

WARWICK DISTRICT COUNCIL

Minutes of the meeting held on Wednesday 24 June 2015, at the Town Hall, Royal Leamington Spa at 6.00pm.

PRESENT: Councillor Doody (Chairman); Councillors Ashford, Barrott, Boad, Mrs Bunker, Cain, Mrs Cain J.P., Coker, Cooke, Davies, Davison, Day, Edgington, Mrs Evetts, Mrs Falp, Gifford, Miss Grainger, Harrington J.P., Heath, Mrs Hill, Illingworth, Mrs Knight, Margrave, Mobbs, Murphy J.P., Naimo, Parkins, Phillips, Quinney, Rhead, Shilton, Stevens, Weed and Whiting.

11. **Apologies for Absence**

Apologies for absence were received from Councillors Bromley, Butler, Cross, D'Arcy, Mrs Gallagher J.P., Gill, Mrs Grainger, Howe, Mann, Morris, Mrs Redford, Thompson.

12. **Declarations of Interest**

Minute Number 20 – Devolution and Economic Growth – Options for a combined authority

Councillors Gifford and Shilton declared a personal interest because they were Warwickshire County Councillors.

13. **Minutes**

The Minutes of the meeting of the Council held on the 20 May 2015, were approved and signed by the Chairman.

14. **Communications & Announcements**

The Chairman took the opportunity to welcome all new Councillors to the Council and outlined some basic matters of protocols for the meeting.

The Chairman informed the Council that on the 15 July 2015 there would be a fundraising event in the Space at Riverside House to raise money for the Prostate Cancer Charity and Breast Cancer Charity.

The Chairman reminded Councillors about the forthcoming training/briefing sessions for all Councillors and encouraged them to attend as many as possible, especially the mandatory training session on 6 July, about Chairing Committee meetings which he would be attending.

The Chairman informed the Council that there was no business under; Item 5, petitions; Item 6, Notices of Motion; and Item 7, Public Submissions.

15. **Leader's and Portfolio Holders Statements**

The Leader, Councillor Mobbs, congratulated Councillors Doody and Mrs Knight on their appointments as Chairman and Vice-Chairman respectively. He offered special congratulations to Councillor Doody on becoming the first Councillor to be Chairman of the Council twice. He also offered a warm welcome to all Councillors in the first meeting of the Council.

The Leader informed Council that he was awaiting a response from the Secretary of State, to his letter about the local plan. However, he had discussed an outline timetable with fellow Leaders and Chief Executives for addressing the unmet housing need. A further discussion would take place at the 6 July Economic Prosperity Board.

The Leader informed the Council that he had been invited to a meeting on 25 June 2015 about combined authorities, which he would attend if Council agreed recommendations in the associated report on the agenda for this meeting.

The Leader thanked all Councillors for their participation in the most intensive start to a Council and encouraged all to attend as many briefings and training sessions as possible.

The Leader explained that he now wanted to progress key projects but these needed to be based on fact and this required sound scrutiny and robust debate. That said, he emphasised that Councillors must not hold Council back, the future health of the Council was key to delivering the service.

The Leader stated that all Conservative Councillors had signed up to the Code of Conduct and to observe the principles set out in a report to Council in February. The Leader asked all Councillors that if they had any questions about this to contact the Democratic Services Manager & Deputy Monitoring Officer.

The Portfolio Holder for Neighbourhood Services, Councillor Shilton, congratulated Councillors Doody and Mrs Knight on their appointments. He went on to explain that work had started on the refurbishment of Eagle Recreation Ground, including new equipment and a new safe surface. As a result of this, he was hoping to establish a friends of Eagle Recreation Ground. In addition, he announced that the tender had been awarded for Roxborough Croft with work due to take place during the school holidays.

16. **Questions to the Leader of the Council & Portfolio Holders**

Councillor Boad asked the Leader, if the list of expenditure over £250 should be more accessible to find on the Council's website. In response, the Leader, Councillor Mobbs, agreed with Councillor Boad and assured him that the Portfolio Holder for Finance was listening to this.

Councillor Boad, asked the Portfolio Holder for Housing, Councillor Phillips, if he thought it was acceptable that (a) earlier this month Councillor Boad had visited a Council high rise apartment block alarm, in the late afternoon, to find the fire alarm had a fault. The alarm says to call Fire & Rescue Service, which he did but after they did not attend for over twenty minutes he called the alarm provider who told him to call the Council. Later that day, Councillor Boad found that a tenant had called to report this fault at 8.15am but had been told by officers that they were not responsible for the matter; and (b) why do the Council accept that Ian Williams can leave wet paint signs up for weeks after the work has been completed?

In response, Councillor Phillips thanked Councillor Boad and asked him to provide him with the specific details of this case to enable him to investigate and report back on how it should work and why it did not on this occasion.

Councillor Barrott asked the Leader why he was making statements in the local newspapers such as "plans are in place to slash costs by moving Riverside House, outsource/privatise leisure centres and reduce costs by letting Pump

Rooms"; and "it's easier" because of the majority the Conservatives had on the Council; and therefore had some of these decisions already been made?

In response, the Leader assured Councillor Barrott that he did not use words like "slash" and that all Councillors knew it was possible to get misquoted in the press. This administration favoured economic growth, and want to work with all parties to increase investment in the area. He expected the Council to maximise income and reduce costs. There was an options appraisal on leisure services that would come back with a detailed report.

Councillor Barrott asked the Leader that if he had been misquoted why he did not ask for a correction to be published and did statements like this give the wrong view of the Council for residents, staff and councillors?

The Leader responded by explaining that he had responded in his regular article within the newspaper to another headline that "cuts are inevitable" which he also did not say but had said that government cuts in funding are inevitable. A letter on this matter had been made available on the intranet for members of staff.

17. **Executive Report**

The report of the Executive meeting on 16 June 2015 was proposed, duly seconded and:

Resolved that the Executive report of 16 June 2015, be approved.

18. **Employment Committee**

The report of the Employment Committee meeting on 17 June 2015 was proposed, duly seconded and:

Resolved that the Employment Committee report of 17 June 2015, be approved.

(The Chief Executive and Deputy Chief Executive & Monitoring Officer left the room while this item was considered because it related to their role at the Council)

19. **Appointments to Committees**

It was proposed by Councillor Mobbs duly seconded and

Resolved

- (1) to appoint Councillors Mrs Cain, Edgington & Thompson as substitutes for the Planning Committee;
- (2) to appoint Councillors Edgington & Hill as substitutes to the Licensing & Regulatory Committee;
- (3) to replace Councillor Miss Grainger, as a member of the Finance & Audit Scrutiny Committee, with Councillor Mann;

- (4) to replace Councillor Mann, as a member of the Overview & Scrutiny Committee, with Councillor Miss Grainger;
- (5) to change Councillor Miss Grainger so she is a substitute for Finance & Audit Scrutiny Committee instead of being a substitute for Overview & Scrutiny Committee; and
- (6) to change Councillor Mann so he is a substitute for Overview & Scrutiny Committee instead of being a substitute for Finance & Audit Scrutiny Committee.

20. **Devolution and Economic Growth – options for a combined authority**

The Council considered a report from the Chief Executive that set out information about the new Government's developing policy on devolution, growth and combined authorities and current proposals for the West Midlands. The report proposed responding to this rapidly moving agenda by entering into discussions with other local authorities and the Government to establish how the Council's objectives could be achieved through membership of a combined authority; requiring the Council Leader and Chief Executive to feedback on these discussions to Council.

There were two elements to this issue – one was the creation of a Combined Authority (a legal entity) and the other was the devolution package that could be negotiated with the Government on the back of creating a Combined Authority. The creation of a Combined Authority had to follow a number of steps including wide consultation, which was summarised at Appendix 2 to the report.

The new Government had quickly announced that it intended to pursue its policy of economic growth through devolution and had published the Cities and Local Government Devolution Bill to assist with this process. The first speech given by the Chancellor of the Exchequer after the election focused on the Northern Powerhouse and devolution.

In his speech the Chancellor had stressed the importance of the cities and their areas in the north to improve productivity and to rebalance the UK economy. This policy was based on the economic theory that significant increased in productivity required areas to work together at scale i.e. that there were real benefits to be had from economic agglomeration where places collaborate on key economic initiatives. The Chancellor promised greater powers and autonomy through devolution deals to cities with ambition elsewhere in the UK, particularly to those who chose to have an elected Metro mayor.

This offer from the Chancellor, along with the publication of the Cities and Local Government Devolution Bill, had added further impetus to the development locally of a combined authority for the West Midlands which was now the only metropolitan area in England that did not have a combined authority.

Combined authorities could be set up by one or more local authorities who wished to come together to promote economic growth on a sub-regional basis for their area so that they could address issues including transport, skills and economic regeneration. A combined authority must reflect the area's economic geography, provide a collective voice and enable collective decision making by

the local authorities that made up the combined authority. Combined authorities increasingly became the body of choice for the devolution of powers and funding from Government during the last Parliament.

Combined authorities were not intended to replace existing local authorities. Member councils would continue to deliver local services and retain civic responsibility for their areas. Nor were combined authorities a replacement for Local Enterprise Partnerships which were made up of local businesses and local authority representatives and which would continue to operate alongside combined authorities. Greater Manchester, regarded as the most advanced combined authority, was to be given powers over health and social care – although this was being linked to the creation of a Metro mayor for the area.

Initially seen as predominantly a vehicle for metropolitan areas for the city deals negotiated with the last Government, the last year had seen many areas looking to create a combined authority for a variety of city, county, district council or a mixture of these in areas across England.

Warwick District Council, the other Warwickshire Districts, Warwickshire County Council, Hinckley and Bosworth Borough Council and Coventry City Council were members of the Joint Committee for Coventry, Warwickshire and South West Leicestershire. This was formed early in 2014 as the first stage in the commitment that all of the local authorities in the sub region provided as part of the sign up to the Coventry and Warwickshire City Deal in 2013.

The City Deal area, along with Coventry and Warwickshire Local Enterprise Partnership, reflected the economic geography and functional market area of our sub-region. Economic analysis shows Warwick District had particularly close economic links with Coventry, Stratford and Rugby and to an extent Solihull and Birmingham.

Last November, Birmingham City Council and the four metropolitan district local authorities that made up the Black Country announced that they intended to create a combined authority for their area and invited other neighbouring authorities to consider joining them in a combined authority for the West Midlands. This precipitated discussions in the Coventry and Warwickshire sub-region which had taken place during the last six months.

Coventry City Council was currently a member of the West Midlands Joint Committee which had responsibilities for the oversight of the Police and Fire services for the West Midlands and was also a member of the West Midlands Independent Transport Authority (WMITA) which was responsible for the provision of public transport. This meant for Coventry there was not a status quo option.

As the West Midlands was the only metropolitan area in England without a combined authority, it was viewed as being behind other areas of the country. It was also perceived that the Midlands was at risk of missing out on the Government's devolution agenda – particularly as the Northern Powerhouse concept was developed and supported by Government including specific provision in the last budget and the creation of a minister responsible for the Northern Powerhouse in the new Government. In their recent visit to Birmingham on 1 June 2015, the Chancellor, along with Greg Clark, the Secretary of State for Communities and Local Government, and Lord Heseltine made it clear that there was an opportunity for the West Midlands to respond to the Government's devolution agenda but this required a speedy and ambitious

response from local councils. They urged engagement with the wider adjoining area including district councils.

Economic analysis undertaken by the metropolitan authorities had now led them to propose that a combined authority should be created for the West Midlands base on three Local Enterprise Partnership areas of Coventry and Warwickshire, Greater Birmingham and Solihull and the Black Country. It was proposed that these three functioning economic areas working together could provide fresh opportunities for businesses, job creation, transport improvements, skills programmes and housing investment.

Solihull Metropolitan Council had recently indicated that it was likely to join a West Midlands Combined Authority. Coventry City Council's Cabinet had agreed in principle to join a combined authority with a preferred option of councils from Coventry and Warwickshire (with Hinckley and Bosworth), Greater Birmingham and Solihull and the Black Country. However, it was highly likely that, should the Warwickshire authorities decide not to participate, Coventry would proceed with the West Midlands in any event. Consequently whilst the clear preference for this Council was for a Coventry and Warwickshire approach, there was presently no such proposal on the table to consider; the only one on the table to consider was for the wider West Midlands area.

The area proposed would be the biggest combined authority area in the country with a population of 4 million and would run from northern Worcestershire (Redditch and Bromsgrove) in the south to southern Staffordshire (including Tamworth, Burton on Trent) in the north. This would be a new West Midlands larger than the metropolitan area itself and considerably bigger than Greater Manchester. The Local Authorities that could be involved and their political control were listed at Appendix 4 to the report.

The issues and relative merits of a combined authority were previously considered by the Executive at its meeting on 11 March 2015. To respond to discussions that were taking place at that time locally, it was agreed that feedback would be sought from the Council's political groups to enable the Leader and Chief Executive to discuss with other local authorities options for potential membership of a combined authority.

Following feedback from the Council's political groups, a statement on combined authorities was drawn up, which was set out at Appendix 1 to the report. The statement set out the objectives that Warwick District Council would want to achieve by working together with other local authorities through a combined authority; and preferred governance arrangements, with a first preference for a combined authority based on the city deal area to include all the councils of Coventry, Warwickshire and Hinckley and Bosworth.

As the discussions around the creation of a combined authority were continuing, it was recommended that this statement was endorsed by Council as Warwick District to continue to provide the basis and direction for future discussions and negotiations.

The additional impetus provided by the election of a new Government, keen to promote economic growth and devolution through devolution deals, meant that the Council would need to be able to respond quickly to a rapidly moving agenda and so it was recommended that the Council continue to explore whether joining a combined authority would enable it to achieve its objectives.

In particular, it was recommended that the Council responded to the proposal from the West Midlands Metropolitan Councils to consider creating a combined authority for the West Midlands covering three Local Enterprise Partnerships which includes Warwick District. Although this was not the Council's preferred option, it was important to establish what the benefits of such an authority and subsequent devolution deal might be for Warwick District's communities and whether or not it was a viable option for the Council to consider.

Devolution discussions with the Government about what was best for the West Midlands were now beginning and it was recommended that Warwick District Council should look to take an active part in these to enable the Council to decide what the benefits to the businesses and residents of Warwick District might be from joining a combined authority and taking part in any devolution deal. The initial detail received was that the Government was looking for the Combined Authority to start at the beginning of next financial year meaning that consultation could begin at the end of this summer.

Clearly this agenda was moving at pace and it was recommended that authority should be delegated to the Leader and Chief Executive to take part in discussions so that these could be reported back to the Council so that any proposals could be considered and determined at the earliest opportunity. Other Officer and Executive Councillor time might also be required as was appropriate.

Resolved that the

- (1) statement on combined authorities, previously agreed under delegated authority by all four Group Leaders, be endorsed, including the Council's agreed objectives for entering a combined authority and devolution discussions and its preferred option of a combined authority for the city deal area of Coventry and Warwickshire (with Hinckley and Bosworth), as set out in Appendix 1, to the report;
- (2) Council continues to explore the opportunity to deliver its objectives, set out in Appendix 1 to the report, through the potential membership of a combined authority and that its objectives are used as the basis for the evaluation of any option before it;
- (3) preferred option of the Council is to enter discussions on forming a Combined Authority and entering devolution discussions for Coventry and Warwickshire;
- (4) Council should respond to the proposal to develop a combined authority for the three Local Enterprise Partnership (LEP) areas of Black Country, Greater Birmingham and Solihull, and Coventry and Warwickshire, by taking part in discussions and investigating with the other authorities included in that proposal and with the Government on the devolution proposals that could be associated with it;

- (5) authority be delegated to the Leader and Chief Executive to enter into discussions on behalf of the Council on a possible combined authority and devolution options so that proposals can be considered by the Council at the earliest opportunity; and
- (6) Council notes, the £50,000 previously agreed by the Executive to be allocated from the contingency budget to support this work will be retained for this purpose.

21. **Common Seal**

It was

Resolved that the Common Seal of Warwick District Council be affixed to such documents as may be required for implementing decisions of the Council arrived at this day.

(The meeting ended at 6.57 pm)

CHAIRMAN
12 August 2015