simon<br>Brooke                      |  |                                     |                            |                         |

| <b>Change/Project</b>  | <b>Sponsor/<br/>Lead<br/>Officer</b>                    | <b>Budget<br/>Impact</b> | <b>Impact on other<br/>Services</b> | <b>Milestones</b>  | <b>Date</b>                    |
|--|---|--------------------------|-------------------------------------|--|--------------------------------|
| Review the operation of the cleaning contract and determine if re-procurement required   | Simon Brooke  |                          |                                     |  |                                |
| Complete the re-licensing of existing HMOs and the new licensing required by the revised regulations   | Ken Bruno   |                          |                                     | Commencement<br>Complete the relicensing<br>Plan for new regulations | Sept 2017<br>April 2018<br>TBC |
| Effectively settle and support Syrian refugees   | Ken Bruno   |                          |                                     | First households settled   | April 2017                     |
| Complete the transition of disabled adaptations to the county-wide HEART service and review the effectiveness of the new arrangements  | Ken Bruno   |                          |                                     | Transfer   | April 2017                     |
| Eliminate the routine use of Bed & Breakfast accommodation for homeless households   | Ken Bruno   |                          |                                     |  | May 2017                       |
| Effectively manage new temporary accommodation provision e.g. Willes Road and review the level of service provision provided to households in temporary accommodation          | Simon Brooke/<br>Ken Bruno                              |                          |                                     | Complete repairs and bring onstream                                  | May 2017                       |
| Complete Rental Exchange project   | Simon Brooke  |                          |                                     |  |                                |
| Make decision on future support for Credit Union   | Simon Brooke  |                          |                                     |  |                                |
| Review the W2 Partnership  | Andy Jones/Ken Bruno                                    |                          |                                     | Decision as to scope of review<br>Completion                         | July 2017<br>Dec 2017          |
| Contribute to the review of options to develop new HRA homes   | Bill Hunt/<br>Head of<br>Housing/<br>Russell<br>Marsden |                          |                                     |  |                                |
| Review HRA Business Plan assumptions in light of budget pressures, social security changes and emerging thinking on the unimplemented provisions of the Housing & Planning Act | Bill Hunt/<br>Head of<br>Housing/<br>Andrew<br>Rollins  |                          |                                     | Report as part of HRA base budget setting report                     | Dec 2017                       |

| <b>Change/Project</b>   | <b>Sponsor/<br/>Lead<br/>Officer</b>             | <b>Budget<br/>Impact</b> | <b>Impact on other<br/>Services</b>            | <b>Milestones</b>                    | <b>Date</b>           |
|---|--|--------------------------|--|--------------------------------------|-----------------------|
| Contribute to the feasibility project on the potential regeneration of Lillington | Andy Jones/<br>Philip Clarke/<br>Head of Housing |                          |  |                                      |                       |
| Let ICT support and development contract for HomeChoice system                    | Ken Bruno  |                          | Frees up ICT resources for other digital work. | Procurement exercise<br>Contract let | June 2017<br>Nov 2017 |

## Service Area Plan 2017/18

**Part 1 - Service Information/links to policy**

**Part 2 - Managing Service Delivery**

**Part 3 - Managing and Improving People**

**Part 4 - Budget**

**Part 5 - Managing Planned Changes/Projects**

|                                |                        |
|--------------------------------|------------------------|
| <b>Service Area :</b>          | Neighbourhood Services |
| <b>Service Area Manager:</b>   | Rob Hoof               |
| <b>Deputy Chief Executive:</b> | Bill Hunt              |
| <b>Portfolio Holder(s):</b>    | Cllr David Shilton     |

### 1 Purpose of the Services Provided

To provide a range of front line services that have a direct impact on making the district a great place to live work and visit including:-

#### Waste Collection

As the designated Waste Collection Authority the Council is responsible for providing a range of waste collection and recycling services.

#### Street Cleansing

As the designated Litter Authority the Council is responsible for ensuring that street cleansing is carried out across the District.

#### Grounds Maintenance

Responsible for the provision of good quality parks and open spaces across the district contributing to a high quality local environment, promoting healthy lifestyles, and supporting a range of local activities.

#### Off-Street Car Parking

Providing car parks that meet the needs of residents, workers and visitors to the District, in order to support the local economy.

#### Bereavement Services

Providing burial and cremation services to residents of the District and beyond.

#### One Stop Shops

Providing access to a range of WDC and WCC services through the provision of local one stop shops.

**1.1 Linkages to Sustainable Community Strategy**

|                              | <b>Direct</b>  | <b>Indirect</b>   |
|------------------------------|--|---|
| <b>Housing</b>               | <p>Grounds maintenance and cleansing operations on housing areas delivered by external contractors and managed by the Area Officers.</p> <p>Review of poor quality open spaces may identify sites that would be suitable for housing development.</p>  | Working with Housing Officers and tenants to identify a range of issues that impact on the quality of the local environment.  |
| <b>Prosperity</b>            | <p>Provision of sufficient car park spaces for shoppers and visitors.</p> <p>Encouraging visitors to the district's destination parks with associated benefit to the local economy.</p>  | Inclusion of apprenticeship schemes as part of Waste / GM contract re-let based on local employment via the contract.   |
| <b>Safer Communities</b>     | The provision of a Ranger Service, as an operational resource, which provides signposting for customers, enforcement powers and a key link with other agencies such as the police.   | Via work undertaken by <b>Area Contract Officers</b> with community forums aimed at keeping the district clean and safe.  |
| <b>Health and Well Being</b> | Implementing the Green Space Strategy and Play Area Improvement Programme, improving the quality of parks, play areas and open spaces, encouraging greater use by all parts of the community.  | <p>Supported by encouraging the use of parks and open spaces for events and leisure activities.</p> <p>Maintaining a clean and safe environment. Effective waste management policies and collection arrangements.</p> |
| <b>Sustainability</b>        | <p>WDC contributes to the Warwickshire Waste Partnership which aims to increase the level of reuse and recycling and minimise the amount of waste going to landfill/incineration.</p> <p>Introducing more environmentally friendly horticultural practices, and development of wildlife habitats in partnership with the Warwickshire Wildlife Trust.</p> <p>Supporting the delivery of a green travel plan, and use of electric vehicle charging points in car parks.</p> | Investigating opportunities with WCC and other organisations to use/recycle waste using existing and emerging technologies.   |

## 2 Managing Service Delivery

### 2.1 Service Overview

|            | Service Being Delivered     | Priorities (with Justification)   | Service Demand                          |                                   |
|------------|-----------------------------|---|---|-----------------------------------|
| <b>CS1</b> | Waste Collection            | WDC is the designated Waste Collection Authority. Collection of residual waste in wheeled bins/sacks, bulk collections, clinical waste, commercial waste, and events                    | No. of collections per annum            | 4 Million                         |
|            |                             |   | Income                                  | £450k per annum                   |
| <b>CS2</b> | Recycling Services          | Required to meet English Recycling Targets, collection of dry recyclables, green/food waste, bring banks, recycling from flats and schools.   | WDC Recycling rate                      | 56%                               |
| <b>CS3</b> | Street Cleansing Operations | WDC is the designated Litter Authority. Cleansing of parks open spaces and highway land at various frequencies across the District. Removal of fly tipping, graffiti and fly posting.   | Carried out 365 days a year             | Supported by Rapid Response Teams |
| <b>CS4</b> | Car Parking Management      | Provision of off-street car parks, managing income and parking enforcement. Managed service on behalf of Royal Priors Shopping Centre.  | 3 multi storey and 24 surface car parks | Income £3.1 million per annum     |
| <b>CS5</b> | Grounds Maintenance         | Grass cutting, shrub bed maintenance, hedges, highway verges  | Area maintained                         | 550 Hectares                      |
| <b>CS6</b> | Children's Playgrounds      | Maintenance of children's play equipment.   | Checked weekly                          | 49 No.                            |
| <b>CS7</b> | Ranger Service              | Generic role that encompasses operational activities in parks and open spaces, signposting for residents and visitors, supporting community groups and other agencies, and enforcement. | Ranger Posts                            | 11                                |
|            |                             |   | Supervisors                             | 2                                 |
| <b>CS8</b> | Abandoned Vehicles          | Removal of abandoned vehicles from public land.   | Reported each year                      | Approx. 200                       |

|            |   |   |                                 |   |
|------------|---|---|---------------------------------|---|
|            |   |   |                                 |   |
|            | <b>Green Space Development</b>                        |   |                                 |   |
| <b>GS1</b> | Project Management                                    | Projects to improve the quality of parks, open spaces and playgrounds   | Planned this year               | 15 no.  |
| <b>GS2</b> | Technical Role  | Management of the technical aspects of the parks service including, bowling green maintenance, sports pitch maintenance, bedding, sustainable planting, tree and woodland management, and nature reserves.<br>Advice provided on planning applications/ 106 agreements, planning policy, commuted sums and delivery of open spaces on new developments. |                                 |   |
| <b>GS3</b> | Strategy Development                                  | Development of management plans, policies and procedures that underpin the future provision and quality of green space in the district, including commenting on 106s and planning applications.   |                                 |   |
|            |   |   |                                 |   |
|            | <b>Bereavement Services</b>                           |   |                                 |   |
| <b>BS1</b> | Oakley Wood Crematorium                               | Provisions of cremations, woodland burials and garden of remembrance in a peaceful and tranquil setting.  | Burials<br>Cremations<br>Income | 280 per annum<br>2000 per annum<br>£1.5 million per annum |
| <b>BS2</b> | Cemeteries and Closed Churchyards                     | Legal obligation to maintain if not carried out by other bodies.  | No.                             | 7   |
|            |   |   |                                 |   |
|            | <b>One Stop Shops</b>                                 |   |                                 |   |
| <b>OS1</b> | Warwick, Leamington, Whitnash, Kenilworth, Lillington | Provided jointly with Warwickshire County Council in order to give residents access to both district and county services in one place.  | Visits                          | 75,000 per annum  |
|            |   |   |                                 |   |



## 2.2 Measures

| <b>Customer Measures – those important to the people/organisations who use our services</b>   |       |   |   |   |
|---|-------|---|---|---|
| Note : these measures should be used on a daily, weekly or monthly basis to identify the impact of interventions in the system and to plan future interventions. Interventions may be very small adjustments to resources, or may involve transformational change |       |   |   |   |
|   | Qrt 1 | 2 | 3 | 4 |
| Responding to customer enquiries within 2 working days  |       |   |   |   |
| No of missed waste collections per month  |       |   |   |   |
| Increase in customer satisfaction surveys for parks and open spaces.<br>(to be carried out annually).   |       |   |   |   |
| Customer satisfaction surveys for One Stop Shops<br>(to be carried out annually).   |       |   |   |   |
| Satisfaction survey of funeral directors to be carried out annually.  |       |   |   |   |
|   |       |   |   |   |
|   |       |   |   |   |
|   |       |   |   |   |
| <b>Operational Measures – other (non customer) measures essential to ensure that “purpose” can be achieved.</b>   |       |   |   |   |
| Note: <u>this section will not be used by most service areas</u> as their Customer Measures are expected to be sufficient. However, there may be cases where an operational measure is required to ensure the smooth running of a service area.                   |       |   |   |   |
|   | Qrt 1 | 2 | 3 | 4 |
| Income from car parking activities  |       |   |   |   |
| No. of joint street cleansing inspections found to be to specification  |       |   |   |   |
| Number of joint health and safety inspections   |       |   |   |   |
| Improvement in quality of green space identified through district wide quality audit.   |       |   |   |   |
| Increase the number of Green Flags for parks and open spaces  |       |   |   |   |
|   |       |   |   |   |
|   |       |   |   |   |
|   |       |   |   |   |

## 2.3 Managing Risk

| Risk                | Planned Actions during year   | Comments  |
|---------------------|---|---|
| Budget              | <p>Monthly budget monitoring by managers and accountants.</p> <p>Continual monitoring of income and revising projected outturn.</p> <p>Continual review of service delivery and identification of savings, efficiencies and sources of additional income.</p>   | Information also reviewed regularly in SMT budget reports.  |
| Procurement         | <p>Procurement of specialist contractor to carryout structural repairs to St. Peters and Covent Garden multi-storey car parks.</p> <p>Procure specialist advice for the design and costing of a new multi-storey car park at Linen Street.</p> <p>Day to day discussions with Procurement Team</p> <p>Updating and review of the NS Contract Register</p> | <p>Support needed from the procurement team/Property Team and specialist consultants.</p> <p>As required</p> <p>Ongoing</p>   |
| Contract Management | <p>Use of performance measures</p> <p>Joint inspections</p> <p>Health and safety audits</p> <p>Monthly contract liaison meetings</p> <p>Annual partnership meetings</p> <p>Customer enquiries/complaints</p>  | <p>Monitored monthly</p> <p>Throughout the year</p> <p>Throughout the year</p> <p>With the 3 major contractors</p> <p>With the 3 major contractors</p> <p>Monitored daily</p> |
| Audits              | <p>Audit of Street Cleansing</p> <p>Audit of Refuse and Recycling</p>   | <p>Date to be confirmed</p> <p>Date to be confirmed</p>   |

|                           |   |  |
|---------------------------|---|--|
| Risk Register             | <p>Reviewed every 3 months across all areas of service.</p> <p>Reviewed every 3 months with Portfolio Holder</p> <p>Reviewed annually by Finance &amp; Audit</p> <p>Head of Service on the Corporate Risk Management Group</p> <p>Key risks included within Service Plan and Team Operational Plans</p> <p>Included within corporate management information</p> <p>Current Key Risks for Neighbourhood Services are:-</p> <p>Issues relating to multi-storey car parks</p> <p>Bereavement Service ICT system failure/replacement and associated records data.</p> | <p>Management Team Agenda Item</p> <p>Part of Portfolio Holder Briefing</p> <p>July 2016</p> <p>Head of Service</p> <p>Shared corporately and with Members</p> <p>Reviewed quarterly by SMT</p> <p>To be addressed subject to future business cases and funding.</p> <p>System replacement business case has been submitted.</p> |
| Service Assurance         | Included in Service Assurance Statement   |  |
| Corporate Health & Safety | <p>Completion of new style Fire Risk Assessments across all corporate buildings</p> <p>NS has a representative on the Corporate Health and Safety Group</p> <p>Actions resulting from inspection by the Health &amp; Safety Executive on waste services</p> <p>Planned health and safety audits.</p>  | <p>FRA undertaken by Building Control and logged on Assessnet with allocation of actions.</p> <p>No current issues highlighted</p> <p>Part of national inspections programme</p>   |

## Part 3 – Managing and Improving People

**Workforce Planning**

| Category   | Sponsor      | Activity  | Budget Impact                          | Impact on other Service Areas  | Milestones                                   |
|--|--------------|---|--|--|--|
| <b>1. Succession Planning</b>  | Pam Chilvers | New staff structure for Bereavement Services  | Increased income of approximately £68k | None   | New arrangements in place by June 2017       |
|  | Rob Hoof     | Restructure Neighbourhood Services Team   | TBC                                    | Impacts on Housing, Health & Community Protection, Cultural Services | To commence April 2017                       |
|  |              |   |  |  |  |
| <b>2. Skills, Training, Competency Needs</b>   |              |   |  |  |  |
| Full review of staff training and development needs and creation of annual plan following appraisals | Rob Hoof     | Completion of training needs matrices to determine skill gaps and development needs | TBC                                    | None   | Appraisals April 2017<br>Completed June 2017 |
|  |              |   |  |  |  |

**Part 4 BUDGET – Main budgetary pressures and changes**

| Activity   | Budgetary Impact   | 2017/18 | 2018/19 | 2019/20 |
|--|--|---------|---------|---------|
| Replacement of parking meters  | Funding to be identified   | £0      | £200k   | £0      |
| Replacement of pay on foot car park equipment  | To be included with Covent Garden and Linen St Projects. Additional cost for replacement at St Peters.           | £0      | £75     | £0      |
| Restructure of Contract Services Team  | Increase in costs to improve service resilience and enable ongoing service innovation and development.           | TBC     | TBC     | TBC     |
| Demolition and possible replacement of Linen Street multi-storey                     | No current budge provision for these costs.  | TBC     | TBC     | TBC     |
| Displacement Strategy for Leamington   | Provision of alternative parking facilities  | £100k   | £200    | £0      |
| Ongoing structural inspections of Linen Street multi-storey car park.                | Funded from Car Park Reserve   | £18k    | £0      | £0      |
| Displacement strategy for Warwick (not including St.Mary's Lands additional parking) | Provision of alternative parking facilities  | £100k   | £0      | £0      |
| Saving on discretionary budgets identified   | Ongoing challenges to budget managers to find the savings without impacting on service delivery or income levels | £5k     | £5      | £5      |

## Part 5 – Managing Planned Changes, Major Workstreams and Projects

| <b>Change/Project</b>  | <b>Sponsor/Lead Officer</b> | <b>Budget Impact</b>                         | <b>Impact on other Services</b>  | <b>Milestones</b>   | <b>Date</b>   |
|--|-----------------------------|--|--|---|---|
| Review of enforcement activities   | Graham Folkes<br>Skinner    | TBC  | Health & Community Protection  | Briefing Paper for the Executive                                      | April 2017  |
| Manage closure of Linen Street Car Park and look at replacement options.   | Paul Garrison               | £32k   | None   | TBC   | TBC   |
| Support the Riverside House relocation project including the replacement of Covent Garden Multi-storey car park. | Gary Charlton               | TBC  | None   | TBC   | TBC   |
| Develop Car Parking Strategy for the District  | Paul Garrison               | TBC  | Development Management   | Executive Report<br><br>Consultation<br><br>Final Report to Executive | June 2017<br><br>July to Nov 2017<br><br>January 2018 |
| Pump Room Gardens Phase 2  | Dave Anderson               | £995k HLF grant<br>Total project value £1.4m | Increased number of events.<br>Supports Planned Property Maintenance Programme | Works commence.   | July 2017   |
| Review of One Stop Shops   | Andy Jones                  | To be confirmed                              | To be confirmed  | Pilot ICT solution<br><br>Final proposal to Executive                 | August 2017<br><br>February 2018                      |

|   |               |               |  |   |            |
|---|---------------|---------------|--|---|------------|
| <p><b>Green Space Strategy Projects</b></p> <p>Ebourne Close (Kenilworth)<br/>The Holt (Cubbington)<br/>Mason's Avenue (Lillington)<br/>Shrublands Park (<br/>Saltisford Common (Warwick)<br/>Bates Memorial (Kenilworth)<br/>Harbury Lane Play Area<br/>Fieldgate Lane Play Area</p> <p><b>Community Led Projects</b><br/>New Street Burial Ground<br/>All Saints Churchyard<br/>Midland Oak</p> <p><b>Other Projects</b><br/>St. Nicholas Park improvements<br/>Abbey Fields Parks for People bid</p> | Dave Anderson | Approx. £840k | None   | Milestones for each individual project including:-<br><br>Project planning<br>Consultation<br>Procurement<br>Installation<br>Handover | March 2017 |
| <p>Review Council polices/strategies including as:-</p> <p>Tree and woodland strategy<br/>Tree management policy<br/>Signage policy</p>   | Dave Anderson | TBC           | None   | Part of an ongoing process of reviewing and refreshing policies   | 2017/18    |
| <p>Review public open space/play facility provision to understand what is affordable going forward.</p>   | Rob Hoof      | TBC           | Cultural Services<br>Health & Community<br>Protection<br>Development<br>Management | Linked with data capture project  | 2017/18    |

## Appendix G

|   |              |      |                                       |                               |               |
|---|--------------|------|---------------------------------------|-------------------------------|---------------|
| Implement new Bereavement Services ICT system | Pam Chilvers | TBC  | None                                  | Procurement process           | April 2017    |
|   |              |      |                                       | Award Contract                | July 2017     |
|   |              |      |                                       | Implementation Completed      | December 2017 |
| Open Space Data Capture Project               | Rob Hoof     | £50k | Housing & Property, Cultural Services | Tender Process                | May 2017      |
|   |              |      |                                       | Completion of data capture    | Sept 2017     |
|   |              |      |                                       | Acceptance testing / sign off | November 2017 |



## **2016/2017 - Chief Executive's Office Portfolio Holder Update**

### **1. Service Plan Performance**

The ICT Service provides the underlying infrastructure and support services for nearly 600 users, including key council contractors who access our systems. By the end of 2016/17 we expect the ICT Helpdesk to have received circa 15,000 calls, up on the preceding year, and the service as a whole made over 500 planned changes to our systems, excluding new developments. This represents a 25% increase on the preceding year. Despite the volume of change, service availability remained unchanged at 99.42%

The GIS team, which also has responsibility for Street Naming & Numbering (SNN), made over 32,000 updates the Local Land and Property Gazetteer (LLPG) in 2016/17. The LLPG is the Council's master property database and is integrated into services such as Planning, Revenues and Benefits, Community Protection and Electoral Services.

SNN generated over £50,000 of income in 2016/17 compared with an average of £6,000 when ICT took over the service in 2012. The 2016/17 income is a slight improvement on the preceding year.

Democratic Services is split between three core teams. Civic & Committee Services provides support to all Warwick District Councillors and manages the Council's public meetings, along with supporting the Chairman in their role as civic lead for the District. The electoral services team are responsible for managing of the electoral register (currently 103,956 electors) within the district and delivering all public elections that occur in the District. The Corporate Support Team are responsible for the management of post and deliveries within the Council, cash receipting, management of requests for information to the Council and provide support to the Corporate Management Team.

HR has continued to support the FFF strategy and work with the organisation to realise its vision and work with its values. Present full time equivalent for the organisation is 455; headcount is 526, staff turnover is at 10.98%.

Management information and trends are reviewed regularly with the Senior Management Team and People Strategy Steering Group and also includes staff absence, vacancies, leaver information and agency staff spend.

HR provides support to its customers for the following areas: HR Officers managing day to day issues with the council and support for redesigns/policy guidance/recruitment and performance, conduct and absence related issues. HR Support/Payroll are a combined area providing a consistent service for all personnel as part of the Employee Life Cycle. Learning & Development ensures Personal Development Plans are linked to the Corporate Training Plan and considers the priorities of the organisation to ensure skills and knowledge continue to be progressed through a variety of blended learning options. Working in partnership with other organisations has ensured opportunities to network and provide a wider contact base.

The themes of the People Strategy 2016 -2020 have been identified as Leadership and Organisational Development; Equality and Diversity; Workforce Planning and Performance; Learning and Development; Communications, Involvement and Engagement; Employee Well-being, Reward & Recognition. The People Strategy priorities 2016/17 have been identified and scoped to include: the way we recruit; a salary review based on hard to recruit areas; employer branding; refresher of HAY evaluation scheme guidance; apprenticeships; recognition and reward; learning and development. Progress on these areas are updated to the People Strategy Steering Group and governed by the Workforce Steering Group.

Media and Communications, Design & Print and Website teams are responsible for all our internal and external communication with residents, councillors and staff by all communication channels including press releases, advertising, printed literature, website, and social media.

Internally, they update the Intranet with the latest news, as well as supporting staff to access the services they need. They also manage the Rumour Mill as a way of engaging with staff and highlighting current concerns and questions to relevant service areas.

In addition they support service areas with their all their communication and promotional requirements, as well as managing the communication of key projects such as FFF, the new office move and the Chief Executive's talk.

## **2. Risks**

The ICT Service has three primary risks:

- The increasing sophistication of Cyber Attacks, particularly the increase in Ransomware, poses a constant risk to the confidentiality, integrity and availability of council services and data.
- The capacity of the ICT Service to deliver new and innovative solutions to meet strategic demands and service area improvements is being eroded by day-to-day support and the need to secure and maintain our systems. The lack of ICT capacity puts strategic initiatives such as Digital Transformation and Transforming our Workplace at risk while operational demand takes priority.
- The inability to recruit suitably qualified staff. The Desktop team no longer has any staff with an ICT qualification. This is in sharp contrast to the position 10 years ago when ICT could recruit graduates to the entry level helpdesk post. The service has also been unable to recruit suitably qualified developers to the application's team for many years. However, the biggest risk is to the infrastructure team where the salary differential between the Council and the private sector is at its greatest.

The primary risks for Democratic Services are:

- Not dealing with DP/FOI/EIR matters in appropriate way and timescales. This specifically a two part aspect for ensuring resources are available for recording and monitoring responses. There is also a wider matter for

refreshing policies, procedures and training across the Council which was due to take place as part of the SAP.

- Decision/unauthorised decision. This risk was associated with the introduction of a new Council and ensuring adequate training and support was in place. This risk will now have reduced and should continue to do so.

The primary risks for HR/Media are:

- Loss of IT, due to the deadlines HR need to adhere to the loss of IT would have a major impact, loss of key records to enable us to inform payroll correctly related to pay/pensions/absence updates.
- Work on People Strategy not achieved and the impact of low morale and engagement in the organisation.
- Inaccurate/inappropriate communication for internal and external contacts could result in messages being misinterpreted and impact on reputation on the organisation.

### **3. Workforce Planning**

In 2016/17 the ICT Service was fortunate not to have any vacancies. However, due to the high level of demand placed on the service, and the levels of stress being reported by staff, a review of how the service is delivered will need to be undertaken in 2017/18.

Democratic Services are in a fortunate position to have a vacancy within the corporate support team for which authorisation has been provided to recruit to and it is envisaged that there will be challenges in recruiting to this post.

During 2016/17 HR has continued to operate on an interim basis, based on the resources required to support key change programmes across the Council linking to FFF within the next year and the increasing demands of the change of a new payroll system. There was also a decision made to include the Media/Design and Website team within the function reporting to the HR Manager which equally has impacted on the resilience within the team overall. A review of how the HR/Media/Design service is being delivered based on the needs of Service areas is planned to be undertaken in 2017/18.

### **4. Budget**

The ICT Service continues to reduce its budget despite inflationary pressure and recent pay awards. The ICT 2016/17 budget is £400,000 less than it was in 2008/9, and the service has met the 2.5% saving on discretionary budgets in 2015/16 and the 5% reduction for 2016/17.

Expenditure from the ICT Asset Reserve is monitored to ensure that only necessary expenditure is committed. This, coupled with the desktop virtualisation strategy has reduced predicted expenditure from the fund by £150,000 over the first five years of the reserve.

The recent devaluation of the British pound against the US dollar provides the highest budget risk to the ICT service. Although the Council's ICT support and

maintenance contracts are purchased in pounds, because many of the products originate from the USA then the contracts are originally quoted in US dollars. It has been widely reported in the financial press that some leading ICT companies have increased their UK pricing by 25%.

Democratic Services Team has had stable year for budgeting and through procurement has been able to achieve some small savings. However the budget challenge could be the elections and electoral registration printing contract tender process this year. This will be known once tenders are received in April.

The HR area has continues to review how it offers its services to its customers. The introduction of a new Payroll Bureau has increased our budgetary spend on the contract required however reduced the resources required to support the payroll service and provided us with increased resilience. It has also impacted culturally across the organisation with the implementation of the Self Serve system enabling managers and staff to be more empowered. A positive example of this is a saving of £3,000 by not producing paper payslips.

The HR team has continued to support FFF projects across the organisation, advice and guidance on restructures and staff issues as well as proactively reviewing policies and guidelines. This has required an increase in resources to ensure the capacity was available to support the organisation moving forward.

Learning and Development has been identified as a significant contributor to the morale and motivation of staff to maintain and improve on the skills, knowledge and behaviours of the people of Warwick District Council. The Budget for this key area has not been reduced to ensure training remains a key part of Service Plans and the 'People' aspect of FFF.

Media, Design, Print and Website pro-actively manage their budget to ensure the framework is adhered to and provides value for money.

## **5. 2016/2017 Service Area Projects**

### **Corporate Projects**

Digital by Design – Programme of work submitted to Executive

### **ICT Governance & Management**

ICT Business Continuity Plan - complete

### **Security & Compliance**

PSN CoCo – PSN Health check remediation in progress

Business Continuity Test - Complete

### **Desktop Projects**

Evaluate and develop the Members' ICT Solution – Final report to be completed

To define the strategic direction for desktop computing - Complete

VMWare Horizon View Upgrade - Complete

### **Application Support Projects**

Corporate Development - Ongoing

### **Infrastructure Projects**

Implement Session Initiation Protocol (SIP) Trunks - Complete

Evaluate Moving Email Routing via O365 – Deferred 2017/18  
Network Upgrade – Complete (Firewalls delayed to May 2017)  
SAN Replacement - Complete

### **GIS Projects**

Rollout Civica Community Map Pro - Complete

### **People Strategy**

Review of People Strategy Action Plan

### **Equality & Diversity**

Update of E & D action plan

### **Terms & Conditions Review**

### **Boundary Review**

Request with the Boundary Commission and project rolled forward through to 2017/18 SAP

### **Contracts**

Procurement of elections and electoral registration printing are both out to tender at present. The delivery of polling screens and temporary polling station contracts on track to be awarded by the end of March 2017.

### **CMIS (Committee Management System) APP**

This work was rolled into the Councillor IT working Party which was placed on hold to enable the Members Allowances Review to be completed. This work should be completed and reported to Executive Summer 2017.

### **Information Requests**

A new information governance framework for the Council has been drafted and is being consulted on. This is due to be rolled out to the Council early in the new financial year. The handling of information requests performance has improved significantly through new processes led by the Corporate Support Team.

### **Hybrid Mail**

A business case to moving to Hybrid Mail has been drafted and considered. At present this business case does not justify progressing this project.

### **CMT Support**

Revised arrangements for supporting CMT have been introduced permanently and have led to savings and improved efficiencies.

## **6. 2017/2018 Service Area Projects**

### **Corporate Projects**

Digital by Design

Transforming our Workplace (ToW)

**Governance & Management**

ICT Strategy 2015-19

People Strategy 2016-2020

ICT Business Continuity Plan

Information Governance

**Security & Compliance**

PSN CoCo

Digital Resilience

**Desktop Projects**

Desktop Refresh Review

**Application Support Projects**

Corporate Development

**Infrastructure Projects**

Network Core & Firewall Replacement

Reconfigure File Server

Expand VoIP telephony to Satellite Sites

**GIS**

Support of the Neighbourhood Services Data capture project.

**Electoral Services**

Boundary review

Contracts

Planning for HQ relocation

**Civic & Committee Services**

Councillors IT Working Party

Implement the new Scheme of Members Allowances

**HR**

T&C Review

Review of Salary Benefits & Recruitment:

Organisational Development:

**HR/Media Review**

Review of operational needs and structure/processes to support.

**Cultural Services – Year End Service Plan Review (March 2017)**

**Leisure Development Programme** - Following Executive approval in November 2015 the Leisure Development Programme has progressed largely on schedule. Procurement of an external partner to manage the Council's leisure facilities is nearing completion. The operator will be confirmed on 20<sup>th</sup> March 2017 and the contract will commence on 1<sup>st</sup> June 2017. Approval was granted for the investment proposals by Full Council on 16<sup>th</sup> November 2016. Construction work, being undertaken by our contractor Speller Metcalfe, commenced at St Nicholas Park and Newbold Comyn leisure centres in January 2017.

Initial scoping and feasibility work on Phase II of the investment proposals (Kenilworth) has commenced. A confidential briefing/consultation took place with Kenilworth Town Council at the end of July 2016 to gather views on any "non-starters" or local issues that needed to be considered. Car parking is a key consideration in developing any viable plans for Kenilworth and therefore a piece of work has been carried out to understand where extra car parking could be located to serve both Abbey Fields and Castle Farm, and the capacity of such parking; this in turn will then inform the options that officers bring to members as the project progresses. Further reports will be brought to the Executive in the coming months to agree a project plan and outline budgets for Phase II. Any proposals for Phase II will be developed in partnership with the leisure operator but ultimately any decision on the nature of the proposals will be a decision for the Council.

Ongoing communications have been undertaken with leisure centre based staff to ensure that they remain up to date on the process to appoint an external partner, and the impact on their employment. The trade unions are fully engaged with the process and are party to these staff briefings.

Alongside the procurement of the management and construction contracts for this work, a review has been undertaken of the staffing structure required within the Sports & Leisure team in Cultural Services. The new small "client" team will manage the leisure centre and golf contracts, deliver the active communities and outdoor sports services, and lead on the strategic partnerships that are so vital to ensuring that local residents have the best possible opportunities to participate in sport and physical activity in the future. This new structure was approved by Employment Committee in December 2016 and went live in February 2017.

**Arts Review** – As scheduled in the FFF Programme a review commenced in April 2016 to consider an alternative staffing structure to deliver the "Arts" elements of the service area. This includes the Art Gallery & Museum at the Royal Pump Rooms, the Royal Spa Centre, Town Hall and the Arts Development service. This review was preceded by the completion of a review of the Council's Arts Strategy and the refocusing of the objectives for the service. The revised Arts Strategy has been a key document in informing the direction of the service and the consequent proposals for merging the Art Gallery and Museum with the "entertainment" elements of the service. The new structure was approved by the Employment Committee in December 2016 and went live in February 2017.

**Strategic projects** – the team have continued to work throughout the year with partners to progress a number of strategic projects including:

- Kenilworth Wardens relocation to Castle Farm subject to the outcome of the Local Plan and the development of Wardens current site at Thickthorn.
- Europa Way and the delivery of a community stadium in partnership with Leamington FC.

**Leamington Spa Art Gallery & Museum** - the Art Gallery & Museum continues to be a popular destination for local people and visitors alike attracting over 120,000 visitors a year. Indications are that attendances in 2016/17 have been slightly lower than the previous year. Events of particular note during the year have included Museums at Night: The Roaring Twenties. There have been three temporary exhibitions with a strong local focus, Through the Shop Window (Jan - April), Simon Lewty: The Significance of Writing (April - July) and Concealment & Deception: The Art of the Camoufleurs of Leamington Spa 1939-1945 ( July – Oct) in addition to the touring exhibition “Journey Through Japan” (Jan – April 2017)

**Visitor Information Centre (Royal Pump Rooms)** – the Executive agreed in January 2017 for the management of the VIC to transfer back to Warwick District Council, and become part of the newly created Arts team. This will allow greater integration of the services offered by the VIC, the Royal Pump Rooms/Art Gallery, and the Box Office. The VIC will be able to open for longer hours, and the intention will be to manage the VIC in such a way that ticket sales for the Royal Spa Centre, and other arts organisations who choose to use the services offered by the team, thus reducing the overall subsidy of the Arts service.

**Arts Development** – the service continues to support a wide range of arts projects ranging from national arts organisations based in the district (eg Motionhouse and Armonico) to local community arts groups. The service also provides professional support for these organisations and small scale financial support through the Arts Grants scheme. Highlights of the current year include the Arts Active project being delivered in a number of primary schools in partnership with Warwick Arts Centre, Poetry Voices, the growth of Motionhouse Youth, and the ongoing support of local artistic activities through the Arts Grants scheme.

**Royal Spa Centre** - the venue has enjoyed a successful year attracting over 93,000 visitors in 2016/17 and including one of the most financially successful pantomime seasons ever, with over 22,000 people attending and attracting some of the best feedback ever received. Income from the pantomime increased by £40,000 (13% increase on the previous year) for the 2016 show, a tremendous achievement and credit to the whole Spa Centre team.

During 2016/17, the Spa Centre team delivered a successful Spring season with a significant increase in attendance and box office income. This has been due to a diversification of the programme-comedians and lecturers proving to be especially popular. There have been many sold out performances, including the Ukulele Orchestra, Eddie Izzard, Talon, That’ll be The Day, An Audience with Ian Waite and Natalie Lowe (Strictly Come Dancing), Rob Beckett (comedian) and Jimmy Carr). As a result over 7,000 more people purchased tickets for events at the Spa Centre compared to the same period last year.



The cinema continues to perform well. The live screenings have been particularly well attended (Bolshoi Ballet, National Theatre Live, Glyndebourne and the 'Discover Arts' series (which included a live screening of a performance by Andre Rieu). This season also saw increased use of the cinema by community groups to screen specialist films, with the Polish community showing Polish language films and the Indian community screening Bollywood films.

The venue hosted 105 community events in the year which were equally successful – some of the performances of note were a spectacular production of Singing in the Rain by Leamington & Warwick Musical Society, the Warwickshire Book Awards and the Multi Cultural Showcase.

During the summer closure, essential maintenance works were undertaken including the installation of new stage lighting dimmers and stage motors which are essential to the safe and professional operation of the venue. Whilst the benefits of these systems will not be immediately obvious to the public, the investment significantly reduces the business risk to the venue and the equipment installed is the first of its kind in a venue of our size in the UK, future proofing the operation for years to come. New carpets and foyer furniture have also added to the overall standard of the venue which we believe will translate into increased ticket sales in the coming year.

**Leisure Centres** – whilst the Leisure Development Programme has been progressing, the teams at the leisure centres have been continuing to provide quality sports and leisure services across the Councils facilities. Income targets were adjusted to take into account the closures at Newbold Comyn and St Nicholas Park leisure centres. Indications in mid February, are that the revised income targets will be achieved by the end of March 2017. During the year up to January when Newbold Comyn Leisure Centre closed for the construction works, and the pool at St Nicholas Park also closed for the same reason, the focus was on actions to maximise income and control expenditure. In the lead up to the closures, the team focussed on minimising the inconvenience to customers by processing requests for cancellations or changes to memberships in a professional and effective manner. This put a great deal of pressure on the team at the same time as changes to roles within the team. There is a positive message that needs to be repeated for the community relating to the investment proposals and we have a detailed communications plan ensure that this continues during the building phase to ensure that we have the best possible public response when the refurbishment work is complete in late 2017.

Active communities work continues across the district with support for local communities and sports clubs to encourage residents to participate in active lifestyles. Sports England released the results of the new Active Lives Survey which shows this district to be very "active" and by far the most active in the sub-region. 75% of the adult population are considered to be active (ie take part in over 150 mins of activity a week). This is a tremendous result and evidence of the wide range of opportunities available and the vibrant local club and voluntary sector.

### **Looking ahead and Strategic Plans**

There are 2 key areas that will have a significant impact on the future shape of this service.

**The Leisure Development Programme** with its various strands will mean that the Council's sports and leisure service look very different within 2 years. Members have taken some bold decisions to date which mean that we now have an exciting opportunity to improve our facilities, make them

appropriate for the growing population of the district, and protect the provision of sports and leisure in the district for the next 30 years or so. We are looking to invest significant sums to achieve this, but any decision needs to be taken in the knowledge that these changes will result in an increase in participation, improved health and well being of local people, and a reduction in the subsidy from the Council to continue to provide these services.

The second key area is the ongoing debate around the **future use of our assets**. The Royal Pump Rooms and Town Hall are challenging assets to maintain, and are therefore costly for the Council to retain. Decisions around their future use will have a significant impact on the delivery of our Arts and Heritage service, and to the role of the Town Hall. The decision to progress the new Council HQ has provided some clarity around the future civic demands on the Town Hall and work is progressing to consider alternative uses for this asset. The future of the Royal Pump Rooms is linked to decisions made on the Creative Quarter project. Related to this project is the decision taken to bring the management of the Visitor Information Centre back in house to Warwick District Council from 1<sup>st</sup> March 2017, and the decision to extend the catering contract at the Royal Pump Rooms and Jephson Gardens for a period of time in accordance with the terms of the contract.

**March 2017**

**Development Services - Policy and Development end of year report**

Service Plan Performance

The service area is continuing to perform at a high level with over 90% of planning applications determined within the statutory time scale.

The pattern over the last 3 year of high numbers of planning applications continues, resulting sustained high levels of fee income.

The number of appeals overturned by the Planning Inspectorate has settled down more recently as a number of gone in the Authority's favour. Officers prepare regular reports to planning committee to give members and officers an opportunity to review and learn lessons from the decisions and perhaps this is now helping.

The number of ongoing enforcement cases throughout the year has remained at a level of up to 160 open investigations.

The revised procedure to monitor section 106 agreements and contributions is working well, although the procedures are being kept under review and fine-tuned, particularly in respect of the level of collaborative working with the County Council and other partners. This was the subject of a recent review by Finance and Audit committee.

The householder 'drop in' service providing free pre-application advice on domestic extensions, etc. has been well received and continues to be fully booked on a weekly basis.

A pre application charging regime for the provision of non-householder pre-application advice was introduced in February 2016 and following a trial period, has been now been formally adopted on a permanent basis, as the scheme has been cost neutral and provides the level of service for pre-application advise our customers should expect.

A Land Charges Kiosk service was introduced in the Riverside House reception area which enables personal search providers to access the relevant information themselves without any input from officers and this is working well.

The Government continues to press ahead with proposals to move land charges to become the responsibility of the Land Registry in the next year or so.

Within Development Management, Officers are continuing to review processes and procedures to ensure that all areas of work are undertaken as effectively

and efficiently as possible whilst also ensuring a continuing high level of customer service.

We have been improving processes within the Conservation team as more information is held electronically. We did a review of the Conservation Advisory Forum and this has resulted in a more efficient and streamlined operation of the meetings, which are now held at the Council offices during the day. Conservation officers are also dealing with applications to reduce double handling and provide a better customer service.

The Joint Building Control service (Warwick/Daventry/Rugby) remains at a fairly constant level in terms of business despite strong competition from Approved Inspectors. Client customer satisfaction questionnaires are providing positive feedback recording a very high level of satisfaction. Income levels are slowly improving. Over the last 6 months, we have employed a marketing consultant to develop a marketing plan and this is now in place.

Between September and December 2016, the Local Plan Examination in Public took place and we have been in dialogue with the Inspector regarding the modifications to the local plan, which will enable the plan to be found sound. There will be a consultation period on the modifications and then when the Inspector has considered the responses, he will issue his report, with the hope that we will be able to adopt the local plan by late summer. In conjunction with the local plan, we are progressing the Community Infrastructure Levy to ensure that we have the scheme in place at the same time as the adoption of the local plan.

We will also progress other development plan documents and supplementary planning documents to ensure that we have a suite of policy documents in place. Furthermore, we have a number of neighbourhood plans at various different stages and continue to provide support to towns and villages preparing their plans.

Development Services has a permanent part time officer working on HS2. This ensures that WDC is fully engaged with the legislative process. Also as a designated authority, the first in the country, the officer will deal effectively and appropriately with the related planning applications. We are also assisting areas that are significantly affected by HS2 by liaising with the public and parish councils and ensuring that they understand the process. We have recently confirmed the process for dealing with the applications when we receive them.

### Risks

Risks to the service area are as follows:

Local Plan being delayed or not being adopted with impacts on our ability to defend appeals or resist applications outside the green belt and inability to progress needed development in the green belt

Lack of marketing Building Control service resulting in loss of business to Approved Inspector's

Volume of work – increase in number of planning and building regulation applications

Difficulty in recruiting professional experienced staff generally

Work Volumes: The volume of work generally remains at a high level and whilst all staff continue to work as effectively as possible, and are fully supported by managers in doing so, there is a risk of increased levels of health and well-being impacts that managers are monitoring closely.

### Workforce Planning

Over the past year, there have been significant difficulties in recruiting experienced professional staff, although over the last few months of the year this has improved, and we no longer have agency staff. There are a couple of posts we are in the process of recruiting to but we are hopeful that they will be permanent members of staff. We have also considered ways of developing staff so that we 'grow our own' expertise. This has included recruiting staff into trainee posts, and we have recruited an apprentice in Building Control.

Succession Planning: Historically, Development Services have had some difficult experiences with the lack of succession planning severely impacting on the service, and therefore we are trying to ensure that we have plans in place by training and developing staff to assist in their career development. We have had a number of staff who have been successful in this.

Skills, Training and Competency Needs: Officers are developing a service area training plan following on from staff appraisals, which will provide generic training as well as specialist planning and building control training.

### Finance

Development Services achieved the 2.5% saving on discretionary budgets for 2016/17.

The additional work to progress the local plan has required the Planning Reserves being topped up. There has been a need to carry out some short pieces of work to strengthen our evidence for the local plan examination.

Budget: Officers have been involved in additional finance training throughout the year.

Procurement: As part of the training stated above, officers are working closely with the Procurement team to ensure that procedures are improved, which includes regular surgery sessions.

Contract management: Through a significant amount of work and scrutiny of the Contracts Register for the service area by Finance and Audit, the data held is now much clearer and has helped us as a service area understand what needs to be included in the Contracts Register. An up-to-date contracts register is being maintained and was recently reviewed by Finance and Audit committee.

Audits: We have had a number of recent audits which have all had satisfactory or substantial ratings.

Risk Register: This is regularly reviewed for the service area with the Portfolio Holder.

### Work Streams and Projects

Building Control:

We have been transferring Rugby and Daventry ICT systems onto IDOX which is a major migration process and very time consuming and costly for the joint Building Control service. Daventry's migration is near completion and Rugby's is also progressing well..

The Building Control service is established and recognised by Architects and Builders who continue to use the service as we are able to remain competitive, cost neutral and reactive. We have a strong relationship with Warwick University and have a number of jobs being inspected there. We are inspecting the JLR Honiley new test facility, and projects at Warwick Hospital. Rugby School has over £30 million to spend over the next few years. Work has recently picked up in Daventry area due to the BC service being more robust and customer focused.

We are in the process of re-branding the service and implementing the business and marketing plans.

Development Management:

Across Development Services there is a need to continually improve the electronic delivery of the services we offer, in particular for development management and building control as they are very customer facing services.

The Government has recently announced the opportunity for local authorities to increase their planning fees by 20% on the basis that the service improves. We are in the process of reviewing the service and ensuring that there is adequate resources in other service areas to ensure that the response times from statutory consultees and other internal partners enables development management to deal with applications in an efficient and effective way.

Policy:

A number of neighbourhood plans have progressed during the last year and we will continue to support other towns and parishes as they develop theirs, with the hope that a number will reach adoption during the year.

The local plan is now in its latter stages as it moves towards modifications consultation and then adoption. Linked to this we will be submitting the Community Infrastructure Levy for examination process in the next few months. Work to allocate sites for Gypsy and Traveller sites is also progressing in the Local Development Scheme. Also, work is commencing on Plans for Leamington.

**March 2017**

## **Business Portfolio Holder Update**

### **Service Plan Performance**

#### **Business Growth and Inward Investment:**

Within the Council's Sustainable Community Strategy, one of the key priorities is Prosperity, and the Business Portfolio has a part to play in delivering this across the district. Part of prosperity is providing jobs, business support, ensuring that land is available to encourage inward investment, leading on regeneration projects, providing events and supporting our commercial sector, in particular our town centres. We have teams that work across all these elements, delivering major projects, inward investment and economic growth and some examples of the work is explained within this statement.

Significant work has been undertaken to review national, regional and local data about the performance and prospects of different business sectors. This data is being used to inform the priorities for Inward Investment work. Alongside this, work has continued to support the tourism sector in partnership with Shakespeare's England and tech/digital sector through Tech-Central\*. Inward Investment enquiries continue to be routed through Invest in Warwickshire\* with the support of WDC. Through the year on going engagement has been led by the Strategic Economic Development Officer with continued focus on the digital and creative sector.

Following work with partners at the County Council and the LEP, French games developer Ubisoft committed to locating its new studio in Leamington. It has now purchased FreeStyle, a Leamington based studio, and we will be working closely with the company to ensure the transition goes smoothly and that it meets its growth objectives.

In conjunction with the FSB and local Chambers of Trade, the team are co-ordinating a series of business workshops\* focussing on marketing and promotion. These will be delivered over the next few months.

The Coventry and Warwickshire Chamber of Commerce have been contracted to provide a business support service to deliver the European Regional Development Fund (ERDF) Programme. This is a three year programme that started in September 2016 to provide direct and practical support to businesses, focusing on Start-Ups. In addition the Council links with other business support provision such as Creative Warwickshire\* and the Business Ready Programme\* (aimed at established businesses that are ready to grow).

#### **Embedding in the Policy and Projects Re-design:**



The redesign of the service was implemented in April 2016 and was at a very busy time for the team due to the position the local plan had reached. Furthermore, the recruitment process and the evolution of the new Business Support and Events team is only just coming to a conclusion so it is still very early days to fully assess its effectiveness. However, the teams have adapted to the new way of working and it has given us the versatility to move from producing a local plan to being able to deliver its outcomes.

Projects are closely linked to and sometimes dependent on the local plan, such as Lillington (see details later in the report), and that close working relationship within the team has been invaluable. With regard to Business Support and Events, this has helped us to focus on the benefits of events to our towns not only from a leisure perspective, but also the economic benefits they bring. A short and focused internal review of the Business Support work has been undertaken in February to give this area of work refreshed impetus and to consider effective structures and working arrangements for engagement with the business community in Kenilworth, Leamington and Warwick.

### **Alternative Delivery Model for Enterprise:**

Our Enterprise units are a valuable service and are very rarely vacant. We consider this an invaluable service to assist in business growth in our towns. Whilst this is successful, the team have skills that can be used to widen the opportunities to support businesses and increase income for the Council. However, to be able to trade in this way requires a different business model.

Significant progress has been made in developing this new model. We have looked very closely at our potential market for providing additional support for firms as they continue to grow from incubation into successful businesses with the objective that we retain them in our district. We are also looking at opportunities for increasing the number of business units we manage, not only using our own buildings but also managing space for other businesses that may have part of their premises vacant and are looking at renting out the space.

We aim to do this by developing a new Trading Arm of the Council which will enable us to be more commercial. The intention is to roll this out over 17/18.

### **Tourism Service Review:**

Until now, the Council has provided a grant to Warwick Town Council to provide a visitor information service in both Warwick and Leamington. A review of the service in Leamington has been conducted. This has resulted in a new working arrangement that will see the service being provided directly by WDC from April 2017 as part of the services already provided by Cultural Services at the Pump Rooms and Town Hall. This new combined service will see the responsibility for the provision of the Leamington VIC moving to Cultural Services on a permanent basis.

## **Events:**

There have been many successful events within the district over the last year. Some of the most significant ones are the Bowls Championships held in August, which is not only nationally important, but helps to put our town in the spotlight, providing significant economic benefits for tourism, restaurants and accommodation in Leamington and beyond. We were also delighted to have the National Women's Aviva Cycle event pass through Kenilworth and Warwick for the first time, which also put these towns in the spotlight. Furthermore, this year stage 3 of the event will be finishing in Leamington Town Centre, which will enable us to promote the town and provide activities and events to make this a real occasion to be proud of. We also had the Kenilworth Siege, Warwick Folk Festival and the beautiful Christmas light switch-on events in our town centres.

In addition to these, we have supported numerous other events throughout the year and are already being approached about some new events in the coming year.

We have a new team delivering events and they have been looking at the safety aspects of our events to ensure that the safety of our visitors is at the forefront of our event preparation.

For some time there has been a proposal to review events and it was considered appropriate to do this when the responsibility moved over to Development Services. Increases in costs for waste and repairing our parks requires a review of these costs and how these are covered in the future and we are therefore intending to start the full review with internal and external stakeholders shortly.

## **Projects:**

- **Europa Way:**

The feasibility study is nearing completion. A decision on whether to proceed to the next stage is expected in early spring 2017.

- **Regeneration at Leamington Railway Station:**

This project made significant progress during 2016/17. At Station Approach all the legal agreements with landowners (including WDC) were completed, in July 2016 allowing the developer (Waterloo Housing Association) to commence development. Building started on site in September and the first properties are scheduled for release in 2018. In total, Station Approach will deliver 212 homes of which 75% will be affordable.

In a parallel project, Chiltern Railways completed legal agreements to secure the former Travis Perkins Builders Merchants site on the Old Warwick Road as the new station car park. Work commenced on the new car park in September and the car park partially opened in December. By

January, there was sufficient capacity in the new car park to allow WDC to close the Station Approach car park, and this will form the next phase of Waterloo's housing development.

Also within the scope of this project is the employment site on the corner of Princes Drive and Old Warwick Road (next to Morrison's). This was purchased by the furniture company Vitsoe for its world headquarters and the building is currently under construction. It is scheduled to open in June 2017. Vitsoe have indicated that they will be providing 50 jobs, with the intention of expanding in the future to increase the workforce.

- **Lillington regeneration:**

Progress on this project has been limited this year for two reasons. Firstly, uncertainty over Government changes in the financing of local authority housing (following the enactment of the Housing & Planning Act in early 2016) has meant that it has not been possible for WDC to make decisions around the affordability of any regeneration proposals involving the replacement of Housing Revenue Account (HRA) properties. Further clarification is being sought from Government on this matter. Secondly, decisions around whether regeneration at The Crest can take place have needed to await the outcome of the Inspector following the Public Examination into the Warwick District Local Plan.

The Council has continued to maintain a dialogue with key stakeholders, particularly the three GP practices that are seeking to co-locate on a site for a new surgery in north Leamington.

- **Kenilworth Public Services centre:**

This project has been on hold during 2016/17 pending completion of Neighbourhood Plan by Kenilworth Town Council (estimated for late 2017).

- **2<sup>nd</sup> Warwick Sea Scouts Headquarters (2WSS):**

In 2014, WDC granted landlord's permission to undertake works to redevelop the headquarters and other facilities of the 2WSS and to make a grant available to support this. Since that time, WDC has maintained a watching brief and provided advice as appropriate as the 2WSS have reviewed the design of their proposals and undertaken further fundraising. No new proposals were prepared for formal consideration by WDC during 2016/17.

- **Creative Quarter:**

Following the decision of Executive to find a development partner to work with WDC to deliver a Creative Quarter in the Old Town area of Leamington, an OJEU procurement process was launched in November

2016. Bids are currently being evaluated and it is hoped to be able to announce our development partner by April 2017. This will be the start of an intensive period of working with stakeholders to develop a masterplan and identify and bring forward projects within this area to support the established cluster of creative industries.

## Risks

Key risks outlined in the Service Area Plan are as follows:

- **Failure to progress key corporate projects on time or budget, with impacts on budget savings, additional costs and failure to deliver against corporate priorities.**

This is mitigated by the Projects team closely monitoring and project managing projects to ensure that we meet the timelines set, and if there are changes or impacts in terms of delay or budgetary issues, there is a robust reporting mechanism and a governance structure in place to respond to these changes.

- **Difficulty in recruiting professional experienced staff generally**

Inevitably we do not have all the specialist skills to deliver projects from concept to delivery. However, the Projects team works very closely with Project Sponsors to ensure that the feasibility of projects captures any additional specialist support needed, particularly if this results in buying external advice. This is also the case with Inward Investment, where we work very closely with our partners such as the County Council, LEP, etc.

## Workforce Planning

- **Succession Planning:** Historically, Development Services have had some difficult experiences with the lack of succession planning severely impacting on the service, and therefore we are trying to ensure that we have plans in place to train and develop staff to assist in their career development. It is hoped that we will have staff able to step into more senior roles when they become available.
- **Skills, Training and Competency Needs:** Officers are developing a service area training plan following on from staff appraisals, which will provide generic training as well as specialist training.

## Finance

Development Services achieved the 2.5% saving on discretionary budgets in 2016/17, which totalled £21,900. We have made this saving year on year, which has been particularly challenging for the service area.

The service area commissioned a consultant to assist in sourcing grant funding for projects, not just for development services, but for the whole organisation. This is in recognition of the reduction in financial resources in local government, and allowed us to identify opportunities to enable projects to be progressed and delivered. This resource is on a temporary basis to measure the output and ensure that it provides value for money. The budget allocated was £50K over a two year period. Grant funding application successes achieved to date in the region of £2,356,350, with a further £180,000 still progressing. Whilst it is not solely down to the result of this post, the consultant has played a major role in either sourcing the grant and putting in a successful bid, or being a significant support to others in doing so, for example, £2M was the successful bid for the Sports and Leisure Centres. In addition to this work, there have been other work-streams that the consultant has assisted with, together with support to community projects in the district, e.g. European Regional Development Fund – Business Support Programme funding (in conjunction with other authorities in Warwickshire): 3 Years funding for business start-up support, Creative Warwickshire and the Business Ready Programme.

**Budget:** Officers have been involved in additional finance training throughout the year.

**Procurement:** As part of the training stated above, officers are working closely with the Procurement team to ensure that procedures are improved. For example, we have procurement surgery sessions where officers can carefully work through projects and this enabled us to plan beyond the end of project periods.

**Contract management:** Through a significant amount of work and scrutiny of the Contracts Register for the service area by Finance and Audit, the data held is now much clearer in the Contracts Register. An up-to-date contracts register is being maintained and is due to be scrutinised by Finance and Audit Scrutiny Committee in March 2017

**Audits:** There have been no audits within this area over the last year.

**Risk Register:** This is regularly reviewed for the service area. This is also a standing item on our team meetings. The only red risk within this portfolio is in connection with our Enterprise work, relating to the risk of Heat Network\* not meeting the regulations and the financial implications this would have to the Council.

## **Work Streams and Projects**

Looking ahead to 2017/18, it is anticipated that the service will progress a number of key work areas:

One of the themes from the Sustainable Community Strategy (SCS) is the development of prosperity in the district and it is important to provide a link between the high level themes of the SCS and the practical work on the ground provided by the staff within the service. The planned work will provide clarity regarding the key priorities on which the teams will focus and will enable effective business engagement and support including the development of geographically based action plans. This will ensure the District is playing its part in making our towns good places to do business.

As mentioned earlier, the outcomes of the Events Review and particularly the new Events Policy will be rolled out during the year. As many events have a significant lead time, the new policy will be phased in. However, by early 2018, it is expected that all events will be planned and managed in line with the new policy.

Work is needed to improve the current business engagement mechanisms in our towns. Currently the Town Centre Partnerships are not working effectively in this regard and following the Business Support Review it will be necessary to establish improved approaches and structures in each of the towns. As part of this, a series of practical business workshops mentioned earlier are being set up and run across the District to provide practical advice and networking opportunities.

The Business Support contract with the Coventry and Warwickshire Chamber of Commerce has now been in operation for 4 months. The effectiveness' of this contract will be monitored on an ongoing basis. The Chamber are required to provide key performance indicators and if needed, this data will be used to drive improvements to the way this service is provide

## **Any Changes Required to Service Area Plan**

The Service Redesign was introduced in April 2016 and its full implementation is still ongoing with the recruitment to the Strategic Economic Development Officer currently taking place, thereby completing the structure. Whilst reviews have been undertaken in relation to a number of specific parts of the service (such as business support and events) these are about ensuring effectiveness of the redesign and are not intended to fundamentally change the service. Given the 2016 changes and the number of staff who are new to their posts, stability is important during 2017 to enable the new way of working to become fully established.

The exception to this is the consideration of proposals for an arms-length Enterprise function. As mentioned earlier the potential for this is to establish new ways of working and explore new opportunities within that function during 2017/18

### **Managing Planned Changes, Major Work-streams and Projects**

There are no planned changes to the Service Area Plan for the current year as we are very close to year end. However, we will be reviewing this as part of the development of the Service Area Plan for 17/18, currently taking place.

#### ***Authors:***

***Cllr Noel Butler - Business Portfolio Holder***

***Tracy Darke - Head of Development Services.***

***March 2017***

- See Glossary at end of report

## Glossary

Tech Central – Tech Central is a partnership between the District and County Councils and a range of businesses within the tech cluster. The group put on a range of workshops and networking opportunities, as well as promoting the cluster as a great place for tech businesses.

Invest in Warwickshire – Invest in Warwickshire (IIW) is the Inward Investment section of the County Council. WDC has a Service Level Agreement to ensure that IIW continue to provide a single point of contact for investment enquiries, maintain a database of requirements and sites available, and also to work with UK Trade and Investment, Department for International Trade and other national bodies to ensure they are aware of our unique proposition.

Business Workshops – There are currently 8 workshops planned, although more are likely to be added over the coming months. They will be aimed at reaching a broad range of businesses, marketed in conjunction with the Chambers of Trade and the FSB, and include the following topics: Twitter, Facebook, LinkedIn, Twitter, Google tools for business, eMarketing, Staff training and retention and retailing in the 21<sup>st</sup> Century.

Creative Warwickshire – Creative Warwickshire is a dedicated business support programme for Warwickshire-based creative and digital businesses, focussing on peer-to-peer mentoring.

Business Ready Programme – The Business Ready Programme, hosted at the University of Warwick Science Park, is designed to assist those businesses with the potential for growth, or are now reaching their growth potential.

Heat Network – This relates to the metering and billing of heat within a building that may be shared by multiple users, sometimes known as District Heating



## Finance

### Service Area Plan Performance 2016/17

#### 1. Background

The customers of Finance can be broadly categorised in two ways:-

##### *External*

These customers include all those responsible for the payment of council tax and business rates, for which there are 62,300 and 4,800 respective properties (as at 31 March 2017). Housing Benefit claimants currently total 6,000 (value £30.3m pa), with there being 6,800 (value £5.91m pa) households in receipt of Council Tax Reduction (previously council tax benefit).

Finance also administers the Rural and Urban Capital Initiative Scheme for which 11 grants totalling £114,000 were agreed by Executive in 2016/17. The scheme was amended from April 2016 which has enabled projects of up to £10,000 to receive 80% funding from the District Council. In addition, outside the RUCIS scheme, significant grants to St Chads in Bishops Tachbrook and Barford Playing Field were also administered.

Rate Relief was awarded for 2016/17 as follows:-

|                                 | <b>Number</b> | <b>Value £</b> |
|---------------------------------|---------------|----------------|
| Mandatory charitable relief     | 346           | 4,151,224      |
| Discretionary charitable relief | 83            | 154,653        |
| Small Business rate relief      | 1848          | 3,044,032      |

##### *Internal*

Much of Finance is a support service, primarily providing services to the Council's officers and councillors. The services here include:-

- Accountancy
- Internal Audit and Risk
- Procurement
- Payments and sundry debtors

#### 2. Performance

##### *Council Tax/Business Rates*

The processing time for council tax correspondence has continued to be a concern during to 2016/17. The numbers of properties across the district has increased by over 1,000 in the last 18 months. This has generated more correspondence, as has the continuing increase in private sector rentals. The average processing time (as measured by the age of the oldest item of correspondence) has remained at 29 days in 2016/17 (based on figures to 31 January 2017), the same as for 2015/16. However in the last quarter, processing time has disappointingly increased above this average. This is despite the many initiatives put in place to seek to accommodate the increasing

workload as the number of properties continues to increase across the District. The move towards more generic working within Council Tax/Business Rates has helped to reduce processing times, along with staff doing some weekend working. Unfortunately, throughout the year there have been staff vacancies and sickness. The new Customer Service arrangements have helped with improved quality of information being given out, and the new team able to undertake processing during quiet times. During 2017/18, as part of the Digital Work Programme, more "self-serve" facilities are to be introduced which should provide a more streamlined service. An additional Revenues Officer was agreed to be appointed as part of the 2017/18 Budget in February.

The Council Tax collection rate for 2016/17, to 31 January was 94.6% (2015/16 95.0%) and 92.0% (2015/16 91.1%) for Business Rates. These reductions, whilst not significant, are disappointing. Whilst it is not possible to pinpoint any one cause, the processing delay is likely to have impacted upon this.

#### *Housing Benefits/Council Tax Reduction*

The average time to process new housing benefit and council tax reduction claims reduced from 8 days in 2015/16 to 7 days for 216/17. Average processing times for change in circumstances also showed an overall reduction despite there being an increase mid year; however this is as a result of it being peak holiday season and there is little that can be done to mitigate this.

E forms are being used for new benefits claims and for change in circumstances. This presents a better customer service and provides more resilience for the service with a reduced workforce.

The Benefits section took responsibility for the new Benefits/Revenues Customer Service Team from February 2016, with calls being returned from the County Council Call Centre. The Team also manage the Switchboard call for the whole of the Council. Overall the service quality has greatly improved with more calls dealt with at first point of contact. However average waiting times and abandoned calls are still in excess of acceptable levels. One reason for this is the number of Switchboard calls have continued to increase, this being an area of work that the team have not been resourced to provide. The on-going performance is continuing to be closely monitored, with consideration of the total staff resources needed into the future.

In February 2017 the section entered into a partnership with Oxford City Council to provide a corporate fraud service. This service is concentrating on potential council tax, business rates and housing fraud.

#### *Accountancy*

The Accountancy Team have had specific challenges during the year, with unfortunate absences of 2 members of staff. Despite this, the Team have completed their key functions, ranging from preparation of Budgets, Budget monitoring, through to completion of Final Accounts. In addition, they have progressed various initiatives, including the "On-Line Returns" for income processing which is now live.

From 2017/18, the accounts must be closed, audited, agreed by members and published by 31 July 2018. As with many authorities, the accounts for 2016/17

are being closed early in line with the future deadlines. This early closedown is a substantial project in itself, something the team have been actively working and preparing for during 2016/17.

#### *Internal Audit and Risk*

The Internal Audit Plan for the year is on schedule to be substantially completed, with just one audit likely to be omitted. This is due to a large amount of investigation time required to be spent on the Electrical Maintenance Contract early on in the year. There have been some late changes to the Audit Plan by virtue of two audits in Housing and Property Services being postponed at the behest of the Deputy Chief Executive (BH). The Energy Management and Warwick Plant Maintenance audits have been replaced by audits of Lettings & Void Control and Planning Policy.

The review of Internal Audit in accordance with the Public Sector Internal Audit Standards took place in April 2016. This is the first of these compliance reviews which in future need to be carried out every 5 years. The review provided valuable feedback, details of which were reported to Finance & Audit Scrutiny Committee, along with the Action Plan.

Risk Management advice was provided to officers and members throughout the year. The review of Risk Management undertaken by Zurich early in 2016 proposed various recommendations which have formed the basis of the Risk Management action plan for 2016/17 and 2017/18. Coming out of the Action Plan, the Senior Management Team and key members have reviewed the Council's Risk Appetite. This has helped everyone's understanding of risk, especially with regard to the risks that the Council cannot eliminate and so seeks to have controls and mitigations in place.

#### *Procurement*

Despite the staff shortages, procurement advice and support has been provided across the Council, with full details of the work undertaken by the Procurement Team reported to Finance and Audit Scrutiny Committee. The Team has continued to work to ensure good procurement practice is embedded and understood by all officers, with continuing formal and informal training and assistance. Updated Procurement documents (Code of Procurement Practice, Procurement Strategy and supporting documents) in line with the National Procurement Strategy for Local Government 2014 have been drafted for approval by members.

#### **Risks**

The Risk Register has continued to be reviewed throughout the year on at least a quarterly basis by the Finance Management Team and the Finance Portfolio Holder. The register was presented to Finance & Audit in April 2016. There are currently no high level risks that score in the "red".

### **3. Workforce Planning**

A new Housing Principal Accountant started in May 2016. Consideration is continuing to be given to potential forthcoming retirements of Accountancy team

members to ensure service continuity with the potential loss of substantial knowledge and experience.

There has been a further change to the Procurement Team in the year with the Procurement Officer resigning. This has led to the commissioning of consultants to review of how the Procurement function operates and what other methods of service delivery would be able to provide the council with a suitable resilient service. The results of this review should be available early in the new financial year.

The Exchequer Team (Council Tax, Business Rates, Payments/Sundry Debtors), have carried vacancies during the year. These vacancies have contributed to the backlog in processing. In addition, sickness (including one employee on long term sickness) has compounded the problem. Many officers are now working more "generically", covering different aspects of work which has helped to manage the workload. Further changes to make all revenues officers "generic" are planned for 2017/18.

Future working age housing benefit claimants are due to apply to DWP for Universal Credit from June 2018. The Council will retain responsibility for pensioner housing benefits and all council tax reduction cases. With the uncertainty this presents, it has proved difficult to retain and appoint new Benefits staff. However, there has been much success with the use of apprentices to support the service where the Section has been the vanguard for the Council. The 18 months apprenticeships have given young workers a valuable opportunity, whilst providing some resilience to the service.

#### **4. Budget**

Finance achieved the 5% saving on discretionary budgets in 2016/17, and has identified the required further 1% saving for 2017/18.

### Finance - Planned Changes, Major Workstreams and Projects

| <b>Change/Project</b>   | <b>Progress during year</b>  |
|---|--|
| Review of Concurrent Services and parish support  | Reduction in funding agreed by members November 2016, funding being phased out over 3 years.   |
| On-line Returns - Live roll-out to RSC and Leisure Centres. Investigate use of OLR for other services.                    | Being actively used by RSC. Leisure Centres data being processed centrally. Consideration of use by other services, e.g. Parking, still required.  |
| Arrange investment in Equity Funds in line with 2016/17 Investment Strategy   | Equity Fund managers being selected to enable deposits to be placed April 2017.  |
| Plan for Early Closure of Accounts – inc. 2015/16 de-cluttering, improved electronic WPs, planning for 2017/18 closedown. | Project on-going throughout year.  |
| Support Service budget and allocations review as a result of Leisure Centre operational management changes                | Some support service savings factored into the Medium Term Financial Strategy. Services to plan for these savings during 2017/18 ahead of 2018/19 Budget setting.  |
| Re-write HRA Business Plan Model  | The Business Plan is currently being updated and is due to be reported to the Executive in April 2017. There have been some delays due to the Housing and Planning Act, the management changes within Housing and Property Services and the finalisation of the Stock Condition Survey.  |
| Budget Review – increase corporate subjective monitoring  | Detailed income monitoring of significant income budgets included in all Budget Review reports. Expenditure subjective monitoring reported to SMT.   |
| Review of Council Tax Reduction Scheme in light of Universal Credit   | Changes agreed to scheme by Council January 2017.  |
| Review of development monitoring by Visiting Officers   | This has been difficult due to the long term sickness of the senior visiting officer from a team of two. However improvements have been made with greater sharing of new property details across the Council. Progress should now move quite swiftly and should provide efficiencies, enabling more frequent visiting of properties within the District. |
| Auto-matching for Creditor invoices   | Project progressing. Due to be   |

| <b>Change/Project</b>   | <b>Progress during year</b>  |
|---|--|
| - implement across Council  | completed 2017 following income system refund module project.  |
| Council Tax "Self-Serve" (Open Channel) module business case  | Business case agreed. Project to be progressed 2017/18.  |
| Cost Audit by third party of selected corporate supplies  | Project commenced with phones and BT contract. Progressed slowly due to inactivity from BT in recognising our overpayments. However recent pressure means some savings should materialise shortly. |
| Progress actions from January 2016 Risk Management Review   | Actions progressing. Some for 2017/18.   |
| Progress actions from April 2016 Internal Audit Review  | All recommended actions addressed. Some suggested actions outstanding.   |
| Review usage being made of Procurement System with a view to its use being made across the Council in managing contracts, updating contracts register and procuring services. | Training provided on Intend for Procurement Team. Greater use of system functionality being made.  |
| Social Value – agree corporate approach and priorities for Social Value   | Policy agreed by members to include SV questions in tenders.   |
| Procurement Training for officers across the Council  | Formal and informal training on-going, including "tailored bite-sized chunks".   |
| Procurement Strategy Action Plan  | Actions have progressed throughout the year and were reported to Finances and Audit Scrutiny Committee in March 2017.  |

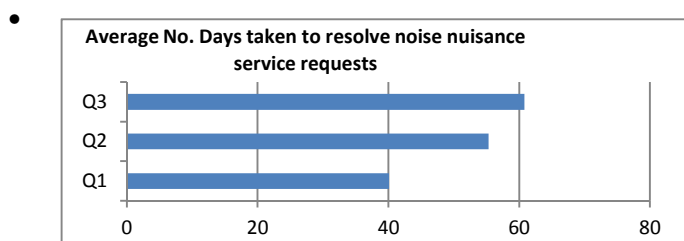
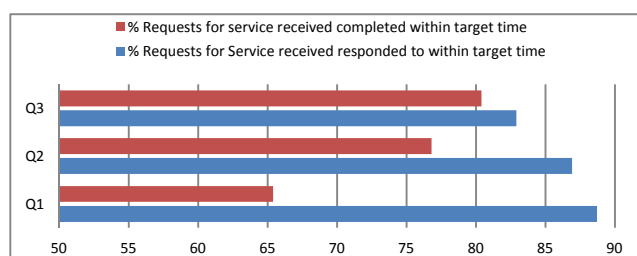
**HEALTH & COMMUNITY PROTECTION**  
**PORTFOLIO HOLDER STATEMENT**  
**CURRENT YEAR REVIEW 2016-17**

**Performance**

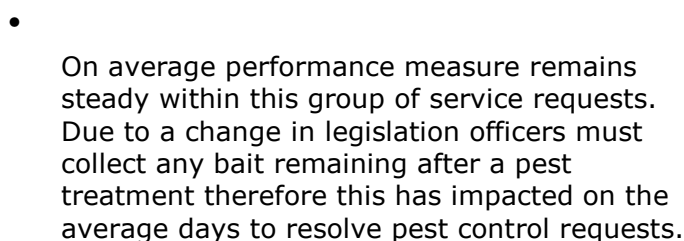
1. What do the Customer and Operational Measures in the Service Plan tell you about the performance of the service during 2016/17?

- Customer service across HCP remains strong. Whilst the service first responses are very strong, the completion of service requests within target time have altered. This has been due to workload as a result of its role as statutory consultee for planning applications and complexity of cases.

Officers have been conducting historical database cleansing exercises and procedural enhancements throughout the year.



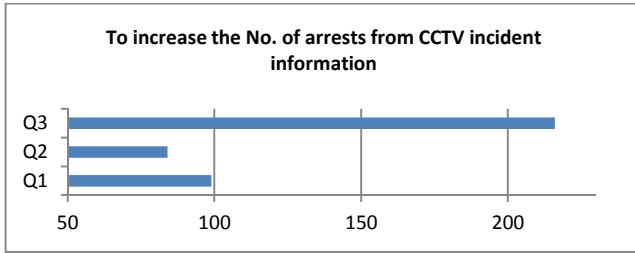
There is a decrease in the percentage of services requests completed with the target time from previous years, however changes in procedures has improved the speed of resolution of noise nuisance service requests over 2016/17.



- On average performance measure remains steady within this group of service requests. Due to a change in legislation officers must collect any bait remaining after a pest treatment therefore this has impacted on the average days to resolve pest control requests.
- There are increases across all crime types with the exception of criminal damage. These increases are seen across the county and reflect the new recording standard. Whilst we are confident that actual harm levels have not risen regarding violence; there has been an increase in acquisitive crime and Anti-Social Behaviour (ASB) is up 9%.

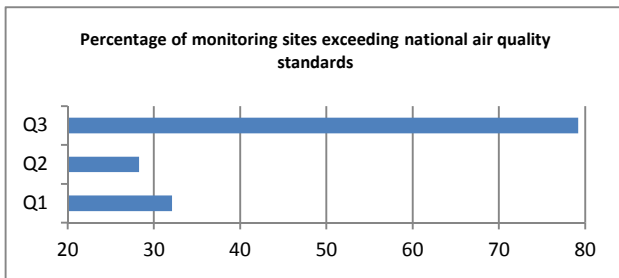
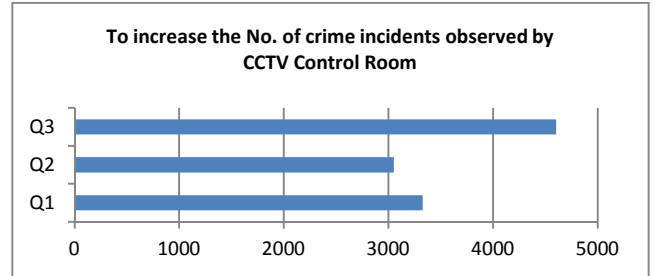
It is unclear why levels continue to rise after the new baseline year. Therefore we are working with the Police to identify the causes.

- Our percentage success in reducing the risk of vulnerable victims remains high together with percentage success at first intervention when dealing with perpetrators of ASB.



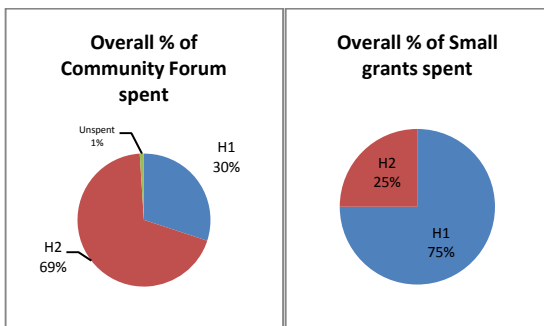
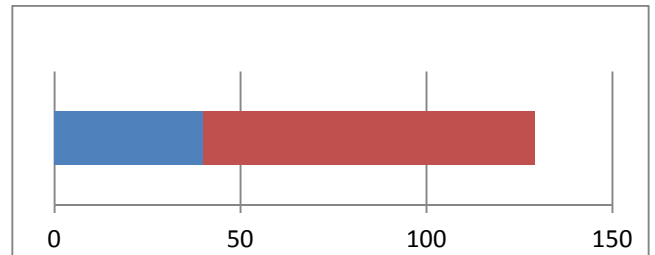
The number of arrests from CCTV observed incidents has increased in Quarter 3.

The number of incidents observed by CCTV has also increased.

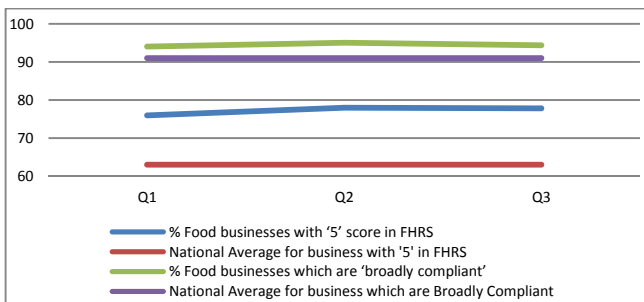


The monthly monitoring results for nitrogen dioxide indicate a decreasing picture in the first half of 2016/17. However the quarter 3 figures were high. This is normal for this quarter due to the time of year and seasonal festivities which take place. All figures will be subject to annual adjustment in accordance with the national monitoring programme in April 2017.

We have supported a large number of initiatives with community grants. 129 organisations have been supported with grant donations. Blue shows the first half of the year and red the second.



The measures are reported in half years. These



The number of food businesses with a 'very good' food hygiene rating has continued to be at a very high percentage as do those which are 'broadly compliant'. The figures remain well above the national average.



2. What actions do you intend to take based on the measures?

- Officers have been conducting an evaluation of incoming workloads to determine the impact of the increases. This aspect has led to a new approach to planning application handling and proposed additional FTE.
- To maintain our service delivery and high levels of food safety assurance, we continue to look for opportunities to use new technology. We are continuing to develop the use of 'Totalmobile' for use in food safety inspections. We are also working towards enabling service delivery by electronic means, particularly in relation to licensing.
- Officers have visited high performing Community Safety Partnerships in the family group in order to identify best practice and better understand the impact of the new recording standard. The visits will be evaluated and learning implemented as appropriate going forward.
- The Council is making progress towards improving air quality within the district. We will continue working with the Air Quality Alliance in Warwickshire to deliver this.

3. Highlight any significant changes to the risks in your Service Plan and any actions that you intend to take to address the revised risks.

- Workforce and succession planning has been one of the main challenges for the service. The increased workload on the service is having a demonstrable impact and with the new large scale housing developments, proposed commercial developments and HS2 this will only increase if not addressed. The service is currently consulting upon a restructure aimed at improving the resilience, succession planning and service delivery.
- Crime is changing and we are yet to fully understand the changes. Recorded crime levels may continue to rise with subsequent fall in public confidence. We are working with the police to determine the cause so that we can ensure that the correct measures are put in place to address them.

**Workforce Planning**4. Highlight any significant changes to your Workforce Planning and any actions that you intend to take to address the revised plan.

- The service currently has 3 vacancies with an additional vacancy from the end of March 2017.
- There is a restructure proposal due to be reported to Employment Committee at the end of March which will ensure the service is fit for the future and addresses the current vacancies.
- The proposed restructure creates more posts than the number of staff placed at risk as a result of the restructure.
- We will continue to review procedures and processes to ensure that they are efficient and effective, making the best use of staff resources.

**Budget**5. Highlight any significant changes to the budget pressures highlighted in the Service Plan and any actions required to address these changes.

- Budget pressures continue to be kept under review. Savings in discretionary budgets have been agreed for the 2017/18 financial year (£3,900). Further savings as laid out in the Fit for the Future Programme have been identified (£65,000 HCP Restructure April 2016).
- Savings have been gained through the Terms and Conditions Phases 1 & 2 programmes as laid out in Executive reports.
- The Community Partnership Team is reviewing how they can support the community efficiently and effectively. The outcomes of this review were reported to Executive in February 2017 and agreed.
- There has been an increase in legal action in which the service is participating this year. This includes a number of committee decisions and notices which have been appealed. This has increased the spending in this area however should the cases be successful we would hope to be awarded costs.
- Salary savings have been made in 2016/17 and are due to be made in April 2017/18 prior to the restructure being implemented.
- It is the aim of the council for the licensing service to be cost neutral. As a consequence of the 2016 licensing fees review, members agreed to raise the 2017 fees with the aim of recovering a deficit. The annual revision of fees will continue into 2017/18 to ensure as far as possible this aim can be met.

### **Planned changes, work streams and projects**

6. Highlight any work streams/projects that have been completed at this point in the year
- The council achieved the Purple Flag for Royal Leamington Spa in September 2016, demonstrating the safety and vibrancy of the night time economy in the town centre. The recommendations for further improvements made by the assessors are being reviewed with an aim to delivery.
  - The commissioned Voluntary Sector Contracts are delivering successfully.
  - The electric vehicles were delivered over the summer and are being used by nominated officers across the council. This is helping to reduce the council's impact on the local environment.
  - The council achieved the Workplace Wellbeing Charter. In order to demonstrate the councils commitment to staff wellbeing the objectives of the scheme have been included in the councils People Strategy.
  - Officers have reviewed the delivery of the health and wellbeing arrangements by the authority to improve how effective the council can be in this area. Officers will be acting upon the recommendations from that review going forward.
  - Health and Wellbeing theme of the council was subject to a Peer Challenge in July 2017.
  - A new policy has been implemented for Sexual Entertainment Premises, Taxi Trade, Street Trading and Gambling this year.
  - The Health & Safety Coordinator continued to deliver IOSH refresher training to managers and staff to ensure our compliance with health & safety obligations as an employer.
  - Due to introduction of a new competency framework by the Food Standards Agency, each officer responsible for food safety enforcement has undertaken a detailed competence review to ensure that they are meeting the new standards.
  - We have reviewed the councils approach to sustainability this year which has included the formation of an officer steering group to help the delivery of the revised approach.

- A review of the service demand and resources has been undertaken. It is proposed that there are alterations to the service restructure and following consultation with staff this is being reported to the Employment Committee in March.
7. Highlight any significant changes or new work streams/projects expected during the year.
- We will be tendering for the second stage of the feasibility study into district heating network systems in two identified areas. This is the second stage of the feasibility study which began in 2015/16. We are currently tendering for a project manager to oversee this programme of work.
  - With the increase in planning applications and planning related activities, officers will be continuing to review the way in which they deliver their duties. This is an important work programme as there is a further predicted significant workload associated with HS2, Whitley South and other large developments in the district.
  - The Health and Safety Team are investigating a fatal workplace accident. This is a very resource intensive investigation and will impact upon the delivery of the planned Health and Safety and food safety programmes.
  - Officers will continue to develop and deliver the new council approaches to Sustainability and Health & Wellbeing.
  - HCP is committed to enabling customers to access our services through digital mediums and therefore will be continuing with the programme of digital developments.
  - The service will be reviewing how the night noise service is delivered to ensure that the service continues to meet both the customer and organisational need.
  - The Community Partnership team will be evaluating the voluntary commissioning spending to evaluate social value in order to deliver the savings detailed in the Fit for the Future programme and in order to allow the effective retendering of the voluntary commissioned contracts.
  - A report will be going to Executive, following a consultation with stakeholder on the proposals in the unmet demand survey. Members will need to consider and decide if a limit should be put on the number of licensed hackney carriages in the Warwick district.
  - The service had been working with the police and other partners to introduce a new process for responding to complaints about buskers.

## **Housing & Property Services - 2016/17 Review**

### Service Plan Performance

The Housing and Property Services service area provided a diverse range of services to residents of Warwick district throughout the financial year, including the management and maintenance of c5,600 tenants' and c600 leaseholders' homes; maintaining and improving the Council's corporate assets; delivering a housing advice and homeless service; managing the HomeChoice housing register scheme on behalf of all the Registered Providers in the district; improving housing standards in the private sector and providing aids and adaptations in residents' homes.

It was a difficult year for the service area and over its course the Head of Service and the 3 senior managers working to them all left the council's employment. A new management team was put in place, the members of which have provided an excellent response to the challenges faced and settled in admirably, and the service was directly managed in the latter half of the year by one of the Council's Deputy Chief Executives with previous direct experience of the housing service. By the end of the year CMT, in discussion with the Executive had decided that the Council's services could be strengthened by splitting the service area with the Assets Team, responsible for maintaining and improving both the HRA stock and the council's corporate assets moving into the Chief Executive's Office, and a new Housing Service area being created, responsible for the 'people-based' housing services – supporting the tenants and leaseholders living in the council's homes, providing the homelessness and housing advice services and assisting people in other housing sectors. Following approval of this new structure by Employment Committee in February 2017 a recruitment exercise for a Head of Housing to lead the new service is now underway.

It was pleasing to see that despite the management changes performance overall remained strong. With demand for affordable housing remaining high, a new Allocations Policy was implemented in June 2016. The significant changes meant a substantial increase in workload, until things settled again. The introduction of a new transfer band saw a marked increase in the number of tenant transfers completed during the year. This change, combined with over 200 new affordable housing completions, including the first 81 council homes built in the district for over two decades at Sayer Court, has seen the number of people registered on the HomeChoice scheme actually fall, from c3,500 at the start of the year to under 2,600 at the end.

During the year a revised Housing and Homelessness Strategy was produced, after extensive consultation, and has now been approved by members. Homelessness applications have actually fallen from the 2015/16 peak, with 466 applications having been received up to the end of the 3<sup>rd</sup> quarter of the year, with just over 100 resulting in the Council having a responsibility to provide accommodation. Despite the slightly lower numbers the use of bed and breakfast accommodation peaked during the year although this was tackled aggressively in the latter half and by year end the use of this type of temporary

accommodation has effectively been eliminated. In addition to the council's existing 17 units of temporary accommodation a further 5 units are in the process of being brought on-stream during the coming month which will allow the use of bed and breakfast to be restricted to emergencies only. The Council has also participated in a Warwickshire-wide bid to the Government's Homelessness Prevention Trailblazer scheme and the county was successful in securing £864,000 of new funding. The Warwickshire Heads of Housing Group is now working up the detail of how this funding will be deployed.

The Sustaining Tenancies team have been continuing the three year programme of tenancy visits which continue to be a useful way to identify any problems with the tenancy, where more support is required or if the tenant is failing to manage the tenancy correctly. The team have also introduced new policies on Rent Arrears, Anti-social Behaviour and Domestic Abuse and Violence and will now be working on their implementation and the introduction of the new processes to support them.

Performance on the recovery of rent arrears has also remained strong. At the end of last year we reported that rent arrears were at 3.17% of the rent debit but are now predicting they will have reduced to 2.6% by year end, well below our target of 2.8%. This reduction is despite the challenges that many tenants face in paying their rent and sustaining their tenancy in view of the continuing changes to the benefits system and the impact of the new Benefit Cap, the introduction of Universal Credit and ongoing issues with under-occupation charges. Our Income Recovery and Money Advice officers continue to work with tenants to ensure rent payments are being prioritised and their tenancies are sustained.

The Private Sector Housing team has dealt with a significant increase in the number of unauthorised legal gypsy and traveller encampments during the year, including significant encampments on both privately owned and Council land in the Christmas/New Year period. There were 15 encampments on Council-owned land during 2016 – the highest number since we began keeping records in 2008 and the continuation of an upward trend since 2012 when the figure was just two. The Council has long-established and effective procedures in place for dealing with such encampments but is now in contact with colleagues across the county, in a dialogue instigated by the Police and Crime Commissioner, as to how working arrangements could be improved.

The main area where performance has been less strong is in elements of the work undertaken by the Assets Team and during the latter half of the year corrective action and management changes were made that has seen performance improve in asbestos management and removal and electrical safety inspections

Elsewhere, the Assets Team have successfully managed the move from open book to a schedule of rates based voids and responsive repairs process which, together with the in-house pre and post inspections of void properties has enabled stronger budget management, without compromising service standards. The team have also overseen the successful completion of two separate stock condition surveys, one providing information of the main elements, known as stock attributes e.g. kitchens, bathrooms, roof coverings, windows, doors, rainwater goods, of every HRA home and the other a structural survey of the

multi-storey blocks and those homes of 'non-traditional' construction. This new survey information, complementing existing legacy information and information from our in-house team of surveyors, has enabled us to build up a comprehensive picture of the current state of the housing stock and underpinned a full review of the HRA Business Plan. Detailed analysis of the survey results is now underway and this will inform a full revision of the profile of the future Housing Investment Programme (HIP) to ensure that all the poor condition attributes are remedied as quickly as possible and a tailored investment programme is put in place to replace items on a timely basis. This work will be completed over the summer and autumn allowing the revised programme to be reported to members in December as part of the 2018/19 HRA base budget setting process.

### Risks

There are still significant, but at this stage unquantifiable risks associated with the full implementation of the provisions within the Housing and Planning Act 2016. The first of these relates to the extension of the Right-to-Buy scheme to tenants of housing associations, with the potential for the cost of funding their discounts having to be covered by local housing authorities still remaining. The Government has, however, chosen not to implement this provision nationally, as yet, pending the outcomes of a pilot scheme that will run elsewhere in the country during 2017/18. The second relates to the proposed introduction of short term tenancies of between two and five years which brings the prospect of increased management costs to support the regular review of a household's income which would be required and additional costs associated with the introduction of a new form of Tenancy Agreement. A significant degree of uncertainty remains as to when, or possibly if, these changes will be introduced and this will be kept under close review.

Other risks to the HRA Business Plan arise from the continuing changes to the social security system. In April 2018, the use of the Local Housing Allowance (LHA), currently used as a cap for Housing Benefits payments for private sector tenancies, will also apply to the social rented sector for all tenancies that commenced after April 2016. In addition, the Government intends to further limit the Housing Benefit payable to those aged 35 or under, whether in work or not, by linking their LHA threshold to a rate equivalent to the cost of a shared room in a single household rather than the actual cost of their tenancy. Although all council rents are below LHA levels, the proposed level of the threshold for a tenant aged 35 or below is less than the cost of a one bedroom flat, raising the risk that people of this age group will be excluded from the Council's homes, potentially placing pressure on General Fund budgets, or, if they do attempt to maintain a HRA tenancy, increasing the risk of rent arrears.

The continuing introduction of Universal Credit, which is now expected to be fully implemented in the district by summer 2018, is a further risk. Current feedback from the introduction of Universal Credit nationwide has indicated that the number of council tenants in arrears has increased, as well as the average level of arrears, in comparison to tenants who do not receive Universal Credit.

### Workforce Planning

The Head of Housing recruitment is underway and the final interviews are scheduled to be held on 13 June.

Additional temporary resources will be recruited for the Private Sector Housing Team in response to the changes to the regulation of Houses in Multiple Occupation which will see a significant increase in the number of licensing inspections required during the year.

A consultation has also commenced on a re-design of the Lifeline service to address the implications of the loss of the former Supporting People grant from the County Council and proposed changes to the staffing structure will be reported to Employment Committee in July. A new 2 year management post was approved by Employment Committee in March which will oversee the continued development of the service and the continuing commercial approach to increase the number of private service users.

The Assets team will also be subject to a re-design now that it has transferred to the Chief Executive's Office to ensure that it is set up to provide an effective support service both to the new Housing Service Area in respect of the repair, maintenance and improvement of the Council's HRA homes and the remainder of the Council in respect of the strategic management and maintenance of the corporate assets.

### Budget

Housing & Property Services achieved the 5% saving on discretionary budgets in 2016/17.

Temporary homeless accommodation has been a pressure on the General Fund budgets in 2016/17. There have been increased B&B costs which are not eligible for Benefits Subsidy, resulting in an adverse subsidy variance of £100k. This has been partly mitigated by other benefit subsidy savings of £50k.

The HRA Business Plan remains strong and robust. The review undertaken during the year has demonstrated that the Council will, on current projections, be able to increase the surplus on the Capital Investment Reserve (CIR) on an annual basis until 2051/52. Debt repayments will then commence in 2052/53 and, by the end of 2061/62, the full opening debt of £136.2m, required for the Council to become self-financing in terms of its HRA, will have been cleared with a healthy surplus of £117.1m remaining.

During 2016/17 the HRA collected c£27m in income and incurred expenditure of c£15.7m, allowing a transfer of nearly £4m to be made to the CIR and a working balance of £1.4m to be maintained. A further appropriation of £1.6m was made to the Major Repairs Reserve, used to fund the Housing Investment Programme,

which will now have an opening balance of c£6.2m at the start of the 17/18 financial year. The Business Plan review concluded that although future appropriations to this reserve may reduce to allow the funding of the works identified in the stock condition survey, the overall plan remains viable and will not require any reduction in the transfers made to the CIR.

### Work Streams and Projects 2017/18

The focus of the new Housing Service Area will be on the creation of effective 'people-based' services and the cultural shift required to deliver them. The work programme for the year will include:

- Delivery of the Year One actions from the new Housing & Homelessness Strategy
- Reviewing the Allocations Policy after 12 months of its operation
- Completing the re-design of the Lifeline service and marketing it to attract more private users
- Reviewing the support provided in respect of tenant engagement, leaseholder services and cleaning of communal areas, including any requirement to introduce service charges
- Completing the upgrade of fire alarm systems
- Increased inspection and licensing of Houses in Multiple Occupation
- Transfer of responsibility for disabled adaptations to the county-wide HEART service and effective contract management
- Review of the W2 partnership with Waterloo Housing Group
- Further review of the HRA Business Plan as social security changes and/or provisions of the Housing & Planning Act are implemented
- Procurement of new ICT support and development arrangements for the HomeChoice system

The focus of the Assets Team within the Chief Executive's Office will be on the re-design of the team to ensure that it provides an effective and efficient 'property-based' support service to the rest of the Council, including the cultural shift required that this will require. The work programme for the year will include:

- Recruitment of a permanent Asset Manager who will then work with the Deputy Chief Executive to re-design the service
- Further analysis of the stock condition survey information to inform the 18/19 budget setting process and enable a full re-modelling of the Housing Improvement Programme budgets and work programme from 18/19 onwards
- Effective management of the 17/18 Housing Improvement Programme
- Effective management of the £1.8m investment in the Preventative and Planned maintenance programme for the corporate assets
- Re-procurement of the major contracts for the Housing Improvement Programme, HRA Repairs and Voids, Corporate Property Repairs and Lift repairs and improvements
- Establishment of a new working relationship with Housing Services to ensure that the next phase of the Housing Futures project is co-designed and delivered. This will focus on an examination of the financing and cost/benefit analyses of a range of potential options to increase the HRA stock, including the potential for:



## Appendix M

- Acquisition of existing homes (e.g. purchase of former council homes sold under the Right to Buy)
- Acquisition of new affordable homes delivered through s106 agreements
- Redevelopment of existing HRA homes (as was done at Featherstone Court to create the new Sayer Court development)
- New build on Council owned land, including garage sites
- New build on acquired land
- Joint venture options
- The establishment of a Council-owned Housing Development Company

### Any Changes Required to Service Area Plan

The changes required by the creation of the new structure have been reflected by the formation of a new Service Area Plan for the Housing Services Area and the inclusion of the work priorities of the Assets Team within the Chief Executive's Office Service Area Plan.

## **Neighbourhood Services**

### **2016/17 Review**

#### Service Plan Performance

Neighbourhood Services (NS) provides a range of key front line services including waste collection/recycling, street cleansing, parks and open spaces, off street car parking, a ranger Service, bereavement services, and oversees the operation of the one stop shops which are provided jointly with Warwickshire County Council.

There are over 4 million waste collections carried out each year, with over 99% of them completed on the scheduled day. In addition to the kerbside collection service, recycling is supported through the provision of bring sites, recycling from flats and schools and individual waste advice visits. The Council's recycling rate is approximately 56%, which is well ahead of the national target of 50% by 2020. Collections over the Christmas and New Year Period were carried out with very few issues reported.

The standard of street cleansing remains high due a variety of programmed cleansing regimes, and the work of the Rapid Response Teams removing graffiti, fly tipping etc. The Contract Services Team is also responsible for the removal of abandoned vehicles.

Some aspects of the grounds maintenance contract have not been delivered as required this year due to contractor staffing issues. This has resulted in a significant financial deduction and the request for a robust improvement plan for the coming year. Despite this the Green Flag and Green Heritage Awards have been retained for Jephson Gardens, and Warwick Town Council and Leamington Town Council were assisted in achieving the Britain in Bloom Gold Award. The contractor also plays a key role in providing the high quality bowling greens at Victoria Park where the men's and women's National Bowls competitions are held each year.

The Bereavement Services Team has continued to provide a high quality service and further service enhancements are currently being considered.

The One Stop Shops continue to provide a range of services to customers in Warwick, Leamington, Whitnash, Kenilworth and Lillington. The first stage of a review of the service has been completed, and the Executive have now agreed to work up more detailed proposals. The review will consider the potential benefits of introducing new technology into the One Stop Shops in line with the Council's Digital Transformation Strategy.

## Risks

The future of two of the council's multi storey car parks continues to be an area of concern, although work is progressing to identify replacements. The impact on parking in the town centres is also being considered during the period that these car parks will be closed.

Internal audits of bereavement services and grounds maintenance were carried out this year, both receiving a "substantial" level of assurance.

## Workforce Planning

The last 12 months have been extremely challenging for the Contract Services Team due to gaps in the establishment, long term sickness and covering issues relating to the multi-storey car parks. Additional resources are now in place including a second Senior Contract Officer, a Car Parks Project Manager, and other staff have now returned to work.

The restructure of Bereavement Services will be completed in 2017 as part of the broader review, designed to improve resilience, remain competitive and more flexible in the hours it operates.

A review of the Ranger Service has commenced and will be completed in 2017/18.

## Budget

Neighbourhood Services achieved the 5% (£30k) saving on discretionary budgets in 2016/17.

Income from recycling credits is likely to be in line with budget estimates of approximately £440k.

Car parking income continues to remain strong due to the increased usage and no disruption as a result of bad weather, with anticipated income of just over £3m for this year.

The charging policy for waste receptacles has resulted in a significant saving, the details of which were included in a report to Overview & Scrutiny and Finance & Audit in February 2017.

Income from Bereavement Services has continued to increase with an anticipated income this year of approximately £1.5m.

Expenditure on improving playgrounds, parks and open spaces this year is approximately £550k

### Work Streams and Projects 2016/17

The areas improved as part of the Council's Green Space Strategy include:-

- Cubbington Waterworks
- Redland Rec
- Wych Elm Drive
- Priory Pools
- Dragons Cottage
- Villiers Street
- Millbank
- Victoria Park Skate Park
- Avonside Play Area

Work to procure the specialist contractors required to deliver the £1.4m Pump Room Gardens project has commenced, with work due to start later this year.

### Green Space Projects Planned for 2017/18


- Ebourne Rec
- Clarendon Square
- The Holt
- Mason Avenue
- Shrublands
- Saltisford Common
- Bates Memorial
- Fieldgate Lane/ Golf Lane
- Hawkes Meadow/ Harbury
- Victoria Park
- St Nicholas Park

A new ICT system is required to support the operation of Bereavement Services, which will be implemented in 2017/18 subject to Executive approval in March.

NS have been asked to carry out a review of the current approach to enforcement, with the aim to provide a briefing paper to the Executive in April 2017.

### Any Changes Required to Service Area Plan

There are no changes required at this stage.

|   |  |                                    |
|---|--|------------------------------------|
|  <b>Executive</b><br><b>5<sup>th</sup> April 2017</b>  |  | <b>Agenda Item No.</b><br><b>8</b> |
| <b>Title</b>  | Response to the LGA Corporate Peer Challenge 2016                            |                                    |
| <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>   | NA   |                                    |
| <b>Background Papers</b>  | NA   |                                    |

|  |    |
|--|----|
| <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 |
| No impact on direct service delivery.                                      |    |

|  |             |                            |
|--|-------------|----------------------------|
| <b>Officer/Councillor Approval</b>             |             |                            |
| <b>Officer Approval</b>                        | <b>Date</b> | <b>Name</b>                |
| Chief Executive                                | 09.03.16    | Chris Elliott              |
| Head of Service                                | 09.03.16    | N/A                        |
| CMT  | 09.03.16    | Andrew Jones, Bill Hunt    |
| Section 151 Officer                            | 09.03.16    | Mike Snow                  |
| Monitoring Officer                             | 09.03.16    | Andrew Jones               |
| Finance  | 09.03.16    | Mike Snow                  |
| Portfolio Holder(s)                            | 09.03.16    | Cllr Andrew Mobbs (Leader) |
| <b>Consultation &amp; Community Engagement</b> |             |                            |
| NA   |             |                            |
| <b>Final Decision?</b>                         | Yes         |                            |
|  |             |                            |

## 1. **Summary**

- 1.1 The Council agreed to be part of Peer Challenge process organised by the Local Government Association (LGA) in 2016. The peer challenge was undertaken over the summer of 2016 and a feedback report was presented to the Council in September of the same year. In summary, the Peer Challenge found that the Council was doing many good things but could do even better if it accepts the recommendations and puts them into action. To that end an action plan is proposed for approval in response to the key recommendations. To help ensure and demonstrate that the Council is making progress, a follow up visit is advised in a year to 18 months' time.

## 2. **Recommendation**

- 2.1 To note the LGA Peer Challenge 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.
- 2.3 To agree to a follow up visit by the peer team in 12 to 18 months' time.

## 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 t 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 The 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. The report prepared as the outcome of that review is attached as Appendix 1 to this report.
- 3.3 The peer team found many good things about the Council but that in some ways it was under performing in that it could be doing great things. The Review peer team made 7 key recommendations. In response to these recommendations an action plan has been prepared which is attached at Appendix 2 to this report. This followed the implementation of one of the actions which was to hold an away day.
- 3.4 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. This though will require some internal focus for Senior Managers' and the Executive's time over the rest of the year.
- 3.5 Part of the commitment to undertaking a Peer Challenge is also agreeing to a one day follow up visit by the peer team in which the to help the Council assess and demonstrate progress. It is proposed that this be undertaken in a year to 18 months' time.

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

4.1 This proposal is in line with Fit for the Future (FFF) principles of:

*Service: To Maintain and Improve Services* – as it will help the Council to better deliver its services

*Money: Achieve and maintain a sustainable balanced budget* – as it will help the Council better manage its finances.

*People: Engaged and Empowered Staff* – as it will help the Council to make sure it has the right staff in place and that they are appropriately supported and engaged.

#### **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. Similarly, the planned away day sessions do not attract a cost.

5.2 It is not anticipated that any of the proposed actions in Appendix 2 will generate a cost other than staff time.

#### **6. Risks**

6.1 The Council could be at risk in respect of its reputation if it did not respond to the key recommendations of the Peer Review 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 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.

## Appendix 2 – Proposed Action Plan

| Key Recommendations   | Proposed Actions  |
|---|---|
| <p>1. Consider an externally facilitated Away Day event for Executive and SMT. The purpose of the event is to develop a narrative about the rationale for each of the Sustainable Community Strategy (SCS) themes, and the strategic outcomes being sought by each. So for each of the priorities there is a clear thread of rationale (why this is important for WDC to focus) – action (what is WDC going to do, in terms of delivery, investment and influencing) – outcomes (how will things measurably improve as a result). Once agreed this then needs to be communicated to both staff and partners and continually inform service and financial decisions across the organisation.</p> | <p>1. An away day was held in March.<br/>2. The revised SCS will be brought to the Council for consideration by June 2017.</p>  |
| <p>2. Ensure Executive portfolio holders own and drive agreed priorities, and are held accountable for delivery of the strategic outcomes. The outcomes developed for each of the SCS priorities (with input from portfolio holders) will provide the basis for Members to demonstrate success and impact. They will also provide a means by which they can be held to account for delivery against priorities.</p>   | <p>3. The revised SCS will be integrated into an updated Fit for the Future (FFF) Strategy which also come to the Council for consideration in June 2017.<br/>4. The revised SCS will be integrated into the Service Area Plans (SAPs) for each Portfolio for 2018/19.<br/>5. The SAPs for 2018/19 will also be brought to the Executive/Council for consideration and will then be reviewed by the Overview and Scrutiny Committee accordingly to a timetable it needs to agree.</p> |
| <p>3. Engage with the wider local government and public sector to explore commercial opportunities and learn more about examples of approaches and practice. Get a better understanding about what is possible and consider the concept further with senior members and officers. The LGA can signpost to people and places that can share experience and expertise to inform the debate.</p>   | <p>6. Part of the away day proposals was to consider specifically the “commercial dimension”.<br/>7. The revised SCS, FFF, and SAPs will integrate the “commercial dimension”.<br/>8. 2 CMT members have also attended conferences on “commercialism”.</p>  |
| <p>4. Review the skill sets and capacity internally to deliver ambitions (including commercial, commissioning, procurement, project and contract management and customer insight). Ensure the new People Strategy aligns workforce development with the</p>   | <p>9. The People Strategy will be updated and aligned throughout the course of the year following approval of the revised SCS, FFF and SAPs.<br/>10. All of the Council’s other supporting Strategies (e.g. ICT/Digital; Finance; Asset Management;</p>   |



|  |  |
|--|--|
| <p>overall priorities of the Council and the transformation programme, and addresses the culture, skills and mindset required by the future organisation.</p>  | <p>Procurement; Risk Management; Communications; etc.) will be reviewed throughout the 2017/18 financial year to make sure they are also aligned with the revised SCS and FFF.</p>   |
| <p>5. Move at pace to deliver the work in progress. There are several evolving plans, strategies and proposals that will help to articulate the future direction of travel for the Council that need to be progressed and implemented.</p>   | <p>11. That the Council note that it has made its key decisions on the Leisure Centres Programme; that the Asset Management Strategy is forecast to be considered in June 2017; that the decision on the HQ Relocation is forecast for July 2017; that the decision on Linen Street MSP is due in June 2017 and a decision on the Community Stadium is planned for April. The FFF Strategy is due to be updated and reported in June 2017.</p> |
| <p>6. Work with local partners to agree how to work together better. Better harness and utilise the appetite of partners and other stakeholders to be more involved, and work with the Council to co-develop and jointly design the interventions and activities that will most effectively deliver the outcomes sought.</p>   | <p>12. That the process of reviewing the SCS and FFF involves a discussion with the Council's key partners to help agree and deliver the intended outcomes.</p>  |
| <p>7. Continue 'horizon scanning', particularly in relation to emerging regional landscape regarding devolution. The Council needs to:</p> <ul style="list-style-type: none"> <li>(a) articulate its rationale and reasoning for the current position regarding the West Midlands Combined Authority (WMCA) to strategic partners and stakeholders</li> <li>(b) keep a watching brief on the rapidly evolving developments, keep its position under review, and ensure it is clear on if, how and when it needs to participate to influence and ensure a contribution to the strategic outcomes it is striving for.</li> </ul> | <p>13. That a report be brought to the Executive before the end of September 2017 setting out the latest situation and allowing the Council to review its position.</p>  |

# Corporate Peer Challenge **Warwick District Council**

20<sup>th</sup>-22<sup>nd</sup> July 2016

## **Feedback Report**

## 1. Executive Summary

The LGA Corporate Peer Challenge in 2012 reported an array of strengths and these are still clearly evident at Warwick District Council (WDC). We saw and heard an abundance of good will, passion and commitment from a range of stakeholders, and it is obvious that councillors, officers and partners all want to do their best for the Council and district. Working relationships between officers and councillors appear to be mutually supportive and many partners view the Council as a positive and responsive partner. The district as a place is relatively prosperous and benefits from some notable assets and advantages in terms of location. All of this combined with political stability and a sound financial footing - achieved through prudent financial management and continued delivery of the Fit for the Future programme - have put the organisation in a strong position to meet future challenges.

There is an opportunity for the Council to strengthen its grasp of those challenges. To do so it needs to provide greater clarity and certainty about the outcomes and strategy required to deliver its ambitions, increase its pace on implementing plans and proposals and be prepared to take further difficult decisions in terms of the services, investment and activities it might reduce or cease to deliver. The opportunity is time limited and the Council must seize it if it is to retain the ability to proactively respond, rather than passively react, to the evolving financial, economic and policy context facing the district, region and local government sector as a whole.

The priority themes set out in the Sustainable Community Strategy (SCS) – including a focus on prosperity, health & well-being, housing, safety and sustainability - all appear relevant given the context of the place and the challenges it is facing. There are good levels of awareness and buy-in. Councillors, officers and partners are all familiar with the themes and want to work with the Council to deliver against them. There is, however, less understanding of the rationale behind the themes, and the narrative about why the Council is choosing to invest resources, capacity and energy on them. There is also significant scope for a clearer articulation of the strategic outcomes being sought. This is essential if the Council is to build on its strong partnering and become even more effective at leveraging the capacity and commitment of others. It will also better enable the Council to demonstrate the return on its investment and the impact of its interventions.

There is a genuine desire and positive commitment from the Council to work with partners to address the priorities. This is demonstrated by a plethora of projects, initiatives and activities being jointly delivered with other organisations such as the police, businesses, university, voluntary sector and other councils. However, not all partners feel they are engaged and involved early enough in decision-making or proposal and policy formulation. The Council's approach to engagement needs to be re-balanced so it features earlier dialogue with stakeholders including both current and potential partners. Many have an appetite to be involved earlier in the debate and have relevant expertise and knowledge to bring to the table. There is an opportunity to harness this more to design and commission more collaboratively and jointly with partners.

The linkage between the Sustainable Community Strategy priorities, the Financial Strategy, Fit For Future (FFF) programme and other emerging strategies (including the People and Asset Management strategies) is not as explicit as it needs to be. The previous Peer Challenge suggested a perception among some staff that the FFF

programme was becoming increasingly focussed on purely making savings. In the absence of explicit strategic outcomes there is a growing reality that finance is now becoming the key driver for everything. In many other councils the severity of the financial challenge means that has to be the case. But at WDC there is an opportunity for service transformation and organisational development to be shaped by the strategic outcomes being sought, and deliver good services and support for residents and businesses, without being driven purely by a reducing financial envelope. It is critical that WDC takes this opportunity as the leader of place.

## 2. Key recommendations

There are a range of suggestions and observations within the main section of the report that will inform some 'quick wins' and practical actions, in addition to the conversations onsite, many of which provided ideas and examples of practice from other organisations. The following are the peer team's key recommendations to the Council:

- 1. Consider an externally facilitated Away Day event for Executive and SMT.** The purpose of the event is to develop a narrative about the rationale for each of the Sustainable Community Strategy (SCS) themes, and the strategic outcomes being sought by each. So for each of the priorities there is a clear thread of rationale (why this is important for WDC to focus) – action (what is WDC going to do, in terms of delivery, investment and influencing) – outcomes (how will things measurably improve as a result). Once agreed this then needs to be communicated to both staff and partners and continually inform service and financial decisions across the organisation.
- 2. Ensure Executive portfolio holders own and drive agreed priorities, and are held accountable for delivery of the strategic outcomes.** The outcomes developed for each of the SCS priorities (with input from portfolio holders) will provide the basis for Members to demonstrate success and impact. They will also provide a means by which they can be held to account for delivery against priorities.
- 3. Engage with the wider local government and public sector to explore commercial opportunities and learn more about examples of approaches and practice.** Get a better understanding about what is possible and consider the concept further with senior members and officers. The LGA can signpost to people and places that can share experience and expertise to inform the debate.
- 4. Review the skill sets and capacity internally to deliver ambitions (including commercial, commissioning, procurement, project and contract management and customer insight).** Ensure the new People Strategy aligns workforce development with the overall priorities of the Council and the transformation programme, and addresses the culture, skills and mindset required by the future organisation.
- 5. Move at pace to deliver the work in progress.** There are several evolving plans, strategies and proposals that will help to articulate the future direction of travel for the Council that need to be progressed and implemented.
- 6. Work with local partners to agree how to work together better.** Better harness and utilise the appetite of partners and other stakeholders to be more involved, and

work with the Council to co-develop and jointly design the interventions and activities that will most effectively deliver the outcomes sought.

**7. Continue ‘horizon scanning’, particularly in relation to emerging regional landscape regarding devolution.** The Council needs to:

- (a) articulate its rationale and reasoning for the current position regarding the West Midlands Combined Authority (WMCA) to strategic partners and stakeholders
- (b) keep a watching brief on the rapidly evolving developments, keep its position under review, and ensure it is clear on if, how and when it needs to participate to influence and ensure a contribution to the strategic outcomes it is striving for.

### **3. Summary of the Peer Challenge approach**

#### **The peer team**

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the Council’s requirements and the focus of the peer challenge. Peers were selected on the basis of their relevant experience and expertise and agreed with the Council. The peers who delivered the peer challenge at Warwick District Council were:

- Lorraine Norris – Chief Executive, Preston City Council
- Councillor Paul James – Leader, Gloucester City Council
- Rina Singh – Strategic Director, South Somerset District Council
- Jackie Yates – Executive Director, Oxford City Council
- Gavin Handford – Head of Policy & Performance, Reigate & Banstead Borough Council
- Paul Clarke – Programme Manager, Local Government Association (LGA)
- Patricia McMahon – Policy Adviser, Local Government Association (LGA)

#### **Scope and focus**

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges cover. These are the areas we believe are critical to councils’ performance and improvement:

1. Understanding of the local place and priority setting: Does the Council understand its local context and place and use that to inform a clear vision and set of priorities?
2. Leadership of Place: Does the Council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. Financial planning and viability: Does the Council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?

4. Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
5. Capacity to deliver: Is organisational capacity aligned with priorities and does the Council influence, enable and leverage external capacity to focus on agreed outcomes?

In addressing these questions the peer team were asked to provide feedback on how effectively the Council is delivering, with its partners, against the three themes in the Sustainable Community Strategy: Prosperity, Health & Well Being and Housing.

### **The peer challenge process**

It is important to stress that this was not an inspection. Peer challenges are improvement-focussed and tailored to meet individual councils' needs. They are designed to complement and add value to a council's own performance and improvement focus. The peer team 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.

The peer team prepared for the peer challenge by reviewing an extensive range of documents and information in order to ensure they were familiar with the Council and the challenges it is facing. The team then spent three and a half days onsite at the Council, during which they:

- Spoke to more than 80 people including a range of council staff together with councillors and external partners and stakeholders.
- Gathered information and views from more than 30 meetings and additional research and reading.
- Collectively spent more than 190 hours to determine their findings – the equivalent of one person spending nearly 6 weeks in Warwick District Council.

This report provides a summary of the peer team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (20<sup>th</sup>-22<sup>nd</sup> July 2016). In presenting feedback to the Council, they have done so as fellow local government officers and members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time. We appreciate that some of the feedback may be about things the Council is already addressing and progressing.

## **4. Feedback**

**Understanding of the local place and priority setting: Does the Council understand its local context and place and use that to inform a clear vision and set of priorities?**

The Sustainable Community Strategy (SCS) sets out five priority themes that appear relevant given the local, regional and national context within which the Council operates.

A stated focus on Prosperity, Health & Well Being, Sustainability, Housing and Safer Communities makes sense, and clearly supports an overall vision of making the district a great place to live, work and visit and the ambition to build sustainable, safer, stronger and healthier communities. Future housing growth and the supply of affordable homes are clearly understood to be a key issue for the district, and the importance of progressing the Local Plan through to adoption is rightly seen as critical by a range of stakeholders including councillors, officers and partners.

There are good levels of awareness of the SCS themes, and almost everyone we engaged with was able to confidently cite them. The themes are clearly used as a framework against which projects, initiatives and other activities are aligned – and in terms of supporting overall priorities through delivery on the ground there is arguably a strong link. However, there is limited explanation as to why the SCS themes are priorities for the Council and no articulation of the strategic outcomes sought. So while there is an impressive array of actions, projects and initiatives, there is no convincing or compelling narrative that justifies the investment in them, or the anticipated return on that investment in terms of measurable outcomes and timescales. Without these it is difficult to see how the Council can effectively demonstrate impact and success.

A more explicit connection between evidence base and rationale, action and activity, and impact and outcomes will help better communicate ambitions and political aspirations to a range of stakeholders. A strengthened SCS, outlining the priorities, evidence base and desired outcomes will provide a better basis for influencing and informing the engagement with communities, partners and other stakeholders about their expectations, respective roles and the contributions each can make to shaping and delivering the outcomes. Linking key decisions and strategic policy development more clearly to the SCS will help councillors, as accountable decision-makers, to own, advocate and explain Council priorities, policy and strategy to the community and other stakeholders.

There are councils (e.g. Reigate & Banstead) that produce or commission an evidence base (including a district profile, strategic needs assessment, analysis from the regional data observatory, etc.) to provide a rationale and reasoning – in addition to political ambitions and aspirations - behind their priority themes. Some councils (e.g. Lichfield, East Hertfordshire) have used their corporate/strategic plan to articulate how they will seek to influence and enable (as well as deliver) key stakeholders, and set out what they expect from others in the pursuit of the outcomes.

Internally, a strengthened and possibly re-branded SCS (Strategic Plan?) will provide a better basis on which the organisation can - through its decision making, service planning, and performance management - more effectively align its resources, capacity and capability across the organisation to the agreed priorities. The Financial Strategy and emerging strategies, such as the People Strategy and Asset Management Plan, should be supporting and enabling the delivery of the SCS priorities. As the Council's strategic plan the SCS should be determining the organisational development and transformation required through the 'Fit for Future' (FFF) programme. But in the absence of a clearly articulated vision and strategic outcomes, finance is being seen as the default driver for much of the change activity occurring at WDC. Rebranding the SCS will also show that the Council has moved on from the days when there was a duty

to produce a Sustainable Community Strategy (under the Local Government Act 2000), which was abolished by the Coalition Government in 2010.

The Council currently draws on a range of information to understand the needs of local communities. Locality profiles support the work of the Community Partnership Team, and community forums help determine local action plans against which grant funding is available to spend on community initiatives. This is helping to inform service delivery and more targeted interventions in areas of greatest need. There is, however, scope to further the use of customer insight and data to inform local priorities and service improvements so that they are informed by evidence and analysis as well as engagement and consultation.

**Leadership of Place: Does the Council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?**

There is a good understanding across the managerial and political leadership of the key challenges and opportunities facing the district. This includes an appreciation of the key assets the district has as a place, and its positioning and function within the wider sub-region. Good transport links and connectivity (road and rail), a highly skilled population with higher than average levels of productivity and earnings, economically resilient town centres, and an abundance of rural areas and green belt land make the district an attractive and sought after place to live.

There is a desire to build on those assets and strengths, and a strong understanding that the Local Plan is critical to enabling that. Adoption of the Plan will be an important milestone for the Council in terms of its ability to determine and shape the physical development of the district, and provide the infrastructure to enable the other SCS priority themes, particularly housing and prosperity. Informed and supported by external challenge and assistance, the Council has worked hard with partners to respond to the feedback from the Planning Inspector and get the development of the Plan back on track following the suspension of the adoption process last year.

The suspension of the process due to the absence of an objectively assessed housing need for the wider housing market area (HMA) demonstrates the increasing importance of the Council considering the regional and sub-regional context in its plans and ambitions. It needs to be clear what its offer is, what it needs from others to realise ambitions and deliver priorities, and also what the 'red-lines' and non-negotiables are. The regional context, particularly in terms of devolution, is now developing rapidly and the Council will need to continue to monitor developments. As one partner put it, 'watch the landscape to make sure you don't miss something'. We agree with that sentiment. The rationale for not joining the West Midlands Combined Authority (WMCA) as a non-constituent member may need to be articulated and communicated more widely – particularly to partners who do not currently appreciate the reasons. There should also be a commitment to keep that decision under review given the fast pace of change.

The Council works constructively through various partnerships and relationships with many external organisations and agencies – both strategically and operationally. Officers and/or members are active in regional, sub-regional and county wide partnerships such as the Planning Officers Group and Community Safety Partnership. Key public sector partners,



including police, public health, and County Council, recognise and value the Council's engagement, and many cited WDC as a 'positive and responsive partner'.

It is clear that the Council has a commitment to consult, engage and involve. There is, however, a perception from some partners - including town/parish councils, the voluntary and community sector and business community - that conversations and involvement are not always sought early enough to enable them to contribute fully to decision-making or proposal and policy formulation. For some it feels that decisions have already been made, and that partnerships are not collaborative and collegial as they need to be to support faster delivery, and enable the co-design and innovation to improve services and outcomes as part of the commissioning cycle. The Council may need to look at re-balancing and evolving some relationships so that they are based on the principles of 'collaboration' and 'co-creation', and founded on a mutual understanding and a better appreciation of the roles partners can play and value they can add.

**Financial planning and viability: Does the Council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?**

The Council is currently in a strong financial position relative to many other councils. Prudent financial management, delivery of savings, and increased income as a result of the FFF Change programme have helped to protect frontline services. The Council has relatively high levels of reserves, including earmarked reserves which are enabling some key investments (e.g. leisure centre development). The HRA reserve is predicted to increase over the next five years, and the Council has not needed to mainstream New Homes Bonus into the core revenue budget. A pattern of underspends has meant the Council has consistently managed its spending within budget, and it reported a net surplus of £1.7 million against its 2015/16 budget. As a result of its funding position the Council was able to absorb a significant deficit on business rates in 2016/17.

Whilst a funding gap is projected over the next five years that will require further savings and income (£696,000) over and above what is already included in the Medium Term Financial Strategy (MTFS), that challenge looks manageable and benign when compared to other councils. The LGA's Future Funding Outlook Model suggests the projected funding for the Council in 2019/20 will cover 99.9% of its projected expenditure (compared to the average for district councils of 93.4%, and an average for all councils of 83.8%). Whilst the model is theoretical, based on generic assumptions, and last updated prior to the latest Local Government Finance Settlement, it nonetheless reinforces the position of relative strength.

Despite this, the Council appreciates there is no room for complacency. It has sought to evolve and develop the financial strategy to ensure future financial sustainability remains achievable in a changing policy and financial context. Up until now, the funding gap has been met largely through reducing service and staffing costs through systems/lean thinking, contract savings achieved through better procurement, and over-realisation of income, particularly in terms of planning fees and car parking charges. This has served the Council well, helping to realise savings and/or increased income of approximately £3.5million to date.

The strategy is now becoming predicated more on big investment decisions that will reduce running costs, increase income, and deliver better outcomes – such as the HQ Relocation and Leisure Development Programme. These two projects have been in the pipeline for some time, business cases are relatively well advanced and now need to be crystallised and implemented. There is a need for further clarity about the investment required to deliver some of the other projects within the MTFs and future projects in support of the SCS priorities. Many of the proposals are new and the realism of the savings predicated on them, and the timescales for their implementation and benefits realisation will need to be robustly assessed to ensure the risks and controls to manage them effectively are fully understood and resourced. Funding provisions and/or implications of several longer term liabilities beyond 2018/19 will need to be factored into the MTFs, particularly in terms of corporate assets such as ICT, car parks, and the wider property portfolio.

The Council has rightly recognised the benefits of adopting a more strategic and integrated approach to asset management. An Asset Management Strategy is currently being finalised and the Council has formed a joint venture (with Public Sector Plc) to review assets in order to secure revenue savings. Both of these are positive developments. In progressing this work the Council should ensure the focus is not purely on finance, and that opportunities to utilise assets to support wider strategic priorities and outcomes are part of the approach.

Commercialisation and the need to adopt a ‘private sector approach’ is being cited by many – particularly Executive members – as an increasingly important facet of the Council’s financial strategy. More work is needed to articulate exactly what is meant and expected by this. Currently it means different things to different people. Some described it as exploiting opportunities for income generation including providing services for other authorities, others identified it as being more ‘cost conscious’, achieving value for money, and delivering things in a more cost effective way. Some see it as a way of describing a mind-set or attitude rather than a set of tangible approaches. These are all potential commercial objectives, but these need to be clearly articulated and agreed at a corporate level. There are some emerging tensions about what is possible and practical, but also what is philosophically acceptable and politically palatable. There is a growing body of practice and examples from across the public sector that can inform the debate – including a range of information and case studies on the LGA website at: <http://www.local.gov.uk/commercialisation>.

In terms of strengthening financial planning and management further, senior management have recognised the need to look at budget setting and monitoring in the context of underspends. There have been net budget underspends at the end of the last ten financial years. We know that in recent years, these have been predominantly due to an over-achievement on income targets so can be seen as positive. But there is a potential danger that achieving underspends becomes an expectation and assumption. This can result in difficulties in understanding the true cost of providing services. Over time it may become more challenging to make decisions about service or staffing changes - particularly if it appears they are not needed due to underspends occurring in service budgets being the norm.

**Organisational leadership and governance: Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?**

We observed relationships between councillors and officers that were generally positive and mutually supportive. There appears to be a strong working relationship between the Corporate Management Team and the Executive who meet regularly to consider the Administration's work programme. Individual portfolio holders have a regular dialogue with their respective Head of Service, and shadow portfolio holders are also provided with regular briefings – albeit there is an obvious question about whether this is sustainable given there are shadow portfolio holders from all political groups, and not all of those portfolios are aligned with the Executive portfolios.

Since moving from No Overall Control to a majority Conservative administration following the local elections in May 2015, the Council has remained committed to ensuring there are a range of relevant and timely opportunities for all councillors to contribute to key debates, decision-making and policy development. The Chief Executive continues to regularly brief all group leaders on key developments. Cross-party working groups are established to provide political oversight, support and challenge on high-profile initiatives (Leisure Development Programme and HQ relocation). Overview and Scrutiny (O&S) Committees - chaired by opposition councillors – consider the Executive's forward plan and agendas, and focus on providing views and input at a pre-decision stage. Cross-party O&S task and finish groups are used to inform policy on a range of topics determined by members (e.g. HMOs in Leamington), and opposition group leaders are allowed to speak at Cabinet meetings. This provides a wide range of opportunities for all councillors to engage in key issues, despite the inevitable feeling from some councillors that this has changed since the days of No Overall Control.

Staff feel supported by the organisation and have a positive attitude to the need for change. The Peer Challenge in 2012 commented that staff liked working for the Council, and a follow up visit by that peer team in 2014 suggested a strong focus on staff welfare and effectiveness. That is still generally the case. It will be important to build on and maintain this, particularly given the inevitable unsettling impact of the two major projects (HQ relocation and Leisure development programme) on some staff. It is essential that the direction of travel is effectively communicated to all staff and stakeholders and critical that some of the emerging key strategies and plans (e.g. health and well-being, economic development, asset management and digital transformation) which will articulate this are finalised, communicated and implemented.

The 'Fit for Future' (FFF) programme is a well-known brand across the organisation and has served the Council well in terms of delivering organisational change and financial savings. Since its inception, the focus has been updated, and is currently based on the three themes of 'people', 'money' and 'service'. While emphasis has undoubtedly broadened from its early focus on lean systems reviews, the current schedule of projects does appear to be predominantly based on specific areas and/or functions of the Council's business. We posed the question of whether the Council is taking the opportunity to realise savings and improvement from cross-cutting themes and processes – for example by focussing on functions from a customer journey and perspective (book it, pay for it, report it) which would also help inform your digital transformation plans.

There is need we think to clarify and communicate customer services standards, to ensure a consistent approach across the organisation and manage customer expectations. Feedback from a range of stakeholders suggested that responsiveness and standards can differ dramatically depending on which part of the organisation they contact, or indeed which officer. Given the recent move to take the customer contact function back in-house, and the digital transformation agenda there is an opportunity to review and reset performance standards, in consultation with staff and customers. We understand a survey is being developed to do this. How the Council will monitor delivery against those standards on an ongoing basis will also need to be addressed.

**Capacity to deliver: Is organisational capacity aligned with priorities and does the Council influence, enable and leverage external capacity to focus on agreed outcomes?**

The Council knows its workforce is its greatest asset, and has a long history of investing in its people. A refreshed People Strategy and action plan have been developed, informed by the recent feedback from the Investors in People (IIP) Bronze award – which indicated there was some excellent practice in some areas of the Council, as well as areas for improvement. The purpose of the Strategy is to support the FFF programme and ensure that learning and development is designed to deliver the future workforce the Council requires.

In further developing and implementing the strategy there will be a need to increasingly focus on the culture change needed as the workforce becomes smaller and more agile and flexible, as well as the key skills and knowledge required going forward, i.e. Resilience, commercialisation, commissioning, programme and project management, and contract management. The latter two in particular are critical given the major projects that are beginning to feature as part of the Council's financial strategy. Given the levels of financial savings and transformation predicated on them, it is absolutely right that the Council invests resource in the skills, expertise and capacity to deliver the projects to time and budget.

The Council appreciates it doesn't have all of the skills and capacity to develop and deliver the range of activities that will most effectively deliver the priorities for the district. Like most councils it has acknowledged the need to commission and leverage skills and expertise to achieve efficiencies, improve outcomes and increase resilience. It has demonstrated a willingness and track record of doing so – the shared legal services arrangement and community partnership arrangements with the County Council, and the joint ventures with Waterloo Housing Group and Public Sector Plc providing good examples of this.

There is scope to further develop the approach to procurement and commissioning to better harness the capacity and expertise of current and potential delivery partners. Commissioning could be improved further through earlier engagement with partners and other stakeholders about the problem or challenge, rather than via fully formed specifications. This will better utilise and harness the willingness and readiness of partners to help complement or supplement Council capacity in some instances. Currently, there appears to be some facets of a 'paternalistic' attitude to the delivery of

services and responsibilities, where the Council either directly provides services or support, or determines the specification for potential interventions.

The Council should ensure it takes the opportunity to use its 'commercial leverage' through procurement and commissioning to deliver wider benefits beyond the bottom line of cost and value for money. In particular consideration of the social value and contribution to wider strategic priorities and outcomes, should be considered more prominently. There are big companies and businesses operating in the district, and the Council could potentially do more to influence their thinking and activity regarding their social responsibility activity and community investment. Where appropriate, procurement activity should also facilitate knowledge transfer to enable the Council to build its own expertise and capacity for the future.

The community based staff employed and resources deployed by the Council - including town centre managers and community partnerships – are highly visible and valued by external stakeholders. While changes to current arrangements and the resourcing of those are inevitable, careful consideration and communication of changes is needed so that expectations are managed, and the rationale behind change understood. The recent restructure and rationalisation of the town centre managers, for example, has not been well received by affected stakeholders. This demonstrates the importance of ensuring stakeholder engagement about options and proposals and clear communication of the decision.

The Council will also need to carefully consider the communication about the big investment decisions, given that they are being taken at a time when there are also reductions and changes to services. There should be a positive focus on the improved outcomes and benefits of investments rather than simply justifying the expenditure.

### **Additional feedback on delivery of priorities (Prosperity, Health & Well Being, and Housing)**

The peer team were asked for their observations on how the Council is delivering, with its partners, against three themes in the SCS: Prosperity, Health & Well Being and Housing. Feedback in the main body of the report covers this to an extent. The following is a reiteration of some key points along with further specific observations.

#### General observations:

There is an impressive array of services, projects and initiatives being delivered with, and through, partners to support the delivery of the three priorities. The co-design, delivery and/or resourcing of job clubs, business advice, 'making every contact count' (MECC) training, street marshals, street pastors, CSE training for taxi drivers, and purple flag award demonstrate there is an abundance of activity on the ground and a good track record of working effectively with a range of organisations and agencies at an operational level.

It is clear that partners want to be involved and are committed to working with the Council. They are keen to better understand the wider SCS priorities and how they can support delivery of the outcomes being sought by the Council. Developing and articulating the outcomes including the rationale and evidence base for them will provide

a more coherent strategy, better focus/basis for activity and projects, and enable partners to understand where and how they can contribute. It will also ensure that priority outcomes are delivered rather than a series of projects aligned to priority themes.

The SCS priority themes are interconnected, but as one person put it ‘physical regeneration doesn’t equal social regeneration’. So there needs to be place-based initiatives that will cut across all of the priority themes. There are some examples of this already, not least the multi-agency work regarding regeneration of Lillington. Partners see the Council as having a critical role in joining up, and co-ordinating and harnessing the input and contribution of stakeholders, and think that is something the Council could do more of.

### Health and Well-Being:

The Council is seen by partners as committed to making a contribution to improved health and well-being in the District. There is recognition that the Council has a key role of ‘making every contact count’ (MECC) and has opportunities to impact on people’s mental and physical health. Partners described the Council as ‘proactive’ and having a ‘culture of helping and supporting’, and there are good examples of how the Council works with others on tackling wider health and well-being issues (e.g. GP referral scheme), and also work which focusses on the wider determinants of health such as social exclusion and debt management (e.g. Lillington). It is notable that WDC was the first district council in Warwickshire to take up the offer of public health (and more recently CCG) monies to match fund activities that contribute to improved health and well-being.

There are instances where the Council could be more proactive at seeking an earlier input and perspective from health partners (e.g. health impact assessment during Local Plan development, collaborative commissioning of the voluntary and community sector), and a need to articulate how key decisions (e.g. leisure development programme) contribute to the delivery of health and well-being outcomes. There is a need for a clearer local strategy – linked to the countywide Health & Well Being Strategy – that provides a better foundation on which the Council can base its contributions, determine how best it can work with partners, and measure its impact. If health and wellbeing is a political priority for the Administration, which it appears to be, it is important that there is a clear articulation about what the Administration wishes to achieve. It is also important to ensure that officers support the Cabinet Member to make the district’s case in relevant forums such as the Health and Wellbeing Board.

### Housing:

There is good partnership working with social housing providers including Orbit, Wilmott Dixon and Waterloo Housing Group, the latter with whom the Council has worked successfully with to deliver 161 brownfield site affordable housing units, with a further 240 planned. Partners are complimentary about the Council and have a keen interest to do more in future. A stock condition survey is planned that will inform the future housing business plan and investment strategy. In the meantime, partners recognise the pivotal importance of the Local Plan and the challenges associated with progressing it through to adoption. It will be important the Council’s planning function is seen to be an ‘enabler’ as well as ‘enforcer’ to support the aspirations regarding housing growth.

## Prosperity:

The Council has recognised the need to diversify the economy so that it isn't over reliant on one employer, industry or sector. Partners can see the emerging thinking about a digital/gaming (Silicon Spa) sector and an increasing focus on tourism (albeit the ambitions for the latter need further development). The Council has worked effectively through the Local Enterprise Partnership (LEP) to progress the business case for a Creative Quarter, having previously helped to develop the Coventry and Warwickshire City Deal. Businesses we spoke to were positive about the support to business start-ups and had a genuine desire to be engaged earlier, particularly in terms of developing a vision and plans for town centre development rather than simply being consulted on them. The district as a place has much to commend it – from heritage assets like Warwick Castle and Kenilworth Castle to attractive parks and open spaces. Each of the district's main towns has its own distinctive characteristics and we would urge the Council to build a vision for each of these towns, in consultation with stakeholders, and put together an action plan for delivery.

## **5. Next steps**

### **Immediate next steps**


We appreciate the senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this. Helen Murray, Principal Adviser is the main contact between your authority and the Local Government Association (LGA). Her contact details are: Tel. 07884 312235 and Email. [helen.murray@local.gov.uk](mailto:helen.murray@local.gov.uk)

In the meantime we are keen to continue the relationship we have formed with the Council throughout the peer challenge. We will endeavour to provide signposting to examples of practice and further information and guidance about the issues we have raised in this report to help inform ongoing consideration.

### **Follow up visit**

The LGA corporate peer challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the Council. Our expectation is that it will occur within the next 2 years.

|   |  |  |
|---|--|--|
|  <b>Executive 5<sup>th</sup> April 2017</b>  |  | <b>Agenda Item No.</b><br><br><b>9</b> |
| <b>Report Title</b>   | <b>Corporate Property Repair and Planned Maintenance Programme 2017/18</b>   |  |
| <b>For further information about this report please contact</b>   | Russell Marsden<br>Assets Manager<br>russell.marsden@warwickdc.gov.uk<br>01926 456 038   |  |
| <b>Service Area</b>   | Chief Executive's Office (Assets Team)   |  |
| <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> March 2016, minute number 121  |  |
| <b>Background Papers</b>  | Corporate Property Planned Preventative Maintenance Programme 2016/17,<br>Executive 9/3/16; background working papers, Asset Maintenance Group minutes |  |

|  |             |
|--|-------------|
| <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 850 |
| <b>Equality &amp; Sustainability Impact Assessment Undertaken</b>          | N/A         |

|  |             |                     |
|--|-------------|---------------------|
| <b>Officer/Councillor Approval</b>   |             |                     |
| <b>Officer Approval</b>  | <b>Date</b> | <b>Name</b>         |
| Deputy Chief Executive   | 10/3/17     | Bill Hunt           |
| CMT  | 10/3/17     |                     |
| Monitoring Officer   | 10/3/17     | Andrew Jones        |
| Head of Service  |             | Bill Hunt           |
| Section 151 Officer  | 10/3/17     | Mike Snow           |
| Portfolio Holder(s)  | 20/3/17     | Cllr Peter Phillips |
| <b>Consultation &amp; Community Engagement</b>   |             |                     |
| Insert details of any consultation undertaken or proposed to be undertaken with regard to this report. |             |                     |
| <b>Final Decision?</b>   | Yes         |                     |
| <b>Suggested next steps (if not final decision please set out below)</b>                               |             |                     |



## 1. **SUMMARY**

- 1.1 This report proposes that budget provision of £1.7m is made available in 2017/18 to continue the Council's investment in its corporate property assets.
- 1.2 To allow members to ensure that the Council is spending the budget effectively the report provides the rationale for the proposed allocation of works against the budget.

## 2. **RECOMMENDATIONS**

- 2.1 That Executive approves the proposed budget allocation of £1,740,800 for the 2017/18 Corporate Property Repair and Planned Maintenance Programme, as set out in Table 1 in Section 5 of this report, to fund the list of proposed works set out at Appendices One and Two.
- 2.2 That, subject to approval of recommendation 2.1, Executive agrees to release up to a maximum of £266,800 from the Corporate Asset Reserve to support the 2017/18 programme.
- 2.3 That Executive notes that the 2017/18 budget includes £485,600 for works previously included within the 2016/17 budget but which have been subject to slippage for the reasons set out in paragraph 3.5.
- 2.4 That Executive agrees that the Assets Manager, in consultation with the Deputy Chief Executive (BH) and the Procurement Manager, is authorised to procure the works as per the Code of Procurement Practice.
- 2.5 That Executive delegates authority to the Deputy Chief Executive (BH) and the Head of Finance, in consultation with the Finance Portfolio Holder and the Leader of the Council, to approve any amendments to the proposed programme of works listed at Appendix One or Appendix Two and/or revisions to the amount of budget allocated for specific schemes, provided these can be accommodated within the overall budget of £1,740,800.

## 3. **REASONS FOR THE RECOMMENDATIONS**

- 3.1 The overall budget allocation for the Council's Corporate Property Repair and Planned Maintenance Programme supports two areas: Firstly, a Planned Preventative Maintenance programme (PPM), informed by stock condition data that builds an annual programme of managed works. This enables the Council to proactively maintain all existing assets in a sound condition until future decisions are made in respect of the asset base as part of the Corporate Asset Strategy which is currently being worked on. Secondly, the remaining element of the budget supports front-line responsive or cyclical maintenance, delivered by the in-house Warwick Plant Maintenance team (until June 2017 when the team will transfer to the new leisure centre operator under the TUPE scheme) or external contractors.
- 3.2 The proposed budget allocation for 2017/18 is based on a review of the PPM data, by officers within the Assets Team (formerly part of the old Housing and Property Services service area but now part of the Chief Executive's Office) in consultation with building managers from other service areas which hold or operate specific assets.
- 3.3 The recurring base budget for Corporate Property Repair and Planned Maintenance was set at £988,400 for 2017/18 in the February budget setting

report. However subsequent evaluation of the PPM data has identified a number of works that should be brought into the 2017/18 financial year in order to enable the efficient packaging of works and to maintain operational capability of the assets. As such it is proposed that the base budget for the year is increased to £1,255,200 to accommodate these additional works (see Table 1 in Section 5).

- 3.4 Expenditure at this level will require the release of £266,800 from the Corporate Asset Reserve, in order to supplement the recurring base budget to the full amount required by the 2017/18 PPM. If these funds were not released from the Reserve, some works detailed within the PPM would have to be delayed to future financial years.
- 3.5 The slippage of works from 2016/17 PPM is the result of several factors, including the significant staffing changes within the former Housing & Property Services service area during the last financial year, adverse weather, the availability of suppliers, and in-year decisions to defer works to future years in order to maximise programme and/or minimise service disruption.
- 3.6 Subject to approval of recommendations 2.1 – 2.3 the works will be procured in accordance with the Council's Code of Procurement Practice, with advice and input provided by the Procurement Manager as appropriate.
- 3.7 The cost of the proposed programme is an estimate at this stage based on the PPM and stock condition surveys undertaken to date. The allocations for each specific element of the programme, as set out in the appendices, are therefore indicative only. Past experience is that these allocations are liable to change as the works are procured and/or progress on-site. In previous years it has been found that, rather than attempt to address this volatility by building a contingency into the budget, a more effective and flexible means of managing the programme is through the use of the delegated authority, proposed in recommendation 2.5. This allows for the programme to be managed within the overall budget allocation for the year and, in addition to allowing changes to the indicative allowances to be managed, provides the flexibility needed to ensure that as service priorities evolve or new opportunities emerge during the course of the financial year the programme can be re-profiled to ensure that the Council achieves the maximum value for money from its investment in its corporate assets.

#### 4. **POLICY FRAMEWORK**

- 4.1 The recommendations assist with two of the strands of the internal element of the Fit for the Future Programme which are: Services - to maintain or improve the quality and the range of services that the Council directly provides; and Money - achieving efficiency, and cost savings and/or increased income to meet the significant financial challenges the Council faces.
- 4.2 The proposed allocations directly support the maintenance and improvement of the Council's corporate assets that form part of the cultural offer available to residents and visitors in support of the Council's Vision of Warwick District being a great place to live, work and visit.
- 4.3 The recommendations are also consistent with the need to ensure that we invest in our assets to ensure they remain fit for purpose and meet all health and safety and other legislative requirements.

## 5. BUDGETARY FRAMEWORK

- 5.1 The Corporate Property Repairs and Planned Maintenance Programme budget requirement for 2017/18 is £1,740,800 as set out in Table 1 below. This incorporates work as part of the Planned Preventative Maintenance programme (PPM), Warwick Plant Maintenance (to 31 May 2017), Responsive Repairs and Cyclical Maintenance, and Slipped Works from 2016/17.

| <u>Work</u>                         | <u>Budget</u><br><u>£</u> | <u>Expenditure</u><br><u>programme</u><br><u>£</u> | <u>Variance</u><br><u>£</u> |
|-------------------------------------|---------------------------|--|-----------------------------|
| PPM                                 | 420,500                   | 687,300  | 266,800                     |
| Warwick Plant Maintenance           | 24,200                    | 24,200   | 0                           |
| Responsive and Cyclical Maintenance | 543,700                   | 543,700  | 0                           |
| <b>2017/18 Maintenance Total</b>    | <b>988,400</b>            | <b>1,255,200</b>                                   | <b>266,800</b>              |
| Slipped Works form 2016/17          | 485,600                   | 485,600  | 0                           |
| <b>TOTAL (inc. Slipped Works)</b>   | <b>1,474,000</b>          | <b>1,740,800</b>                                   | <b>266,800</b>              |

**Table 1**

- 5.2 Details of the estimated expenditure per asset of the 2017/18 PPM Programme can be found in Appendix One.
- 5.3 Works slipped from 2016/17 were originally allocated budget as per the March 2016 Corporate Property PPM report, agreed by Executive, and are detailed in Appendix Two. This budget has been carried forward to 2017/18.
- 5.4 To finance the remaining works £266,800 would need to be released from the Corporate Asset Reserve for 2017/18. The Corporate Asset Reserve is currently forecast to total £1,377,200 (before any funding for 2017/18 Planned Project Work). Funding the proposed 2017/18 works would reduce the reserve to £1,110,400.
- 5.5 The Responsive and Cyclical Maintenance budget allocation of £543,700 covers general building repairs, including mechanical and electrical repairs to the operational and non-operational assets. This budget has been reduced from £615,700 in 2016/17 as a result of the leisure centre transfers.
- 5.6 Warwick Plant Maintenance is budgeted up to 31 May 2017, as these staff will be TUPE transferred as part of the Leisure Options project. The Council will no longer have a dedicated in-house team of engineers, with any non-leisure centre works being incorporated into existing contracts and budgets.
- 5.7 The programmes and budgets will be monitored on a monthly basis as part of the Council's budget management measures. The budget will be overseen by the Asset Maintenance Group. Part of the monitoring process will be to identify if any other works need to be brought forward during the year. The monitoring will determine if the budget situation means they need to replace any of the items set out in Appendix One but potentially, if any of the proposed schemes slip or come in under budget, they could be additional to the approved list of works. Conversely if approved schemes come in over budget so that the budget would be insufficient to undertake all the approved work the monitoring will be used to determine which works are appropriate to be deferred to future years.

## **6. RISKS**

- 6.1 The programme is itself a primary means of risk mitigation for the Council. The proposed allocations are recommended to ensure that the Council's corporate assets remain fit for purpose and meet all health and safety and other legislative requirements. The proposals are intended to limit the Council's exposure to contingent major repair costs, third party claims, and enforcement action from governing bodies (e.g. HSE) while ensuring service continuity.
- 6.2 The risk of not adopting the proposed budget allocation is that the corporate assets will fall into disrepair and will no longer be fit for purpose increasing the Council's exposure to the categories of risk outlined in paragraph 6.1 above.

## **7. ALTERNATIVE OPTION(S) CONSIDERED**

- 7.1 The Corporate Property Repair and Planned Maintenance Programme could be reduced to a level that only supports necessary responsive repair works. However, it is considered that this approach would risk reducing the performance of the assets with the lack of a managed approach preventing underlying degradation of the building fabric to be proactively addressed. This would store up longer-term, potentially more costly maintenance liabilities that would have to be addressed in future budget setting.
- 7.2 Members could choose to recommend that only work covered by the recurring base budget should be undertaken, and to not take the additional money from the Corporate Asset Reserve to cover the full 2017/18 programme. However, officers consider that it would be prudent to fully fund the 2017/18 programme as this will ensure that the Council is undertaking preventative maintenance efficiently and that it will reduce the risk of diminished building operational performance by making use of available budget within the Corporate Asset Reserve.

## **Appendix One**

Corporate Property Planned Preventative Maintenance Programme (PPM) works  
2017/18

### **Operational Building Fabric**

| <b>Asset</b>  | <b>Estimated Value</b> |                  |
|---|------------------------|------------------|
| Abbey Fields Outdoor Pool   | £                      | 10,000           |
| Town Hall   | £                      | 72,500           |
| Royal Spa Centre  | £                      | 87,000           |
| Royal Pump Rooms  | £                      | 36,500           |
| Oakley Wood Crematorium   | £                      | 5,000            |
| Jephson Gardens & Temperate House                                       | £                      | 26,000           |
| Victoria Park Bowls Pavilion  | £                      | 16,500           |
| Victoria Park Tennis Pavilion   | £                      | 48,000           |
| Abbey Fields Barn   | £                      | 60,000           |
| Oakley Wood Crematorium   | £                      | 50,000           |
| Minor Works (items below £2,000) at Kenilworth and Milverton Cemeteries | £                      | 4,000            |
|   | <b>Sub Total</b>       | <b>£ 415,500</b> |

### **Non-Operational Building Fabric**

| <b>Asset</b>  | <b>Estimated Value</b> |                 |
|---|------------------------|-----------------|
| 8 Clarendon Avenue  | £                      | 18,000          |
| The Royal Navy Association  | £                      | 8,500           |
| Althorpe Business Hub   | £                      | 12,000          |
| Minor Works (items below £2,000) at Shakespeare Avenue and The Precinct | £                      | 2,500           |
|   | <b>Sub Total</b>       | <b>£ 41,000</b> |

### **Mechanical & Electrical**

| <b>Asset</b>                  | <b>Estimated Value</b> |                 |
|-------------------------------|------------------------|-----------------|
| Jephson Garden Restaurant     | £                      | 5,000           |
| Royal Pump Rooms              | £                      | 10,000          |
| Victoria Park Tennis Pavilion | £                      | 5,000           |
|                               | <b>Sub Total</b>       | <b>£ 20,000</b> |

### **Open Spaces**

| <b>Asset</b>                | <b>Estimated Value</b> |        |
|-----------------------------|------------------------|--------|
| Abbey Fields                | £                      | 17,000 |
| Castle Farm Recreation Area | £                      | 6,000  |
| Cublington Waterworks Park  | £                      | 62,000 |
| Kenilworth Cemetery         | £                      | 15,000 |
| Kenilworth Common           | £                      | 2,500  |
| Priory Park                 | £                      | 2,500  |
| Saltisford Common           | £                      | 10,000 |

|  |          |                |
|--|----------|----------------|
| St Mary's Lands  | £        | 10,000         |
| St Nicholas Park   | £        | 31,000         |
| Stamford Gardens   | £        | 4,000          |
| Victoria Park  | £        | 4,000          |
| Minor Works (items below £2,000) at Cox's Orchard, Edmondscote Track, Harbury Lane Path, Hatton Park, Knowle Hill, Littleton Close, Macbeth Approach, Midland Oak, Mill Gardens, Milverton Cemetery, Myton Fields, Newbold Comyn, Parliament Piece, Riverside Walk, School Lane, St Magdalene Church, St Michael's Church, The Dell, Townsend Meadow | £        | 14,000         |
| <b>Sub Total</b>   | <b>£</b> | <b>178,000</b> |

#### **Car Parks**

| <b>Asset</b>  | <b>Estimated Value</b> |               |
|---|------------------------|---------------|
| Square West   | £                      | 5,000         |
| Chandos Street  | £                      | 3,000         |
| Priory Road   | £                      | 4,000         |
| St Marys Area   | £                      | 3,500         |
| The Butts   | £                      | 6,300         |
| Minor Works (items below £2,000) at Abbey End, Abbey Fields, Adelaide Bridge, Bath Place, Bedford Street, Court Street, Packington Place, Rosefield Street, Castle Lane, Myton Fields, New Street, St Nicholas Park, West Gate, West Rock car parks | £                      | 7,000         |
| <b>Sub Total</b>  | <b>£</b>               | <b>28,800</b> |

|                          |          |                |
|--------------------------|----------|----------------|
| <b>2017/18 PPM TOTAL</b> | <b>£</b> | <b>687,300</b> |
|--------------------------|----------|----------------|

## **Appendix Two**

Corporate Property Planned Preventative Maintenance Programme 2017/18 Works Slipped from 2016/17

### **Operational Building Fabric Slipped Works**


| <b>Asset</b>   | <b>Estimated Value</b> |
|--|------------------------|
| Abbey Fields Public Toilets                                      | £ 7,000                |
| Royal Pump Rooms   | £ 18,000               |
| St Nicholas Park Leisure Centre                                  | £ 12,000               |
| Town Hall  | £ 31,000               |
| Royal Spa Centre   | £ 8,000                |
| Royal Pump Rooms   | £ 20,500               |
| Oakley Wood Crematorium  | £ 5,000                |
| Leamington Cemetery  | £ 8,000                |
| Minor Works (items below £2,000) at Abbey Fields and Castle Farm | £ 3,600                |
| <b>Sub Total</b>   | <b>£ 113,100</b>       |

### **Open Spaces Slipped Works**

| <b>Asset</b>                         | <b>Estimated Value</b> |
|--------------------------------------|------------------------|
| Pageant and St Nicks Gardens Slipped | £ 180,000              |
| Riverside Walk                       | £ 4,000                |
| Rushmore Street                      | £ 3,500                |
| Abbey Fields Park                    | £ 8,500                |
| <b>Sub Total</b>                     | <b>£ 196,000</b>       |

### **Non-Operational Building Fabric Slipped Works**

| <b>Asset</b>   | <b>Estimated Value</b> |
|--|------------------------|
| Jubilee House, Kenilworth  | £ 30,000               |
| Albion Street  | £ 3,500                |
| 10 Hamilton Terrace and 44-46 Regent Street  | £ 23,000               |
| Warwick Cemetery Lodge Birmingham Rd   | £ 6,000                |
| North Lodge, 116 Brunswick Street (NFA)  | £ 6,000                |
| Former Dole House, Spencer Yard  | £ 66,000               |
| 4 Jury Street  | £ 2,500                |
| Kennedy Square   | £ 11,000               |
| Market Street  | £ 5,500                |
| 36 Market Place  | £ 3,000                |
| Warwick Cemetery Lodge Birmingham Rd   | £ 6,000                |
| South Lodge Cemetery Leamington  | £ 6,000                |
| Minor Works (items below £2,000) at Church Walk, Shakerspeare Avenue, St Margarets Road, Royal Navy Association, Saltisford Canal, St Nicholas Park Boating Centre & Café, Althorpe Business Hub, Leamington Boat House, Myton Kiosk, The Precinct | £ 8,000                |
| <b>Sub Total</b>   | <b>£ 176,500</b>       |
| <b>PPM SLIPPAGE TOTAL</b>  | <b>£ 485,600</b>       |

|   |  |  |
|---|--|--|
|  <b>EXECUTIVE</b><br><b>5 APRIL 2017</b>   |  | <b>Agenda Item No.</b><br><h1 style="text-align: center;">10A</h1> |
| <b>Title</b>  | Significant Business Risk Register   |  |
| <b>For further information about this report please contact</b>   | Richard Barr<br>Tel: (01926) 456815<br>E Mail: richard.barr@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>   | 5 January 2017 – Executive   |  |
| <b>Background Papers</b>  | Minutes of Senior Management Team  |  |

|  |  |
|--|--|
| <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 (N/A: no direct service implications) |

|   |             |                  |
|---|-------------|------------------|
| <b>Officer/Councillor Approval</b>  |             |                  |
| With regard to officer approval all reports <i>must</i> be approved by the report authors, relevant director, Finance, Legal Services and the relevant Portfolio Holder(s). |             |                  |
| <b>Officer Approval</b>   | <b>Date</b> | <b>Name</b>      |
| Chief Executive   | 13/3/17     | Chris Elliott    |
| CMT   | 20/3/17     | CMT              |
| Head of Service   | 15/2/17     | SMT              |
| Section 151 Officer   | 13/3/17     | Mike Snow        |
| Monitoring Officer  | 20/3/17     | Andrew Jones     |
| Finance   | 13/3/17     | As S151 Officer  |
| Portfolio Holder(s)   | 20/3/17     | Councillor Mobbs |
| <b>Consultation &amp; Community Engagement</b>  |             |                  |
| Senior Management Team review of Significant Business Risk Register.  |             |                  |
| <b>Final Decision?</b>  | Yes         |                  |
| <b>Suggested next steps (if not final decision please set out below)</b>  |             |                  |
|   |             |                  |



## 1 **Summary**

- 1.1 This report sets out the latest version of the Council's Significant Business Risk Register for review by the Executive. It has been drafted following a review by the Council's Senior Management Team and the Leader of the Council.

## 2 **Recommendations**

- 2.1 That Executive should review the Significant Business Risk Register attached at Appendix 1 and consider if any further actions should be taken to manage the risks facing the organisation.
- 2.2 That the Executive note the emerging potential and changing risks identified in section 6 of this report.

## 3 **Reason for the Recommendations**

- 3.1 This report seeks 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 sets 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.”

## 4 **Policy Framework**

- 4.1 The Significant Business Risk Register is based on the Council’s corporate priorities and key strategic projects that are reflected in Fit for the Future. The Fit for the Future programme is also based on an agreed set of values amongst which are the ones of openness and honesty. This is integral to the consideration of risk in an organisation; risk issues needs to be discussed and debated and mitigation put in place, in order to prevent them materialising. It does not mean, however, that all risks recorded are immediately impending or are likely to happen. Paradoxically, to not debate risks is to help them more likely to materialise.
- 4.2 It is worth members re-apprising themselves of the basis on which risks are scored in relation to likelihood and impact – see Appendix 3. The probability of a risk being realised and how many times it might happen, is assessed over a number of years, not as if it is going to happen tomorrow.

## 5 **Budgetary Framework**

- 5.1 Although there are no direct budgetary implications arising from this report, risk management performs a key role in corporate governance including that of the Budgetary Framework. An effective control framework ensures that the Authority manages its resources and achieves its objectives economically, efficiently and effectively.
- 5.2 The risk register sets out when the realisation of risks might have financial consequences. One of the criteria for severity is based on the financial impact.

## 6 **Risks**

- 6.1 The whole report is about risks and the risk environment. Clearly there are governance-related risks associated with a weak risk management process.

## 7 **Alternative Options Considered**

- 7.1 This report is not concerned with recommending a particular option in preference to others so this section is not applicable.

## 8 **Background**

- 8.1 The Significant Business Risk Register (SBRR) records all significant risks to the Council’s operations, key priorities, and major projects. Individual services also have their own service risk registers.
- 8.2 The SBRR is reviewed quarterly by the Council’s Senior Management Team and the Council Leader and then, in keeping with members’ overall responsibilities for managing risk, by the Executive. The latest version of the SBRR is set out as Appendix 1 to this report.

- 8.3 A summary of all the risks and their position on the risk matrix, as currently assessed, is set out as Appendix 2.
- 8.4 The scoring criteria for the risk register are judgemental and are based on an assessment of the likelihood of something occurring, and the impact that might have. Appendix 3 sets out the guidelines that are applied to assessing risk.
- 8.5 In line with the traditional risk matrix approach, greater concern should be focused on those risks plotted towards the top right corner of the matrix whilst the converse is true for those risks plotted towards the bottom left corner of the matrix. If viewed in colour (e.g. on-line), the former set of risks would be within the area shaded red, whilst the latter would be within the area shaded green; the mid-range would be seen as yellow.

## 9 **Movements in Risk**

- 9.1 Any movements in the risk scores over the last six months are shown on the risk matrices in Appendix 1.
- 9.2 More than six months ago there were three risks in the "red zone" – Risks 4, 6 & 16 (as was, now numbered 17). Since then, as advised to Members previously, following the introduction of additional controls and mitigations, Risks 4 and 6 have come out of the red zone. On the other hand, Risk 2 (Risk of Sustained Quality Service Reduction') moved into the red zone by virtue of the Likelihood of it occurring increasing. This remains in the red zone pending the full implementation of mitigations and controls. The other risk in the red zone was therefore Risk 16: 'Risk of Local Plan being unsound' in the red zone. This has now come out of the red zone to reflect recent developments and has been re-titled 'Risk of Local Plan not adopted'.
- 9.3 To reflect the current IT risk environment a new risk entitled 'Risk of failure to protect information assets from a malicious cyber-attack has been added. This has been numbered Risk 13 which has meant that each of the subsequent risks has been re-numbered; thus the previous Risk no. 13 has become Risk no. 14, etc.

## 10 **Emerging Risks**

- 10.1 As part of the process of assessing the significant business risks for the Council, some issues have been identified which at this stage do not necessarily represent a significant risk, or even a risk at all, but as more detail emerges may become one. Currently these comprise:

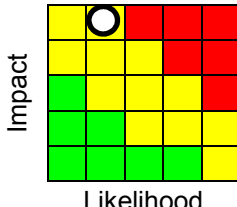
The impact of national housing policy proposals on the Council's ability to remain a viable landlord – see para. 10.2, below.

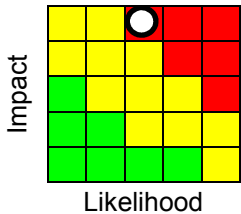
The EU referendum result, already recognised as a potential trigger to some of the Council's existing risks, will be kept under review so that as details emerge of exactly what Brexit may mean – generally for Local Government and specifically for this Council – its implications for the Council's risk environment can be considered further.

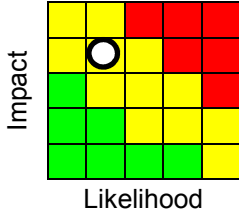
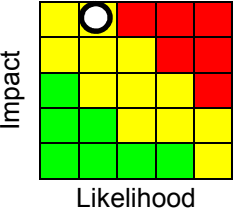
The Government has started consultations around the proposed 100% Business Rate Retention by Local Government. Depending on how these proposals develop, which may impact upon funding as well as functions, it may be that they represent a threat or an opportunity to this Council.

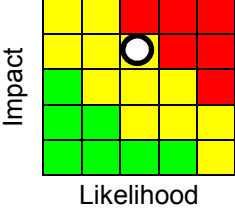
- 10.2 With regard to the first item, above, an updated Housing Revenue Account (HRA) Business Plan was presented to the March 2016 Executive, in the knowledge that a further update would be required when there was more certainty as to the impact of the Planning and Housing Act on the viability of the HRA. The recent announcements of the abandonment of a compulsory 'Pay to Stay' levy and a deferral of the implementation of a levy to compensate Registered Providers for an extension of the Right to Buy legislation to their sector, pending a pilot scheme, have now provided more confidence that the impact, at least in the short term, is less likely to be significantly detrimental. A new update to the HRA Business Plan will be presented to the April 2017 Executive, as part of the Housing Futures project, and further reviews undertaken during 2017/18 as and when new guidance emerges.
- 10.3 The SBRR will be updated as necessary in the light of this additional work and officers will continue to scan to identify other potentially emerging risks.

## Significant Business Risk Register

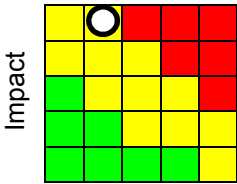
| Risk Description   | Possible Triggers  | Possible Consequences   | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|--|--|---|--|---|
| <b>Performance Management Risks</b>  |  |   |  |   |
| <p>1. Fit for the Future Change Programme not managed appropriately/effectively.</p> | <p>Poor organisational communication.<br/>                     Conflicting priorities and priorities increasing in number.<br/>                     Unable to dedicate appropriate resources due to the impact on existing services.<br/>                     Poor management.<br/>                     Ineffective use of project management or systems thinking.<br/>                     Lack of funding.</p> | <p>Reduced service levels.<br/>                     Non or reduced achievement of objectives.<br/>                     Adverse financial impacts.<br/>                     Reputational damage.<br/>                     Demoralised and demotivated staff.</p> | <p>Project prioritisation. (SMT)<br/>                     SMT are Programme Board. (SMT)<br/>                     Fit for the Future change programme and associated governance arrangements. (SMT)<br/>                     Budget monitoring process. (HoF)<br/>                     Clear communications, staff focus group. (SMT)<br/>                     People Strategy Action plan. (SMT)<br/>                     Strong leadership to ensure priorities are managed to a deliverable level. (SAMS)<br/>                     Securing additional resources to support existing service provision. (CMT)<br/>                     Projects drawn up within RIBA framework. (SMT)</p> |  <p>Impact</p> <p>Likelihood</p> |

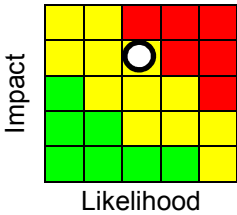
| Risk Description                                       | Possible Triggers  | Possible Consequences   | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|--|--|---|--|---|
| <b>Performance Management Risks (Cont.)</b>            |  |   |  |   |
| <p>2. Risk of sustained service quality reduction.</p> | <p>Shortage of staff resources and staff skills and knowledge.</p> <p>Staff skills and resources diverted to service redesign proposals as part of delivering Fit For the Future and other emerging corporate priorities.</p> <p>Cannot afford cost of maintaining service quality.</p> <p>Partners such as WCC make service cuts.</p> <p>Pandemic.</p> <p>Contractor failure.</p> <p>Unplanned termination of contract by contractor.</p> | <p>Poor customer service and reductions in income.</p> <p>Lack of direction with critical projects and services being compromised</p> <p>Public lose confidence in Council's ability to deliver.</p> <p>Demoralised and demotivated staff.</p> <p>Additional costs attached to re-procuring contract, including legal fees.</p> | <p>Effective Management of Change Programme. (CMT)</p> <p>Agreeing additional resources where service quality is reduced. (CMT)</p> <p>Strong leadership to manage priorities to a deliverable level. (SMT)</p> <p>Effective vacancy control. (SMT)</p> <p>Service Reviews. (SMT)</p> <p>Workforce Planning. (SMT)</p> <p><b>Enhanced Performance Management System (HoNS)</b></p> <p><b>Project underway considering recruitment &amp; retention, job evaluation procedure, "employee branding", impact of National Living Wage, Apprentices. Reports in due course to Employment Committee and People Strategy Workforce Steering Group. (HR&amp;OD)</b></p> <p>A work plan has been agreed by SMT and PSSG A project is underway, led by the Workforce Steering Group, to implement a range of actions that are intended to address the causes and impact of recruitment and retention difficulties. (SMT)</p> <p>Effective contract management supported by appropriate legal support. (SMT)</p> |  |

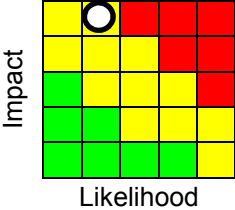
| Risk Description  | Possible Triggers  | Possible Consequences   | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|---|--|---|--|---|
| <p>3. Risk of major contractor going into administration or deciding to withdraw from the contract.</p> | <p>Poor procurement of contractor.<br/>           Poor contract management.<br/>           Poor management of company.<br/>           External factors.<br/>           State of economy (including Brexit factors).<br/>           Introduction of Living Wage.</p>                          | <p>Reduced service levels.<br/>           Non or reduced achievement of objectives.<br/>           Adverse financial impacts.<br/>           Reputational damage.</p> | <p>Properly procured contracts. (SMT)<br/>           Active contract management supported by appropriate legal support. (SAMS)<br/>           Business Continuity Plan. (SMT)</p>  |    |
| <p><b>Corporate Governance Risks</b></p>  |  |   |  |   |
| <p>4. Risk of corporate governance arrangements not maintained effectively.</p>                         | <p>Ineffective political and senior management leadership.<br/>           Complacent attitudes.<br/>           Delays in making, or failure to make, key decisions by Council Members.<br/>           Breakdown of member-officer relationships.<br/>           Election of new members.</p> | <p>Breakdown in internal controls leading to: non-achievement of objectives; high volumes of staff, customer, and contractor fraud; and loss of reputation.</p>       | <p>Council’s constitution. (DCE(AJ))<br/>           Council’s strategies and policies, including Code of Financial Practice and Code of Procurement Practice. (SMT)<br/>           Strong scrutiny arrangements. (SMT)<br/>           Effective internal audit function. (HoF)<br/>           Annual Governance Statement. (DCE(AJ))<br/>           Codes of Conduct. (Members)<br/>           Effective Political Group discipline. (Group Leaders)<br/>           Councillor training (CMT)<br/>           New Member/Officer Protocol introduced. (DCE(AJ))</p> |  |

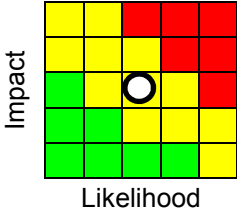
| Risk Description                            | Possible Triggers   | Possible Consequences   | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|---|---|---|--|---|
| <b>Human Resources Risks</b>                |   |   |  |   |
| 5. Risk of staff not developed effectively. | Ineffective workforce strategies.<br>Not managing staffing resources efficiently and effectively.<br>Possible insufficient training budget. | Disruption to Council services – staff cannot undertake level or volume of work to meet all priorities.<br>Poor customer service.<br>‘Industrial’ action. | Link to People Strategy. (SMT)<br>Subset of HR Workforce Steering Group to audit skills training as Mandatory/Essential/Desirable.<br>Assess corporate/service area training budgets to match short and long term needs. (HR Manager)<br>Succession planning. (SMT)<br>Prioritisation of work. (SMT)<br>Appropriate use of external resources. (SMT) |  |

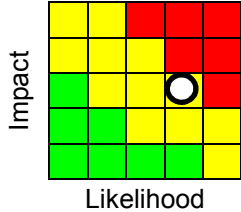
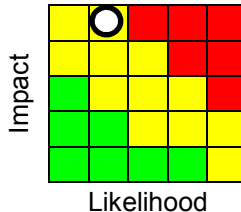


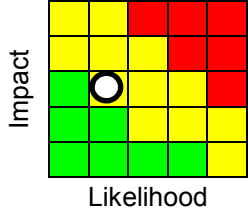
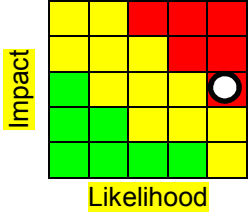
| Risk Description   | Possible Triggers   | Possible Consequences  | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|--|---|--|--|---|
| <b>Financial Management Risks</b>  |   |  |  |   |
| <p>6. Risk of insufficient finance to enable the council to meet its objectives (including insufficient reduction in operational costs).</p> | <p>Poor financial planning.<br/>           Unexpected loss of income and/ or increase in expenditure.<br/>           FFF Projects do not achieve sufficient savings.<br/>           Risk of poor Revenue Support Grant Settlement.<br/>           Business Rate Retention.<br/>           Council Tax income base reducing.<br/>           National Economy declines.<br/>           Local economy declines<br/>           Tightening of Government fiscal policy.<br/>           Changes to Government Policy.<br/>           Reduced Government grants.<br/>           Demographic changes.<br/>           Focus on FFF priorities which compromise existing service delivery.<br/>           Weak financial planning and forecasts.<br/>           External competition.<br/>           Member decision making.<br/>           Council policy framework not conducive to enterprise development.<br/>           Increased contract costs (from intro of LW)<br/>           Housing and Planning Bill reducing the resources available to the Council to maintain its housing landlord service.</p> | <p>Forced to make large scale redundancies.<br/>           Forced to make urgent decisions without appropriate planning.<br/>           Forced to make service cuts.<br/>           Increased costs.<br/>           Fines/penalties imposed.<br/>           Landlord service becomes unviable and/or the condition of the housing stock reduces its utility and value.</p> | <p>Codes of Financial Practice and Procurement Practice. (HoF)<br/>           Effective internal audit function. (HoF)<br/>           External audit of financial accounts. (HoF)<br/>           Effective management of FFF Projects. (SMT)<br/>           All projects accompanied with robust financial appraisals and programme forecasts that allow the Council to understand projected funding requirements. (HoF)<br/>           Council's constitution. (DCE(AJ))<br/>           Financial training. (HoF)<br/>           Robust financial planning and a Medium Term Financial Plan that can accurately forecast income and expenditure. (HoF)<br/>           Regular review of Financial Strategy. (HoF/SMT)<br/>           Prosperity Agenda prioritised within Sustainable Community Strategy aspirations and resources aligned to support delivery. (CMT)<br/>           Code of Financial Practice Training being provided. (HoF)<br/>           Plan in place to fill the anticipated budget shortfall. (HoF/SMT)<br/> <b>Complete Leisure Development Programme regarding investment and management arrangements. (HoCS/CMT)</b><br/>           Review of Housing Revenue Account Business Plan to balance expenditure with net income (after any payments due to government in support of national policy). (HoH&amp;PS/HoF)<br/>           New FFF programme agreed by Members. (CMT)<br/>           Ongoing monitoring and future reports of existing assumed savings – e.g. leisure programme, office move, terms &amp; conditions review. (SMT).<br/> <b>Complete business case for HQ relocation. (DCE(BH))</b><br/>           Efficiency Plan agreed with DCLG. (HoF/CMT)</p> |  <p>Impact</p> <p>Likelihood</p> |

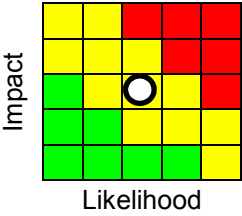
| Risk Description                                    | Possible Triggers  | Possible Consequences  | Risk Mitigation / Control / Future Action (in bold)   | Residual Risk Rating  |
|---|--|--|---|---|
| <b>Financial Management Risks (Cont.)</b>           |  |  |   |   |
| <p>7. Risk of additional financial liabilities.</p> | <p>Risk of revenue implications of capital schemes not being fully identified.</p> <p>Risk of loss or delay of capital receipts.</p> <p>Risk of increase in superannuation fund contributions.</p> <p>Uninsured loss.</p> <p>Risk of Medium Term Financial underestimating future revenue income and expenditure (including capital)</p> <p>Legal challenge e.g. relating to a planning development.</p> | <p>Greater level of savings to be sought.</p> <p>Forced to make sub-optimum and short term decision without proper planning.</p> <p>Reduced levels of service.</p> <p>Payment of compensation.</p> <p>Failure to deliver service.</p> <p>Contractual disputes.</p> | <p>Fit for the Future change programme. (CMT)</p> <p>Project Risk Registers. (SMT)</p> <p>Project Management. (SMT)</p> <p>Asset Management. (DCE(BH))</p> <p>More effective financial planning and scenario analysis. (HoF)</p> <p>Regular monitoring of Fit for the Future. (SMT)</p> <p>Legal advice on projects. (SMT)</p> <p>Projects drawn up within RIBA framework. (SMT)</p> <p>Reserves used to smooth impact of fluctuations in income. (HoF)</p> |  |

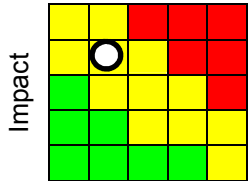
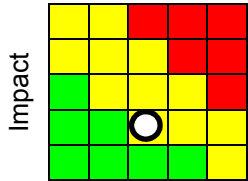
| Risk Description                                       | Possible Triggers   | Possible Consequences   | Risk Mitigation / Control / Future Action (in bold)   | Residual Risk Rating  |
|--|---|---|---|---|
| <b>Financial Management Risks (Cont.)</b>              |   |   |   |   |
| 8. Risk of not investigating potential income sources. | Ineffective management.<br>Complacency.<br>Lack of resources to investigate.<br>Other priorities. | More loss-making or subsidised services.<br>Reduced income for the Housing Revenue Account that could compromise banking covenants. | FFF Programme. (SMT)<br>Effective fees and charges schemes. (HoF)<br>Communications & Marketing Strategy. (SAMS)<br>Regular review of financial forecasts to ensure income projections are up to date. (HoF)<br>Secure additional resources to ensure existing services are not impacted as a result of a focus on FFF/corporate priorities. (HoF)<br>Ongoing submission of bids for external funding opportunities e.g. Expressions of Interest to CWLEP SEP refresh process for future LGF rounds, bids for Growing Places funding(DCE(BH))<br><b>Adopt new Local Plan. (Members)</b> |  |

| Risk Description  | Possible Triggers   | Possible Consequences  | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|---|---|--|--|---|
| <b>Procurement Risks</b>  |   |  |  |   |
| 9. Risk of improper procurement practices and legislative requirements not being complied with. | Weak governance arrangements.<br>Ineffective procurement.<br>Poor procurement function. | Reduced levels of service provision.<br>Increased costs.<br>Fines/penalties imposed. | Codes of Financial Practice and Procurement Practice. (HoF)<br>Training of staff. (HoF/SMT)<br>Monitoring of departmental procurement. (SMT)<br>Procurement Strategy (incl. action plan). (HoF)<br>Code of Procurement Practice and related documents updated. (HoF)<br><b>WCC Procurement Team and WCC Legal Team providing additional support and expertise.</b> |  |

| Risk Description  | Possible Triggers  | Possible Consequences  | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|---|--|--|--|---|
| <b>Partnership Risks</b>  |  |  |  |   |
| <p>10. Risk of partnerships not delivering stated objectives.</p>   | <p>Poor management. Failure to apply a robust process for entering into partnerships.</p> <p>Lack of framework governing partnerships.</p> <p>Existing sub-regional partnerships disrupted or disbanded as a consequence of the regional focus resulting from the announcement of the West Midlands Combined Authority</p> | <p>Required outcomes not achieved.</p> <p>Increased costs.</p> <p>Reduced level of service or failure to deliver service.</p>        | <p>Ongoing scrutiny of partnerships. (DCE(AJ))</p> <p>Normal management arrangements. (SAMS)</p> <p>Partnership checklists. (DCE(AJ))/SMT)</p> <p>Annual healthcheck completed by senior officers. (DCE(AJ))/SMT)</p> <p>Scrutiny committee regular review. (DCE(AJ))</p> <p>Audit of partnership arrangements. (DCE(AJ))</p> <p>Project Groups for significant services. (SMT)</p> <p>Involvement in and engagement with existing sub-regional partnerships e.g. CWLEP, sEPB etc. (CMT)</p> |    |
| <b>Legal Risks</b>  |  |  |  |   |
| <p>11. Risk of not complying with key legislation or legal requirements, including failure to protect data.</p> | <p>Breakdown in governance.</p>  | <p>External censure.</p> <p>Financial loss.</p> <p>Litigation.</p> <p>Financial sanctions/penalties</p> <p>Damage to reputation.</p> | <p>Constitution. (DCE(AJ))</p> <p>External legal advice. (DCE(AJ))</p> <p>Ongoing monitoring of all Executive recommendations. (DCE(AJ))</p> <p>Ongoing professional training. (SMT)</p>   |  |

| Risk Description   | Possible Triggers   | Possible Consequences  | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|--|---|--|--|---|
| <b>Information Management Risks</b>  |   |  |  |   |
| <p>12. Risk of ineffective utilisation of information and communications technology.</p> | <p>Poor management of IT function.<br/>Lack of specialist staffing.<br/>Lack of finance.<br/>Poor training of new and existing staff on ICT systems.<br/>Poor data quality.<br/>Resistance to change.</p> | <p>Costly services.<br/>Inefficient services.<br/>Poor customer service.<br/>Data disclosures.</p> | <p>ICT Strategy and Digital Transformation Strategy. (DCE (AJ))<br/>Fully-resourced, effective and secure IT function. (DCE (AJ))<br/>Training for staff. (DCE (AJ))<br/>Remediation action being taken through re-formed ICT Steering Group. (SMT)</p>  |    |
| <p>13. Risk of failure to protect information assets from a malicious cyber attack</p>   | <p>Lack of staff training and awareness.<br/>Poor or ineffective countermeasures.<br/>Ineffective incident response plans.<br/>Inadequate penetration testing regime.</p>                                 | <p>Reputational damage.<br/>Lost productivity.<br/>Recovery costs.<br/>Potential fines (ICO).</p>  | <p>CESG approved penetration tests. (DCE (AJ))<br/>Patch Management Policy. (DCE (AJ))<br/>Anti-malware software. (DCE (AJ))<br/>Anti-malware strategy. (DCE (AJ))<br/>Anti-malware risk log. (DCE (AJ))<br/>Incident Management Policy &amp; Procedure. (DCE (AJ))<br/>Major Virus Response Procedure. (DCE (AJ))<br/>Electronic Information Backup Policy. (DCE (AJ))<br/><b>Staff training.</b> (DCE (AJ))<br/><b>Next generation AV.</b> (DCE (AJ))<br/><b>Intrusion detection.</b> (DCE (AJ))<br/><b>Log monitoring.</b> (DCE (AJ))</p> |  |

| Risk Description   | Possible Triggers   | Possible Consequences  | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|--|---|--|--|---|
| <b>Asset Management Risks</b>  |   |  |  |   |
| <p>134. Risk of failing to provide, protect and maintain Council-owned property.</p> | <p>Poor management.<br/>Lack of finance.<br/>Ineffective asset management.<br/>Incomplete data on asset conditions.<br/>Lack of effective asset management planning.<br/>Insufficient resources to maintain assets.<br/>Inaction re multi-storey car parks.</p> | <p>Lack of a suitable and safe living or working environment for residents, staff and visitors.<br/>Sub optimum asset decisions that are poor value for money.<br/>Building closure.<br/>Closure of car parks with resultant loss of income.</p> | <p>New Asset Management Strategy developed linked to Asset Database. (DCE(BH))<br/>Overall strategic decisions regarding Council's corporate assets managed by multi-disciplinary Asset Strategy Group – chaired by Deputy Chief Executive. (DCE(BH))<br/>The operational management of the corporate repairs budget is overseen by the Asset Management Group (AMG) – chaired by Property Manager. (HoH&amp;PS)<br/><b>Improvements to be made to end to end systems to manage electrical testing, asbestos and gas servicing and Legionella Disease. (HoH&amp;PS)</b><br/>Completion of HRA stock condition survey. (HoH&amp;PS)<br/><b>Complete business case for HQ relocation. (DCE(BH))</b><br/><b>Completion of review of planned maintenance programme for corporate assets. (DCE(BH))</b><br/><b>Preparation of Business Cases for future investment in the Linen Street MSCP. (HoNS)</b></p> |  <p>Impact</p> <p>Likelihood</p> |

| Risk Description  | Possible Triggers  | Possible Consequences  | Risk Mitigation / Control / Future Action (in bold)   | Residual Risk Rating   |
|---|--|--|---|--|
| <b>Emergency Response and Business Continuity Risks</b>                     |  |  |   |  |
| <p>145. Risk of a major incident not responded to effectively.</p>          | <p>Numerous causes including terrorism, natural disaster, loss of ICT facilities/data and pandemic such as bird flu.</p> <p>In terms of cyber-attacks, the Council does not currently operate an automated Intrusion Detection System (IDS).</p> | <p>Partial or total loss of resources such as staff, equipment, systems.</p> <p>Major media engagement.</p> <p>Major disruption to all Council services.</p> <p>Possible legal action for damages.</p> | <p>Emergency plan reviewed every 6 months. (CMT)</p> <p>Business continuity plan reviewed every 6 months. (CMT)</p> <p>Training for SMT – exercises and reviews. (HoH&amp;CP)</p> <p>ICT Business Continuity contract, inc. annual off-site rehearsal (ICT)</p> <p>Perimeter network protection (Firewall, 2 Factor Authentication, Spam filter, Antivirus, etc.), including penetration testing (ICT)</p> <p>Backup and recovery procedures (ICT)</p> <p>Counter terrorism training has been provided (HoH&amp;CP)</p> <p>Adoption of IDS is currently being investigated as part of the firewall upgrade scheduled for 2016/17. (ICT)</p> |  <p>Likelihood reduced as there has been no evidence of <u>not</u> responding effectively. In fact, the opposite has been the case.</p> |
| <b>Environmental Risks</b>  |  |  |   |  |
| <p>156. Risk of climate change challenges not responded to effectively.</p> | <p>Lack of expertise.</p> <p>Lack of finance.</p> <p>Failure to reduce carbon footprint.</p>   | <p>Budgetary impacts.</p> <p>Service changes required if long recovery phase.</p> <p>Loss of reputation and external censure.</p> <p>Disruption to services.</p> <p>Public health issues.</p>          | <p>Sustainability Action Plan (HoH&amp;CP)</p>  |   |



| Risk Description  | Possible Triggers   | Possible Consequences   | Risk Mitigation / Control / Future Action (in bold)  | Residual Risk Rating  |
|---|---|---|--|---|
| <b>Planning Risks</b>                                       |   |   |  |   |
| <p>167. Local Plan is found unsound <b>not adopted</b>.</p> | <p>Developer <b>Legal</b> challenge before local plan complete.</p> <p>Political procrastination.</p> <p><b>Failure to support Inspector's report leading to full Council not adopting the Plan.</b></p> <p>Lack of involvement of external key players.</p> <p>Local Plan not evidenced properly.</p> <p>Failure to identify suitable sites for Gypsies and Travellers.</p> <p>Sub-Regional Housing Allocation not addressed.</p> <p>Failure to adequately address controversial issues such as village green belt boundaries and gypsy and traveller sites.</p> | <p>Non or reduced achievement of objectives.</p> <p>Adverse financial impacts such as failure to set the Community Infrastructure Levy, loss of New Homes Bonus, Reputational damage.</p> <p>Possible legal action for damages.</p> <p>Development not where required.</p> <p>Wasted resources involve in reworking the Local Plan and increased costs.</p> <p>Additional work.</p> <p>Reduction in investment in area.</p> <p>Increase in appeals.</p> <p>Risk of insufficient Infrastructure Funding.</p> <p>Impact on Sustainable Community Strategy (SCS) objectives.</p> | <p><b>Continue to seek legal advice on processes up until plan is adopted.</b></p> <p><b>Keep members informed of Inspector's conclusions and ensure the reasons for these are understood.</b></p> <p>Published timetable. (HoDS)</p> <p>Plan based on robust evidence. (HoDS)</p> <p>Project management. (HoDS)</p> <p>Local Plan Programme Board. (HoDS/CMT)</p> <p>Ensure effective Duty to Cooperate - MoU agreed by all councils in the sub-region except N&amp;BBC who are yet to confirm.</p> <p>Revised Local Plan proposals now progressing through the EIP. (CMT/HoDS)</p> <p>Topic papers now completed and submitted to the Inspector with the Local Plan. G &amp; T sites to be considered at the EIP in Dec 16. (HoDS)</p> | <div data-bbox="1839 655 2074 868" style="text-align: center;"> </div> <p>Local Plan reaching a significantly advanced stage.</p> |

**Key:**

New narrative

Narrative transferred

Deleted narrative

Comment

⊕ = Current risk score

etc = Previous risk scores

⌘ etc = trail (direction) of changes

|         |   |  |
|---------|---|--|
| CMT     | : | Corporate Management Team                                    |
| SMT     | : | Senior Management Team                                       |
| CE      | : | Chief Executive  |
| DCE(AJ) | : | Deputy Chief Executive and Monitoring Officer – Andrew Jones |
| DCE(BH) | : | Deputy Chief Executive – Bill Hunt                           |
| HoF     | : | Head of Finance (and S151 Officer)                           |
| HoDS    | : | Head of Development Services                                 |
| HoH&CP  | : | Head of Health & Community Protection                        |
| HoNS    | : | Head of Neighbourhood Services                               |
| HoH&PS  | : | Head of Housing & Property Services                          |
| HoCS    | : | Head of Cultural Services                                    |
| HR      | : | Human Resources & Organisational Development Manager         |
| ICT     | : | ICT Manager  |

Summary of Significant Business Risks

| Consequences | Probability of Occurrence |                           |              |             |         |
|--------------|---------------------------|---------------------------|--------------|-------------|---------|
|              | Low                       | Low-Medium                | Medium       | Medium-High | High    |
| High         |                           | Risks 1, 4, 6, 8, 11 & 17 | Risk 2       |             |         |
| Medium-High  |                           | Risks 3 & 15              | Risks 5 & 7  |             |         |
| Medium       |                           | Risk 12                   | Risks 9 & 14 | Risk 10     | Risk 13 |
| Low-Medium   |                           |                           | Risk 16      |             |         |
| Low          |                           |                           |              |             |         |

## Methodology for assessing risk: Criteria for scoring residual risk rating

## Probability of Occurrence

| Estimation                  | Description  | Indicators   |
|-----------------------------|--|--|
| <b>5: High (Probable)</b>   | Likely to occur each year (e.g. considered as more than 50% chance of occurrence in any year).               | <ul style="list-style-type: none"> <li>Potential of it occurring several times within the specified period (for example - ten years).</li> <li>Has occurred recently.</li> </ul>   |
| <b>4: Medium to High</b>    | Apply judgement  | Apply judgement  |
| <b>3: Medium (Possible)</b> | Likely to occur during a 10 year period (considered as between 5% and 25% chance of occurrence in any year). | <ul style="list-style-type: none"> <li>Could occur more than once within the specified period (for example - ten years).</li> <li>Could be difficult to control due to some external influences.</li> <li>There's a history of occurrence</li> </ul> |
| <b>2: Low to Medium</b>     | Apply judgement  | Apply judgement  |
| <b>1: Low (Remote)</b>      | Not likely to occur in a 10 year period (considered as less than 2% chance of occurrence in any year).       | <ul style="list-style-type: none"> <li>Has not occurred.</li> <li>Unlikely to occur.</li> </ul>  |

## Consequences

| Estimation               | Description   |
|--------------------------|---|
| <b>5: High</b>           | <ul style="list-style-type: none"> <li>Financial impact on the organisation is likely to exceed £500K</li> <li>Significant impact on the organisation's strategy or operational activities</li> <li>Significant stakeholder concern</li> </ul>      |
| <b>4: Medium to High</b> | Apply judgement   |
| <b>3: Medium</b>         | <ul style="list-style-type: none"> <li>Financial impact on the organisation likely to be between £100K and £250K</li> <li>Moderate impact on the organisation's strategy or operational activities</li> <li>Moderate stakeholder concern</li> </ul> |
| <b>2: Low to Medium</b>  | Apply judgement   |
| <b>1: Low</b>            | <ul style="list-style-type: none"> <li>Financial impact on the organisation likely to be less than £10K</li> <li>Low impact on the organisation's strategy or operational activities</li> <li>Low stakeholder concern</li> </ul>                    |



|   |  |
|---|--|
| <b>Title</b>  | Local List of Heritage Assets                  |
| <b>For further information about this report please contact</b>   | Antony Lowe (Assistant Conservation Officer)   |
| <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>   | 7 <sup>th</sup> August 2013. Agenda item No.9B |
| <b>Background Papers</b>  | Committee papers for 09/02/2013 & 07/08/2013   |

|  |     |
|--|-----|
| <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  |
| Not applicable   |     |

|   |   |                         |
|---|---|-------------------------|
| <b>Officer/Councillor Approval</b>  |   |                         |
| <b>Officer Approval</b>   | <b>Date</b>                                     | <b>Name</b>             |
| Chief Executive/Deputy Chief Executive  | 12 <sup>th</sup> March & 20 <sup>th</sup> March | Chris Elliott/Bill Hunt |
| Head of Service   | 9 <sup>th</sup> March                           | Tracy Darke             |
| CMT   | 20 <sup>th</sup> March                          | Bill Hunt               |
| Section 151 Officer   | 13 <sup>th</sup> March                          | Mike Snow               |
| Monitoring Officer  | 14 <sup>th</sup> March                          | Andrew Jones            |
| Portfolio Holder(s)   | 15 <sup>th</sup> March 2017                     | Stephen Cross           |
| <b>Consultation &amp; Community Engagement</b>  |   |                         |
| The proposals have been posted on the Council's website, and have been discussed with the Conservation Area Advisory Forum. |   |                         |
| <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 authority to proceed with the design and launch of a Local List of Heritage Assets within Warwick District, in accordance with national guidance.
- 1.2 This will give increased protection to heritage assets that do not have the benefit of national statutory protection (i.e. those designated - listed, registered, and scheduled - by DCMS and Historic England) and will enable their historic, architectural, and archaeological importance to be given the appropriate weight in the planning process.

## 2. Recommendations

- 2.1 That Executive authorises the launch of a Local List of Heritage Assets for Warwick District including the use of the proposed criteria identified in *appendix A*.
- 2.2 That Executive authorises delegated authority to the Head of Development Services to introduce and keep under review appropriate procedures and criteria for the operation of the Local List including the consideration of submissions for inclusion on the Local List.

## 3. Reasons for the recommendations

- 3.1 *Requirement:* There is a well-established regime at national level for the identification and designation of assets<sup>1</sup> that have architectural, archaeological, or historic merit sufficient to warrant legal protection. However, the government's definition of a heritage asset extends beyond those that are statutorily 'designated' in that way. As paragraph 135 of the NPPF states, such assets, whether or not they are Listed, that are identified by the local authority as having heritage significance merit appropriate consideration in the planning process and weight should be given to the conservation and enhancement of their value to local communities.
- 3.2 *Benefits:* Local listing increases community engagement and involvement in the proactive management and enjoyment of the historic environment. It has the potential to increase access to the historic environment, as assets included on the local list could be part of the annual heritage open days run nationwide in which sites normally closed to the public are opened. It also provides a sound, consistent, and accountable way of identifying local heritage assets to the benefit of good strategic planning for the area, and to the benefit of owners and developers wishing to fully understand local development opportunities and constraints.
- 3.3 *Practical implications:* Local heritage listing does not trigger a separate consent regime, as exists for Listed Buildings by way of the need for Listed Building Consent. However, inclusion on a local list demonstrates that an asset has heritage significance, such that its conservation is a material consideration when determining a planning application. Inclusion on the

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<sup>1</sup> The definition of a heritage asset extends beyond a building, and at a national level is defined as 'a building, monument, site, place, area, or landscape' deemed to have significance due to its 'heritage interest'. Examples of nationally listed structures include punishment stocks, gas lamps, boundary stones, public artworks...

list also brings the possibility of an additional individual article 4 direction, to remove permitted development rights for specific types of works to a structure, in order to protect the elements that contribute to the heritage significance of the asset, if that asset is at risk.

- 3.4 *Current local list:* This issue was last brought to Executive in January and August 2013 by the Council's former Conservation Architect. However, as a result of staffing changes and other priorities, to date no formal list has been ratified and adopted, other than for locally-important parks and gardens. Given the renewed focus on the value of local listing in the Council's emerging Local Plan (policy HE5) the time is appropriate to launch the program by reviewing criteria, inviting submissions from local groups, developing and adopting an initial list, and setting up a permanent management process to administer, review, and add to this list in the future.

#### **4. Policy framework**

- 4.1 *Paragraph 126 of the NPPF* advises local authorities to set out a positive strategy for 'the conservation and enjoyment of the historic environment', ensuring emphasis is placed on 'sustaining and enhancing the significance of heritage assets'. The definition of what constitutes 'heritage assets' in the NPPF explicitly includes both designated heritage assets and assets identified by the local authority as having heritage significance through the mechanism of local listing.
- 4.2 *Paragraph 135 of the NPPF*, furthermore, indicates that the 'effect of an application on the significance of a non-designated heritage asset should be taken into account' when determining an application.
- 4.3 *The Heritage Protection White Paper* published in March 2007 recommends the production of local lists, indicating that 'local designation provides a means for local communities to identify and protect buildings, sites and spaces that matter to them. It helps to build a sense of local identity and distinctiveness, a sense of history, place, and belonging'.
- 4.4 The protection of locally important heritage assets is highlighted in the emerging local plan. *Policy HE5 (locally listed heritage assets)* outlines the approach to conserving assets identified as meriting protection by the council through a local list. *Policy HE4 (protecting historic parks and gardens)* of the emerging local plan sets out a list of adopted locally important parks and gardens.
- 4.5 Local heritage assets also intrinsically make a positive contribution to the quality and character of conservation areas and attention to their effective management provides another means by which we can facilitate *policy HE2 (protection of conservation areas)* of the emerging local plan. It also allows nationally important archaeological sites, which fall short of the stringent criteria for scheduling, to benefit from a layer of protection supporting *policy HE6 (archaeology)* of the emerging local plan.
- 4.6 *Fit for the Future:* the introduction of a Local List of Heritage Assets will make a significant contribution to the protection of the historic environment within the District and in doing so can only also contribute to the vision of making Warwick District a great place to live, work and visit

as set out in the Sustainable Community Strategy. The proposal is consistent with the Fit for the Future Programme as follows:

- *Service: to maintain and improve services* – the proposal will allow the Council to improve the contribution that the planning service makes to the protection of the historic environment.
- *Money: achieve and maintain a sustainable balanced budget* – the operation of this enhanced service will be undertaken using existing resources at no additional cost to the Council.
- *People: engaged and empowered Staff* – the Council already has the right staff in place that are appropriately supported and engaged to deliver the service.

## **5. Budgetary framework**

- 5.1 The operation of a Local List will involve the use of existing officers time both in the launch and subsequent management of the list. It is therefore not envisaged that it will result in any additional cost to the Council.

## **6. Risks**

- 6.1 Owners and occupiers may object to inclusion of their property on a local list, as ultimately it may affect the changes which may be permitted to their property during the planning process. Both the initial local listing of a property, and the making of subsequent planning decisions based on their inclusion in the local list may be challenged. This risk can, however be mitigated through:
- Ensuring the criteria is robust, clear, and subject to review.
  - Ensuring the local and national policy basis for local listing is made evident.
  - Ensuring that customers whose properties are subject to local listing are fully aware of the implications.
  - Using additional related controls, such as removal of permitted development rights, in appropriate circumstances only.
- 6.2 The Council could receive requests for local listings which do not meet the Council's selection criteria, resulting in disappointment and frustration for some residents. This risk will be addressed by providing clarity in the selection criteria, ensuring examples are included to illustrate and substantiate the criteria, and ensure all decisions are made transparently with clear and justified reasoning.
- 6.3 Some parties may seek to prevent, thwart, or frustrate a development from taking place by seeking local list status for a structure that isn't really worthy of listing. This will be mitigated by ensuring the assessment criteria are stringent, and each decision justified and transparent.

## **7. Alternative options**

- 7.1 Another option for providing a level of protection to non-designated assets is serving an article 4 direction. However, article 4 directions and local listing should be seen as complementary rather than preferable to one another.



7.2 There is the option to do nothing. However, this leaves a large portion of the undesignated heritage of the district at risk of being subjected to inappropriate development as there is currently no proactive mechanism by which to identify and record information on unlisted buildings of heritage value - at the moment this is done reactively during planning applications.

## **8. Background**

National designation, as implemented by DCMS on the advice of Historic England, provides statutory protection to heritage assets primarily based on whether they have *architectural* and *historic interest of national importance*. Given this emphasis on national importance, there can often be a discrepancy between statutory historic environment protection legislation and national/local policy requirements to preserve the heritage interest of assets of importance to a local community. Local listing provides the mechanism through which this discrepancy can be met, and through which local authorities can meet their obligations in respect of historic environment protection.

**Proposed criteria**High-level criteria

1. An asset **must not** already be a nationally listed building, registered park & garden, registered battlefield, registered shipwreck, or a scheduled monument.
2. In order to be locally listed an asset must:
  - Meet at **least one of the letters in category one.**
  - Meet at **least one of the *corresponding* letters in category two.**
  - Meet at **least one of the letters in category three.**

Specific criteria

**Category one: is the asset capable of meeting the government's definition of a 'heritage asset'. Is it one or more of the following?**

| Letter   | Definition  | Corresponding letters in category 2 |
|----------|---|-------------------------------------|
| <b>A</b> | <b>Building, group of buildings, or other structure</b><br>– including (but not limited to) domestic dwellings, commercial premises, places of worship, public buildings such as libraries, schools etc. or structures other than buildings including war memorials, public art works, and fixed elements of the street-scene such as telephone boxes, clock towers, water pumps, gas lights etc. | A1-3                                |
| <b>B</b> | <b>Designed landscape or place</b> - this could include (but is not limited to) a park, garden, cemetery, town square, institutional landscape, memorial landscape, a rural or urban landscape, or a streetscape.   | B1-2                                |
| <b>C</b> | <b>Archaeological monument or site</b> – this can include buried archaeology and standing remains. A monument or site doesn't have to be 'ancient'.   | C1-2                                |

**Category two: How does the asset have demonstrable 'heritage significance'?**

*Does the asset demonstrate one or more of the following (based on the corresponding category above)?*

| <b>A. Buildings, groups of buildings, of alternate structures</b>  |
|--|
| <b>A1. Architectural, aesthetic, and artistic merit:</b> the asset has importance due to its architectural design, decoration, construction or craftsmanship either on its own or as part of a group, demonstrating important local architectural styles, types of buildings, materials, building techniques, or local human artistic endeavour. |

**A2. Historic merit:** the asset illustrates an important element of the area's history, development, and/or can be associated with an important local historic figure or event.

**A3. Landmark status:** the asset is a key element in a valued local scene, contributes significantly to the positive aesthetic of an area, and is a geographical or cultural orientation point.

### **B. Designed landscape or place**

**B1. Historic merit:** the asset illustrates an important element of the area's history, development, and/or can be associated with an important local historic figure or event.

**B2. Landscape and group quality:** the asset demonstrates the historic interaction between people and places for aesthetic or practical purposes, including the development of a picturesque vista, possibly enhanced by association with physical features such as landforms, bridges, etc.

### **C. Archaeological monument, collection of monuments, or site**

**C1. Historic merit:** the asset illustrates an important element of the area's history, development, and/or can be associated with an important local historic figure or event.

**C2. Archaeological potential:** there is reason to suggest the asset does or may, through expert investigation, provide primary evidence relating to the substance and evolution of places and the people and cultures that made them.

### **Category three: What makes it special?**

*Does the asset demonstrate one or more of the following?*

| <b>Letter</b> | <b>Definition</b>  |
|---------------|--|
| <b>A</b>      | <b>Age and integrity.</b> The asset is <i>particularly old</i> or of a <i>date significant to the area</i> , retaining a level of historic material and form proportionate to its age.             |
| <b>B</b>      | <b>Rarity or representativeness.</b> The asset is a <i>rare</i> or <i>unique surviving example</i> of its type, or is an <i>exceptional example</i> of its type.                                   |
| <b>C</b>      | <b>Community and social asset.</b> The asset is of high value to the <i>local community</i> as <i>representative of their local identity</i> or <i>symbolic of a localised collective memory</i> . |