

Cabinet

Thursday 8 February 2024

A meeting of the Cabinet will be held at Shire Hall, Market Place, Warwick on Thursday 8 February 2024 at 6.00pm.

Councillor I Davison (Chairman)

Councillor E Billiald
Councillor J Chilvers
Councillor J Harrison
Councillor J Kennedy

Councillor C King
Councillor W Roberts
Councillor J Sinnott
Councillor P Wightman

Also attending (but not members of the Cabinet):

Chair of the Overview & Scrutiny Committee
Liberal Democrat Group Observer
Conservative Group Observer
Whitnash Residents Association Group Observer

Councillor A Milton
Councillor A Boad
Councillor A Day
Councillor J Falp

Emergency Procedure

At the commencement of the meeting, the emergency procedure for Shire Hall will be announced.

Agenda

- 1. Apologies for Absence**
- 2. 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 disclosed 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.

- 3. Minutes**

To confirm the minutes of the 6 December 2023 Cabinet meeting. **(To follow)**

Part 1

(Items upon which a decision by Council is required)

4. Election of Chair and Vice-Chair of the Council 2024/25

In accordance with Procedure Rules, to recommend to Council the persons to be elected as Chair and Vice-Chair of the Council for 2024/25.

5. General Fund Revenue and Capital Budget 2024/25

To consider a report from Finance.

(Pages 1 to 19)
(Appendix 1 to follow)
(Appendices 2 to 9)

6. Housing Revenue Account (HRA) Budget 2024/25 and Housing Rents Setting Report

To consider a report from Finance.

(Pages 1 to 19)

7. Air Quality Management Area (AQMA) Revocations

To consider a report from Safer Communities, Leisure & Environment. **(Pages 1 to 17)**

Part 2

(Items upon which a decision by Council is not required)

8. Complaints Policy

To consider a report from the Head of Governance & Deputy Monitoring Officer.

(Pages 1 to 16)

9. Refurbishment and Improvement to Existing Paddling Pools

To consider a report from Safer Communities, Leisure & Environment. **(Pages 1 to 19)**

10. Packmores Community Centre Update

To consider a report from the Chief Executive.

(Pages 1 to 19)

11. Protection of Ground Nesting Birds, St Mary's Lands, Warwick

To consider a report from Place, Arts & Economy.

(Pages 1 to 22)

12. BetterPoints 'Choose How You Move' Sustainable Travel Incentive - Contract Extension

To consider a report from Climate Change.

(Pages 1 to 31)

13. Public and Press

To consider resolving that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within the paragraphs of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to

Information) (Variation) Order 2006, as set out below.

Item Numbers	Paragraph Numbers	Reason
14,15	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

14. Confidential Appendix to Item 9 - Refurbishment and Improvement to Existing Paddling Pools

To note the confidential appendix.

(Pages 1 to 4)

15. Minutes

To consider the confidential minutes of the 6 December 2023 Cabinet meeting.

(To follow)

(Not for publication)

Published Tuesday 30 January 2024

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456114**

Cabinet

Minutes of the meeting held on Wednesday 6 December 2023 in Shire Hall, Warwick at 6.00pm.

Present: Councillors Davison (Leader), Billiald, Chilvers, J Harrison, Kennedy, King, Roberts, Sinnott and Wightman.

Also Present: Councillors: Dickson (Liberal Democrat Group Observer), Day (Conservative Group Observer), Margrave (Whitnash Residents Association Group Observer), and Milton (Chair of Overview & Scrutiny Committee).

62. **Apologies for Absence**

There were no apologies for absence received.

63. **Declarations of Interest**

There were no declarations of interest.

64. **Minutes**

The minutes of the meetings held on 2 November and 15 November 2023 were taken as read and signed by the Chairman as a correct record.

Part 1

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

65. **Q2 Budget Update 2023/24**

The Cabinet considered a report from Finance which provided an update on the current financial position from 30 September 2023. It also provided a full year forecast for the 2023/24 financial year, and for the medium term through the Financial Strategy. Key variances and changes were highlighted to inform Members, with some recommendations also put forward for consideration.

The Medium-Term Financial Strategy showed that the Council was still reliant on making further changes to ensure that the Council operated within a balanced sustainable budget in future years, in addition to delivering the service initiatives that were previously agreed in December 2020, and last updated as part of the 2023/24 Budget Setting. With the significant risks facing the Council's finances in future years, it was important that officers and Members took all actions to ensure that the change management programme was developed to enable the Council to achieve this objective.

A full review and full year forecast had been completed by all Cost Centre Managers to estimate the total financial commitment for this current year. Accountancy had supported managers in the preparation of these figures. As of 30 September (end of Quarter Two (Q2)) there was an adverse forecast variance of £0.600m for the 2023/24 financial year to 31 March.

A summary by Portfolio of major variances was provided in the report. As part of the Vacancy Factor process for Q2, a full year forecast for all salary budgets had been completed, with the Vacancy Factor offset against forecast underspends in salary budgets. This forecast that 100% of the General Fund Vacancy Factor (£1.132m) had been met. This would be reassessed in Quarter three if any further savings against establishment would be reported.

Agency use was forecast over budget by £0.464m. A further review on the use of agency staffing would be carried out as part of a wider review into long-term vacancies held by the Council, forming part of the ongoing work in improving recruitment.

As reported in Quarter one (Q1), there was an increase in Homelessness Rent Rebates for which the authority did not receive full government subsidy. The number of residents that claimed this allowance, and the duration for which they claimed it, had increased in recent years, while the subsidy had remained at a level set back in 2011 (Local Housing Allowance Rate). Further work would take place to look at the accommodation in which people were placed, and whether there was more that could be done to reduce durations, particularly in accommodation such as hotels and B&Bs which were not fully reimbursed by the subsidy. The original plan to introduce the Arcus system with the authority had been withdrawn as agreed by Committee report completed by the Head of Service.

As reported in Q1, at budget setting in February 2023, contingency budgets were set to mitigate the unknown rising costs of contracts linked to inflation. These were held and managed centrally by the Head of Finance. In Q1, the contingency budgets had been forecast to offset some of the increased expenditure reflected in this report.

The increased cost of External Audit for the completion of the 2021/22 Statement of Financial Accounts was partly due to the additional work required because of the change of Financial System mid-year of 2021/22, and extra scrutiny required from the Council's External Auditors. In terms of Housing Services, a Service level agreement (SLA) was in place between Warwick District Council (WDC) and Milverton Homes, to cover the cost of staff time and consultancy work. This income was not budgeted for at budget setting. The costs relating to this SLA would continue to be updated on an annual basis.

The Council had received an increase in grant for Homelessness Advice, which would be used in conjunction with previously allocated budgets within the homelessness service. The grant was ring-fenced to support the delivery of this specific service.

The reduced Move on & Prevention Grant received in year was offset against reduced expenditure in donations and expenses.

In terms of Neighbourhood and Assets, there had been a loss of income due to the closure of Covent Garden Car Park (only the surface car park remained open) of £0.230m. The closure of Linen Street car park meant no charges would be made in year, but there were still ongoing costs for the car park of £0.050m, as the basement was still used by tenants. Other

car parks in Leamington had their income projections increased, totalling £120k, as part of assessing data from this year to date and last year, with a driver of this being the displacement of vehicles from Covent Garden. As part of the 2024/25 fees and charges process due to commence at the start of September, a comprehensive review of the Council's Car Parking portfolio would be carried out.

The original budget set in February 2023 estimated that WDC would move out of Riverside House in June 2023. The additional running costs for continuing to occupy Riverside House were estimated at £0.322m for this financial year.

Revised income projection for crematorium fees were based on current activity. This adjustment had been reflected within the Fees & Charges report for 2024/25 and was more realistic to the income the service would receive in this financial year and next.

It had been confirmed that WDC would receive Dry Waste Income from the new Sherbourne MRF. This would come into effect in the last quarter of the year. A prediction of income had been incorporated into the Forecast for Q2, once sales were made this would be reviewed and adjusted if required. At Budget setting, the overall budget was not set high enough, based on information received from third parties, thus showing an overspend. This service was expected to match estimated cost within the year. The Budget issue should be resolved in Budget setting 2024/25.

There was a reduced external printing income and reduced internal income from printer clicks estimated in year, this had been partially offset by reduced printing expenditure. Additional costs after HAY review had been included in the forecast and would be revised in Budget Setting 2024/25.

The centralised Occupational Health Budget was showing a forecast over budget, this estimate was based on the costs for last financial year, which were higher than agreed budget.

Due to the profile of the current apprentices, there was a surplus forecast within apprenticeship salaries. This related to new apprentices being employed at initial programme rates.

In terms of Place, Arts and Economy, planning fees had a reduced income based on current performance at Q2. This had not improved from Q1 and a lack of larger planning applications through the first half of the year had reduced the Outturn forecast. From 1 April 2024, new legislation which allowed the increase in planning fees of 25% for small applications, and 35% for larger application would increase the value of planning income, although the current predictions showed this would not meet Budget and would still show under achieved. Within the service area, large agency staff costs continued, which compounded the financial position with the reduction in income. Further review within this service was required for Budget Setting 2024/25 on both cost and income to ensure that it was with Budget constraints.

Building control reduction of income due to the service provision provided for Daventry returning to West Northamptonshire Council had been partially offset by a reduction in service delivery costs.

Due to the partial closure of the Town Hall for development, a loss of income had been forecast of £0.055m as the Council was unable to hire space out during this time.

The Women's cycle tour, which was due to take place in 2023, was unfortunately cancelled. Therefore the £0.030m budget that was in place would not be used in year. The event was scheduled to go ahead in 2024, and so it was expected that the budget would be carried forward to support this taking place.

New contract for Softcat install equipment and managements fees were included within this forecast. This would be reviewed for budget setting 2024/25. There was a loss of rent and ability to relet space at the Creative Quarter.

Extensive works were required in the maintenance of WDC outdoor paddling pools. There was a £0.021m reduction of income from sponsorships and sales of hanging baskets.

Regarding Abbey Field Cycle Track, the budget from New Homes Bonus in 2023/24 would not be used, this was to be deferred to 2024/25. Community Safety caused increase in staffing costs which were approved by ERF to cover sickness. There was also increase in Consultancy and staffing costs within the Service.

The bowls income budget was unachievable and this would be reviewed at budget setting 2024/25.

In terms of the Strategic Leadership portfolio, there was an increase in costs relating to the new Voter ID. This had now been realised after final payroll costs, and was partially offset by an increase in external grant received.

Funding was provided to address the most complex barriers to tree planting, including access to land. To date, no land had been purchased (although progress was being made via work with Forestry England) and the approach to the tree project was being reviewed to ensure alignment with the new Corporate Strategy (and linked to Biodiversity Action Programme). Whilst land purchase might be required (depending on the review), it was unlikely that this would be required in 2023/24 thus leading to the projected underspend.

The staffing cost increased to include Climate Change Projects and Delivery Officer. This post and overspend was to be funded by approved S106 funds.

Anticipated costs of the basic allowance showing a forecasted overspend in year. The Service Manager, supported by Accountancy would review and improve the monitoring process for future forecasts, and incorporate this into Budget setting for 2024/25.

Variations had been identified by the Accountancy Team in conjunction with the relevant budget managers, giving a full year adverse variance of £0.436m. A summary of the variations was included at section 1.2.1 in the report.

As part of the Vacancy factor process for Q2, a full year forecast of all Salary budgets had been completed and the Vacancy factor calculations had been made. This forecast that 100% of the for HRA Vacancy Factor (£0.235m) had been met. This would be reassessed in Q3 and if any, further savings against establishment would be reported.

Rent Rebates received from Beauchamp House were higher than the original Budget which was consistent with previous years income. This would be reviewed and updated as part of the Budget Setting 2024/25. Warwick Response- income received from HEART funding in 2022/23 and accounted for and used within 2023/24. This had been offset against increase to staffing costs within the team, including the use of Agency. Increased equipment costs were not budgeted (Income received in year but expenditure not budgeted high enough).

Increase in expenditure relating to Cleaning Contract i.e., communal areas were not Budgeted in year.

Increase in costs of Garage repairs in year compared to budget, estimated based on spend to date and known costs to the end of the Financial Year. The MTFS was last formally reported to Members in February as part of the Budget setting and Council Tax setting reports. In light of the variations highlighted in this report, the MTFS had been updated as outlined below:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Deficit-Savings Req (+)/Surplus (-) future years	600	4,334	2,476	1,525	1,501
Change on previous year	600	3,734	(1,858)	(951)	(24)

It was expected that some of the variances highlighted at Q2 might become recurrent (housing benefits / waste contract) were linked to ongoing decisions (Relocation project). Further work would be undertaken to assess their future impact and would be reflected in the Q3 budget review MTFS update.

It should be noted that the above revised MTFS did not include any provision for additional costs associated with the Abbey Fields Leisure Centre Project. Once confidential negotiations were concluded, all Councillors would be informed. If the decision was to then proceed with the project, the MTFS would be updated accordingly. It was expected that this decision should be made in time for inclusion in the MTFS as part of

the 2024/25 Budget report in February.

Officers were continuing to review ways of reducing the deficit, including income generation, service efficiency and cost saving schemes, with the expectation that an update would be provided within the Q3 report in March, and help inform decisions for the budget setting process 2024/25. Capital had currently forecast a reduction in funding requirement in year of £12.662m for General Fund and £7.437m for HRA. A full breakdown of Capital Variances was shown in Appendix 1 to the report.

The table in the report presented the latest summary of available reserves as at Q2. This reflected non-committed, and non-ringfenced balances as at Budget Setting reports approved at Cabinet February each Financial Year, and ranged from 1 April 2020 (showing previous three years and current year) up to 1 April 2027 (the period covered by the current MTFS). This was subject to the final outturn of 2022/23 financial position, which was being completed as part of the draft statement of accounts process and to be reported to Cabinet.

The adjustments reflected approvals made since Budget Setting by Cabinet, showed those approved and reported in Q1, and those approved between Q1 reporting and now.

The Members allowances scheme defined that "[...] shall be increased by the annual local government pay percentage increase as agreed each April (linked to spinal column point 38 of the JNC scheme) to be implemented the following May in that year from the date of the Council Annual Meeting".

This year, the pay award for all JNC scale points was £1,925. Following consultation with the Leadership Co-ordination Group, it was proposed that 3.8% should be the increase for this year. This was based on the basic allowance and how that equated to salaries for officers. The Independent Remuneration Panel for the Council were consulted on this proposal and raised no objections. This would have an adverse effect on the budget of over £16,000 before any on costs (national insurance contributions) were included.

In 2023/24, this would be funded from existing staffing budgets, and would be built into future budgets as baseline growth.

No alternatives were presented in the report.

The Overview & Scrutiny Committee noted the report and thanked officers for their work on it, especially for including the summary of reserves. The Committee asked that in the future, more work should be done on how the Council monitored its budgets on an ongoing basis, so that there was a lesser discrepancy between projections and the actuals.

The Overview & Scrutiny Committee asked for an update from the Portfolio Holder in relation to the underspent capital budget for disabled playground facilities, and what the plan for spending this budget was. The Committee asked for future reports to bring forward comments in the situations of underspend.

Councillor Chilvers proposed the report as laid out.

Recommended to Council that the Members allowance and allowance for the Chairman and Vice-Chairman of the Council up rating for 2023/24 be 3.8%, be approved.

Resolved that:

- (1) the latest current year financial position for (General Fund £0.600m Adverse and Housing Revenue Account £0.436m Adverse), with the key variations that drive these positions, be noted;
- (2) the impact on the Medium Term Financial Strategy (MTFS) due to changes detailed within the report, and how these changes are expected to be accommodated, be noted;
- (3) the ongoing forecast deficit outlined in the MTFS is reviewed further as part of a later report to Cabinet once proposals for tackling the deficit have been developed, be noted; and
- (4) the current capital variations for schemes originally approved in February 2023, be noted, and all changes approved.

(The Portfolio Holder for this item was Councillor Chilvers).
Forward Plan Reference 1,386

Part 2

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

66. Replacement of footbridge off Radford Road, Royal Leamington Spa

The Cabinet considered a report from Neighbourhood & Assets which set out the background to the closure of the footbridge off Radford Road, and which recommended that it should be replaced.

Previously there was a timber construction footbridge that crossed the River Leam, from the car park adjacent to the allotments off Radford Road over to Newbold Comyn, set out in the location plan at Appendix 1 to the report. This bridge was owned by the Council and predated the introduction of the National Cycle Route.

This crossing formed part of Route 41 of the National Cycle Network and was designed only for pedestrian and cycle use.

Budget provision was made for 2023/24 to carry out repairs to the bridge, based on a technical survey previously undertaken. However, when the structural advisers, Pick Everard, looked at the bridge, they recommended

immediate closure as the glulam timber beams forming the main structural element of the bridge were showing significant signs of delamination and decay.

It was initially planned that the bridge could be repaired to at least allow a reopening pending a plan for its replacement, but more intrusive inspections showed that the bridge could not be repaired at economic cost.

Pick Everard, together with WDC surveyors, and the Green Spaces team had looked at several options, all of which required consents from the Environment Agency, even for a temporary solution, and these consents could take many weeks to obtain.

The bridge was a key crossing point for leisure and sports users and regular media releases had been made to inform on options and progress.

Any temporary bridge could not be in place until March/April 2024 at the earliest, as it would require Environment Agency (EA) consent and it was anticipated that the Environment Agency would impose restrictions to protect fish, therefore giving timing constraints for certain works until 15 June 2024.

The intention would be to start works on a new bridge as early as possible and the installation of a temporary bridge could delay this. Therefore, it was proposed not to provide a temporary solution and progress with arranging a permanent replacement.

The estimated timeline for a replacement bridge was 31 weeks from the submission of a permit application to remove the existing bridge to the installation of a new bridge, which could be subject to delays, changes, and salmonid timing constraints for certain works.

The existing bridge width was 1.4m between parapets and the proposed bridge would be 3.5m between parapets and therefore a significant enhancement and in line with Sustrans standards. Therefore, it was recommended that funding was sought from Sustrans and other potential organisations to support the cost.

Initial contact had been made with Sustrans about contributory funding and once the replacement was approved, officers would explore potential funding streams with them to see if/how they could assist. Sustrans could not give a time scale or a guarantee at this stage.

In terms of alternative options, one alternative was to not to replace the bridge, but this would require a rerouting of the national cycle path and the bridge was a key route into Newbold Comyn.

The Council could replace the bridge with one the same width as existing, but this would not allow cyclists to cross at the same time from opposite directions and was unlikely to be eligible for Sustrans funding.

If the new bridge was not installed to meet the EA's deadline of 1 October 2024, a temporary bridge option may have needed to be explored to be

installed for use as of June 2025.

Councillor Roberts proposed the report as laid out.

Resolved that

- (1) the replacement of the footbridge off Radford Road with a new structure and not seek an interim arrangement, be agreed;
- (2) authority be delegated to the Head of Neighbourhood & Assets to progress this in line with budget set at out in Confidential Appendix 2 to the report including seeking any necessary consents or licences;
- (3) the budget as set out in Confidential Appendix 2 to the report, be met from the Assets Reserve in 2024/25; and
- (4) contributory funding be sought from Sustrans and other appropriate organisations.

(The Portfolio Holder for this item was Councillor Roberts)
Forward Plan Reference 1,407

67. Climate Change Action Programme

The Cabinet considered a report from Programme Director for Climate Change which set out the proposed revisions to the Climate Change Action Programme (CCAP) and how it would change to align with the new Corporate Strategy agreed by the Council in November 2023.

The report (along with the attached appendices) set out proposals for progressing towards the achievement of those ambitions. The core proposals for climate change mitigation were set out in Appendix 1 to the report and for adaptation in Appendix 2 to the report. This Action Programme incorporated a high-level commitment and specific actions which would provide the focus for the next three to four years. The Programme drew on a range of sources including the organisational carbon baseline (last updated at Overview and Scrutiny Committee in October 2023), the 2021 Warwick People's Inquiry recommendations (see Appendix 6 to the report), the 2021 Anthesis report (see Appendix 7 to the report), national and local data on change to the climate, including Met Office data and the National Climate Change Risk Assessments prepared by the UK's Climate Change Committee. The CCAP had also been influenced by the cross-party members Climate Change Working Party which had met twice to advise on the contents of the Plan. In line with the Service Area Plans (SAP) report, it was proposed that the Working Party continued to provide advice on the shape of key projects within CCAP as these were in the early development stages.

The CCAP incorporated a Communications and Engagement Strategy (Appendix 3 to the report) and a Funding Strategy (Appendix 4 to the report). The Communications and Engagement Strategy drew on the

Warwick People's Inquiry which was reported in early 2021 and set out the principles for ensuring effective communications and dialogue with residents and other stakeholders. This included a three-month rolling communications plan. The Funding Strategy (Appendix 4 to the report) recognised that the level of spending required to deliver the entire CCAP could not be accommodated within the Council's direct budgets. It would therefore be necessary to draw on other sources of funding to deliver significant parts of the CCAP. The funding strategy set out the funding options that would be utilised. It should have been noted that accessing many of these funding streams would require significant work themselves for instance, applying for grants, developing business cases, establishing a local carbon offsetting fund, and providing evidence to justify Section 106 contributions.

At its meeting in October 2023, the Overview and Scrutiny Committee agreed a set of measures that would be reported on a six-monthly basis to the Committee to monitor progress on the CCAP. These measures were also integrated into the Climate Change (and other) Service Area Plans so that they formed part of the Council's routine performance management arrangements. It was intended that a climate change dashboard was developed to present these measures in an accessible way for Members and for publication on the website.

To deliver the CCAP, the already-available funding supported a core climate change team to drive forward the Council's work including monitoring and reporting on progress, developing funding streams, supporting services in integrating the CCAP into service plans and projects, addressing areas where there were barriers to progress, delivering cross cutting projects and ensuring the programme was kept up to date. The Climate Adaptation Project Officer also led the extensive work planned to deliver the adaptation plan set out in Appendix 2 to the report. These posts provided the capacity to coordinate and deliver work in this area, particularly working with a range of partners to refine the data, understand specific climate impacts and develop targeted actions and interventions.

The Adaptation Plan (Appendix 2 to the report) had been prepared collaboratively with colleagues at Warwickshire County Council and Stratford-on-Avon District Council (SDC). SDC would consider a similar adaptation plan and, given the nature of the work involved, it was intended to work closely with SDC in delivering and monitoring progress around climate change adaptation.

WDC had previously agreed a budget of £500,000 per annum for Climate Change, to be drawn annually from the Climate Change reserve. Whilst recognising that further funding would be required for specific initiatives, the report did not seek additional funding over and above that already agreed.

Including underspends accrued from earlier years, the Climate Change reserve had a balance of approximately £1.05m on 1 April 2023. Taking into account staff cost spending, and current commitments, a balance of £450,000 remained and, assuming the 2024/25 budget setting process continued existing commitments, an additional £500,000 would be made available in 2024/25. This gave a total available spending of

approximately £950,000 until the end of March 2025. The table under 1.7 in the report set out key areas of spending planned for this. The table also looked ahead to the remaining period of the current administration, and if the commitment to £500,000 per annum was maintained, set out how the £1m available for 2025/26 and 2026/27 could be used in line with the Corporate Strategy.

Referencing the funds available for Ambition 1, there were several grant options available that were worth noting:

WDC Asset Decarbonisation: In November 2023, grant submission was made to the Public Sector Decarbonisation Scheme (PSDS) Phase 3c, totalling £480,732.00 for Althorpe Energy Hub and Royal Spa Centre for Solar PV and air source heat pumps. If successful, WDC contribution would be £65,555. In addition, an application for grant funding was made in October 2023 to the Swimming Pool Support Fund Phase 2 for £526,600. This was for solar PV for St Nicholas Park and Newbold Comyn Leisure Centres. This would require no match funding from WDC if successful.

HVO Trail for RCV's: there was the potential to reallocate UKSPF funding which for 2023/24 had a maximum value of £30k.

Inevitably there were significant proposals in the CCAP that remained unfunded. Whilst the contingency budget set out above could have been used to contribute to these initiatives, the costs were unknown, and it would be necessary to bring forward costed proposals as and when the feasibility work was progressed. Examples included:

- Full cost of retrofitting WDC Assets and supplying renewable and low carbon energy.
- Supporting e-Car Clubs.
- EV charging infrastructure for WDC car parks and other off-street locations such as village halls.
- WDC share of delivering Abbey Fields Cycle Route.
- Cost of using HVO for RCVs if the trial proved successful.
- Last mile delivery project.
- Cycle parking.

It was proposed that a "mid-term" review of the CCAP was conducted in early 2025 to consider updated spending priorities from the Climate Change Fund for 2025/26 and 2026/27.

A range of funding sources would be explored for unfunded CCAP actions as set out in the Funding Strategy (Appendix 4 to the report). This would include funding within the Council's control (such as CIL), applying for grant funding, and other sources that the Council might be able to leverage through working in partnership with other organisations. The level of resources committed to Climate Change were unlikely to be sufficient, even if alternative sources were utilised. However, the Council was facing some difficult financial challenges. Any decision to increase spending on climate change should therefore be made in the context of a full understanding of these financial challenges. It was therefore intended that:

- a) where possible, existing service budgets were also utilised in a way that supported climate change and that the service planning processes gave this consideration;
- b) future budget setting processes included consideration of the potential to increase the direct climate change budgets where the financial pressures allowed; and
- c) maximum use was made of external funding as set out in the CCAP Funding Strategy.

It was noted that WDC had already utilised funding from within existing service budgets to deliver climate change initiatives. Examples included:

- planning policy budgets for background evidence to support draft low carbon buildings policies;
- funding from the Housing Investment Programme to support carbon reduction upgrades for WDC Section 106 housing schemes;
- match funding from the Housing Investment Programme to put alongside government grants schemes for retrofitting WDC housing stock; and
- CIL funding to deliver new and improved natural assets and multi modal transport improvements.

The Council already had considerable success in attracting external funding and grants including:

- Green Homes Grants totalling around £10m.
- AQ Section 106 money, used to support low emission transport solutions.
- Social value contributions from procurement processes.
- Applications had also been made to the Swimming Pool Fund and PSDS which were being considered.

In addition to the above items, the Council could wish to fund significant capital projects to deliver renewable or low carbon energy where this might give rise to a source of income that could help with the financial pressures. For instance, the CCAP included proposals to explore the potential for investing in solar energy and measures that reduced energy costs. Whilst these could involve significant capital costs these schemes also had the potential to deliver income and/or savings. Each of these schemes would therefore be subject to a feasibility study and business case, including the potential to use green finance and other methods of attracting external funding.

Strategic Priority 2 of the Corporate Strategy was focused on reducing energy consumption and bills in Council civic buildings, Council housing, and helping others to do the same. Therefore, these elements of the Climate Change Action Programme would be moved to strategic priority 2 where success measures would be developed. Success measures for the elements that remained within the CCAP would be reviewed and developed by April 2024.

The CCAP had a close relationship with the emerging Biodiversity Action Programme (BAP), not least in relation to climate change adaptation. Following the declaration of the Climate Emergency in 2022, the

development of BAP was progressing well, and it was intended to report the BAP to Cabinet for consideration in March 2024. Once adopted, the BAP would provide complementary actions which would also support the CCAP, particularly Ambition 3 which would require review once the BAP was adopted. However, the BAP would require its own funding, both from within WDC's budgets and externally. The CCAP budget was not intended to cover the costs of delivering the BAP.

In addition to the amount in the Climate Change Fund, the Council was also assessing the creation of an investment fund for energy conservation and energy generation projects as set out in 2.1.2 of the corporate strategy. This investment fund would only be for projects that could generate a financial return for the Council at least sufficient to cover borrowing costs during the Medium-Term Financial Strategy (MTFS). This was likely to include solar panel and LED lighting. It could include insulation of Council assets once baseline and energy saving projections were completed. The investment fund would be unlikely to include projects like heat pumps that delivered carbon savings, but not financial savings. Projects like these would need to be funded from the Climate Change Fund or other sources. If assessments showed the investment fund was viable it would be brought forward as part of the budget process. The fund would likely be planned over an initial four-year period.

In terms of alternative options, one option was that the Cabinet could have included any alternative commitments/actions in the CCAP and/or the exclusion of any commitments/actions that were proposed.

The Cabinet also could have considered if it would have recommended any changes to the communications and community engagement strategy or the proposed funding strategy.

The Cabinet could have considered whether the spending proposals set out at paragraph 1.7 in the report were appropriate or if any changes should have been made. The Cabinet could have considered whether any of the other proposals set out in the CCAP should have been included as alternatives.

Councillor Kennedy proposed the report as laid out.

Resolved that

- (1) the Climate Change Action Programme comprising the Action Plan (Appendix 1 to the report), climate adaptation strategy and action plan (Appendix 2 to the report), the Communications and Engagement Strategy (Appendix 3 to the report), and the Funding Strategy (Appendix 4 to the report) be agreed;
- (2) the delivery and monitoring of the Climate Adaptation Strategy and Action Plan (Appendix 2 to the report) through joint working with Stratford District Council, subject to Stratford District agreeing a similar approach, be agreed;

- (3) the actions listed in Appendix 5 to the report from the 2021-2023 Climate Change Action Programme are no longer pursued;
- (4) the proposals for utilising the already established Climate Action Fund budget for 2023/24 and 2024/25 as set out in the table at para 1.5 in the report, be agreed.
- (5) authority be delegated to the Programme Director for Climate Change (PDCC), in consultation with the Climate Change Portfolio Holder and Leader of the Council to spend from the Climate Action Fund in line with the proposals set out in para 1.7 in the report, including variances of up to 10% from the amounts shown. In addition, authority is delegated to the PDCC, in consultation with the Climate Change Portfolio Holder and Leader of the Council to authorise sums up to £20,000 for spending that is outside the proposals within paragraph 1.7 as long as the PDCC, Climate Change Portfolio Holder and Leader of the Council are satisfied that the spending aligns with the CCAP priorities and that this will not compromise the delivery of the proposals at 1.7;
- (6) a range of funding sources are explored and utilised for the unfunded actions set out on the CCAP, including future Council budget setting processes; and
- (7) the elements of Climate Change Action Programme relating to Strategic Priority 2 of the Corporate Strategy are removed from the programme, be agreed.

(The Portfolio Holder for this item was Councillor Kennedy)
Forward Plan Reference 1,398

68. **Service Area Plans**

The Cabinet considered a report from The Senior Leadership Team (SLT) which set out two key elements of the golden thread for the delivery of the Corporate Strategy. Firstly, it sought agreement for the Service Area Plans (SAPs) for the remainder of 2023/24 and 2024/25, recognising that the SAPs had been prepared to align with the new Corporate Strategy and provided a key part of the way the Council would deliver the Corporate Strategy. Secondly, it set out how the three Strategic Priorities of the Corporate Strategy would be overseen by Programme Boards, along with the Council's relationship to Overview and Scrutiny Committee and working parties.

As seen in Figure 1 to the report, the Service Area Plans were an important part of the “golden thread” linking the Corporate Strategy to projects and frontline service delivery. The SAPs had been prepared to align with the Corporate Strategy. In turn the SAPs provided the framework for Team Operational Plans, staff appraisals and one to ones, thereby enabling every team and every member of staff to consider how they contributed to the strategic priorities in their work.

The SAPs included an overview of the major workstreams for each service, along with the key performance measures to enable progress and performance to be tracked. The performance measures would be collated on a quarterly or annual basis (depending on the specific measure) and would be considered by SLT as part of the performance management framework. The performance measures would also enable progress against the Corporate Strategy to be reported to the Overview and Scrutiny Committee.

The SAPs set out in Appendix 1 to the report, covered the period from December 2023 to April 2025. SAPs were usually prepared on an annual basis to tie in with budget setting and appraisals. However, 2023/24 had seen elections and the development of a new Corporate Strategy. In that context it was decided not to carry out the review of SAPs in April/May, instead it was decided to wait until after the new Corporate Strategy had been developed. As the SAPs had been developed so late in the year, it was decided to incorporate the remainder of 2023/24 and the whole of 2024/25 within them. There was, of course, a risk that some or all of the plans would have required further review when the budget for 2024/25 was set. Any growth requirements for 2024/25 arising from the SAPs would be subject to approval through the 2024/25 budget setting process unless there had already been formal agreement. Where this could have given rise to substantive changes, these would either be approved through the 2024/25 budget report or would require a further report to be considered by Cabinet to agree the changes.

Because of the impact of the assessment of Housing Asset compliance, the Service Area Plans for Housing Health and Communities and, for Neighbourhood and Assets were being re-evaluated and updated and so were not ready for consideration. It was proposed that the work on these two SAPs be completed before the beginning of the new financial year and that approval of them was delegated to the Deputy Chief Executive in consultation with the relevant Portfolio Holders and the Chair of Overview and Scrutiny Committee.

Whilst the Service Area Plans set out how each service would resource and deliver its key workstreams (core services and projects), the delivery of the Corporate Strategy was also dependent on ensuring good governance arrangements were in place to deliver cross-service/cross-portfolio projects and initiatives. To achieve this, it was proposed that Programme Boards were established for Strategic Priorities 1&2 in the Corporate Strategy. Each Programme Board would be led by a Programme Sponsor and would include relevant officers and appropriate Portfolio Holder(s).

Strategic Priority 1 focussed on Recognising that so much of what the Council did was of a high quality and value for money. It was proposed

that a Programme Board for the Change Programme was established to oversee key areas for improvement. This Programme Board would cover delivery of projects and initiatives that:

- ensured sustainability was at the heart of the Council's decision making;
- ensured the Council's finances remained on a firm and sustainable footing;
- achieved and demonstrated delivery of high-quality services;
- attracted and retained the best talent to deliver Council ambitions; and
- ensured the best use of the Council's assets and resources to deliver the Council's wider corporate aims and support the circular economy.

It was proposed that the Deputy Chief Executive was the Programme Sponsor for this area. A further report would be brought to Cabinet to set out the scope, governance and main workstreams of the Change Programme, including more detail about the membership of the Programme Board. The Change Programme would therefore focus on those elements that required improvement to deliver this priority of the Corporate Strategy.

Strategic Priority 2 was based around low cost, low carbon energy across the District. The level of priority given to this aspect of the Council's work indicated that there was a need to accelerate progress in relation to energy costs and decarbonisation. This would require input from a range of Council services and portfolios. To ensure this work was given the priority it needed and was effectively coordinated, a Programme Board would be established to develop and deliver projects and initiatives that:

- reduced energy consumption and carbon emissions from Council public buildings;
- reduced energy consumption and carbon emissions from the existing Council Housing;
- provided homes which were safe and met the Decent Homes standard for all Council tenants, including improving the energy efficiency of their homes;
- ensured new housing developments led by the Council were exemplars of planning and construction to meet the climate emergency and other challenges; and
- explored multiple, innovative approaches to make it easier for others in the District to reduce their energy needs.

It was proposed that the Programme Director for Climate Change was the Programme Sponsor for this area. The Climate Change Action Programme set out some of the work in train to address this element of the Corporate Strategy and progress was already being made on those actions. It was proposed that the CCAP be split in two so that those aspects relating to "low cost, low carbon energy across the District" would be part of Strategic Aim 2 and the remaining elements of the CCAP would be in Strategic Aim 3 (i.e., 3.2.4 in the Corporate Strategy).

The CCAP included actions which would provide the basis for establishing the specific workstreams of this Programme Board and in that context, it was proposed the Programme drew on the CCAP to establish priorities. Membership of the Programme would be made up of officers from Climate

Change, Neighbourhood and Assets, Housing and Place Arts and Economy, along with relevant Portfolio Holders.

Strategic Priority 3 focussed around creation of vibrant, safe, and healthy communities of the future. Due to the diverse nature of this strategic goal and the necessity to focus on the Asset Compliance it was proposed that establishing the Member Working Party was delayed until 2024 to give time for the work on asset compliance to be completed. The projects that fell into this area would in the meantime be subject to a quarterly overall report on progress.

It was proposed that the Chief Executive be the Programme Sponsor for the Board which would have an overview across this Strategic Priority to ensure coordination between projects and work on delivering the priorities set out in this area. Membership of this Board would be from across the Council's service areas and would have the relevant Portfolio Holders on it. It was noted that the South Warwickshire Local Plan was another key element for the delivery of the Corporate Strategy. This had not been included within the suggested Programme Boards because it had its own governance arrangements.

The Corporate Strategy contained provisions for the Overview and Scrutiny Committee to undertake an annual review of the Strategy. At the discretion of the Overview and Scrutiny Committee, specific aspects of the Strategy could be scrutinised between these annual reviews.

It was also proposed that cross-party Members of Working Parties were established to develop policy and provided advice to the Programme Boards regarding Strategic Priorities 1 and 2. These Working Parties would not duplicate the scrutiny function provided by the Overview and Scrutiny Committee, instead they would provide an opportunity for informal cross-party advice from Members which would feed into the work of the Programme Boards. The terms of reference for the Working Parties, would be delegated to be agreed by the Chief Executive in consultation with Group Leaders.

The report also on the 6 December agenda related to the Significant Business Risk Register (SBRR) and this would be revised to reflect the new Corporate Strategy. This would report on a quarterly basis as it had continued to be so for as long as the Council had reported on risk at this level.

Reporting on overall progress of the Strategy was also expected to be on a quarterly basis to Cabinet with an annual report for Council. The Overview and Scrutiny Committee would also be able to scrutinise and comment on both. Reporting on the Service Area Plans would also be quarterly from the next financial year. The Services Area Plans would be published on the Council's website along with updated performance data each quarter and with the intention of making the data available real time for Councillors as soon as practically possible via SharePoint. Finally, there would also be the quarterly reporting of the Council's financial position.

There would then be a significant range of reporting tools for the Council to assess progress at a number of levels and topics.

In terms of alternative options, the Cabinet could have decided to amend the Service Area Plans in a range of ways to better reflect the ambitions of the Administration.

The Cabinet could have also decided not to establish the Programme Boards and the other governance arrangements to support the Corporate Strategy and instead could agree alternative governance arrangements or indeed no governance arrangements.

Finally, the Cabinet could decide to establish the Programme Boards with a different scope – with the responsibilities for projects split differently, especially in relation to the third strategic priority of the Corporate Strategy.

Councillor Davison proposed the report as laid out.

Resolved that

- (1) the Service Area Plans 2023/24 to 2024/25 as set out in Appendices 1 to 7 to the report be agreed. Any additional resource requirements for 2024/25 arising from the SAPs that had not already been agreed will be subject to consideration as part of the 2024/25 budget setting report;
- (2) authority be delegated to the Deputy Chief Executive, to approve Service Area Plans for Housing, Health and Communities; and, for Neighbourhood and Assets in consultation with the relevant Portfolio Holders and the Chair of Overview and Scrutiny Committee and will be reported for noting retrospectively before the start of the 2024/25 financial year;
- (3) Programme Boards are established to drive forward the delivery of the Corporate Strategy's Strategic Priorities; and
- (4) two cross-party Members Working Parties are set up to provide advice to Programme Boards on the development of projects and initiatives within Strategic Priorities 1 and 2. The terms of reference of the Working Parties are delegated to the Chief Executive in consultation with Group Leaders.

(The Portfolio Holders for this item were Councillors Billiard, Chilvers, Davison, J Harrison, Kennedy, King, Roberts, Sinnott, and Wightman)
Forward Plan Reference 1,387

69. South Warwickshire Economic Strategy

The Cabinet considered a report from Place, Arts & Economy which set out the strengths, weaknesses, opportunities and threats of an area. The South Warwickshire Economic Strategy (SWES) had been developed in partnership with Stratford District Council to sit alongside the South Warwickshire Local Plan which was being developed. The purpose of this report was to approve the South Warwickshire Economic Strategy (SWES) and the action plan for 2024-2025, recognising that the action plan would be reviewed and updated yearly based on national and sub-regional socio-economic developments and publication of other sub-regional strategies.

A joint South Warwickshire economic strategy was beneficial to both Councils. The shared economic geography included shared challenges, particularly around infrastructure, shared opportunities, and developing a high growth knowledge-based economy.

The South Warwickshire Local Plan would contain land-use policies to support economic development. When engaging with Government and outside agencies (such as West Midlands Connect and the West Midlands Combined Authority (WMCA)), the case for support and inward investment was stronger when there was joined up thinking and the synergistic strengths of both Districts as well as better opportunities to respond collectively to Climate Change challenges.

The County Council and the Coventry and Warwickshire strategies were being progressed at the same time, the former of which had already input from all Districts. It was expected that its strategy would be published in December 2023, followed by its action plan in early 2024, before the next financial year.

It was recognised that neither Warwick nor Stratford District Councils worked in isolation, but instead worked in partnership with other stakeholders and delivery partners. The strategy therefore set out the strategic themes, which were important for the next five years. The supporting action plan proposed the type of role the Economic Development Team would play alongside others, which ranged from influencing, lobbying and shaping strategies as well as direct intervention at local level including catalysing and joint commissioning of activity. The Economic Development Strategy would support the work of place-making by helping to shape the local economic priorities which underpinned employment land allocations and associated economic policies within the South Warwickshire Local Plan.

The thematic priorities of People, Places and Productivity had been used to develop a concise set of relevant programmes. The programmes would be reviewed at the end of each year and refreshed in light of national and sub-regional, socio-economic changes, and changes in policy direction as they were designed to be responsive to new opportunities, agile enough to respond to external changes in the market or government policy, as well as a change of government during 2024. The action plan would take account of the UK Shared Prosperity Fund programmes and objectives.

The key objectives of People, Place and Productivity were as follows:

- people – improve inclusivity and career paths and progression, facilitating social mobility through the provision of better job opportunities, upskilling the existing workforce, and attracting inward

investment in highly skilled jobs;

- productivity – the aim was to build thriving business communities with inclusive growth and shared prosperity, supporting new and existing businesses start up and survival, jobs creation, innovation and attracting inward investment and increased exports; and
- place – this included taking forward regeneration, infrastructure and development opportunities including The Future High Streets Fund project in the regeneration of Leamington Spa's Creative Quarter and other projects and sites; future strategic employment sites allocations, re-vitalising and enhancing town centres and the public realm and revitalising the evening economies. This aimed to support rural market towns across the District and address some of the opportunities and threats within the Local Neighbourhood plans and local Council priorities to support the prioritisation of investment in sustainable infrastructure and communities to build thriving communities.

All of the above was framed against the backdrop of recognising the need to consider the environmental issues, climate change, and recognising that growth and prosperity at any cost was not a viable option. There was a strong 'green' thread throughout the SWES, with sustainability at the heart. It aimed to attract the right 'green' industries to the District and to support businesses to become more sustainable in their operations for the benefit of local people, communities, and the environment through maximising social value and the development of the circular economy and working in partnership locally, regionally, and nationally to increase sustainability and biodiversity. The recent confirmation of the West Midlands Investment Zone (WMIZ) would bring billions of pounds worth of investment to the region, and directly to the WDC area, through the development of the Giga Park and the Gigafactory. The WMIZ would bring tax incentives, infrastructure investment and other support, whilst offering an opportunity to transition to a green economy protecting against unsuitable development and to deliver for biodiversity, sustainable transport, and job creation.

The SWES and Action Plan were attached at Appendix 1 to the report and were structured around the key themes mentioned above with three key sections as follows:

- South Warwickshire at a Glance – presented facts and figures about the South Warwickshire economy and challenges and opportunities for the future;
- an economic strategy for South Warwickshire – which set out a Vision for economic growth across South Warwickshire, the Council's mission and focus; and
- delivering the Economic Strategy – presented the objectives to be achieved and some actions to be delivered during 2024-2025 to be revisited annually against the overarching programme themes until 2028.

In terms of alternative options, the Cabinet could decide not to adopt the SWES and Action Plan. It could be delayed and reviewed in either February or March 2024, at which point it would be expected that the County Economic Development Action Plan would be published. However,

time would be lost in the implementation of our plan at a critical point in the delivery of regeneration projects, UKSPF and funding opportunities such as the Innovate UK Immersive and Creative Launchpad.

Councillor Billiald proposed the report as laid out.

Resolved that:

- (1) the South Warwickshire Economic Strategy and action plan for 2024-2025 be adopted for implementation starting effectively from 1 April 2024; and
- (2) authority be delegated to the Head of Place, Arts and Economy, in consultation with the Arts and Economy Portfolio Holder, to make any minor changes prior to its publication and to oversee the annual refresh of the action plan and monitor its implementation.

(The Portfolio Holder for this item was Councillor Billiald)
Forward Plan Reference 1,361

70. Interim Consultancy Support

The Cabinet considered a report from Housing, Health and Communities which sought approval to extend an interim support consultancy placement in excess of procurement threshold.

In March 2023, a consultant was brought in to provide interim management support to the Housing Development Team pending a redesign of the service. The redesign had taken longer than initially anticipated and the procurement value had now been exhausted.

The Housing Development programme had grown rapidly in size over the last few years with a desire to create 2030 high quality, energy efficient properties. The Council had also created Milverton Homes Limited, a company wholly owned by the Council and entered a Joint Venture with Vistry Partnerships.

It was crucial that relationships were forged with developers and contractors to bring this programme together. With this scale of programme, it was critical that sufficient management oversight and leadership was provided.

The current structure was for one senior manager to oversee both Housing Strategy & Enabling and the Housing Development functions. The manager asked to work on a part time basis and had elected to cover the Housing Strategy and Enabling function. A consultant had been appointed to cover the period whilst a review and redesign of the management structure could be undertaken. This had taken longer than initially foreseen and as a result the means of procurement used to bring in the consultant would soon reach its optimum value.

Whilst the redesign was likely to be completed before Christmas, the appointment of a new manager for the Housing Development Team was still some months away given there was a recruitment process to go through and, taking into account notice periods of any potential new starter. The need for this resource was further compounded by the Housing Development Manager retiring unexpectedly at the beginning of October 2023, leaving the area exposed. Retaining this consultant would provide some stability to the team and to the Council, enabling the current programme to be maintained.

An alternative option was to end the current consultancy placement and leave posts vacant. This was not recommended because of the adverse implications for the building programme outlined in section 1 in the report.

Councillor Wightman proposed the report as laid out.

Resolved that:

- (1) the current consultant brought in to support Housing Strategy and Development be retained until the recruitment of the Housing Development Manager is achieved; and
- (2) an exemption from the Procurement Code of Practice be agreed to enable ongoing housing development management, specifically awarding a contract for the value and length as set out in Confidential Appendix 1 to the report.

(The Portfolio Holder for this item was Councillor Wightman)
Forward Plan Reference 1,406

71. Discretionary Housing Payments

The Cabinet considered a report from Customer & Digital Services which requested the additional funding of £50,000 to top up the Discretionary Housing Payment (DHP) fund.

Discretionary Housing Payments (DHP) were payments made to residents who received either Housing Benefit or the housing element of Universal Credit to help them pay their rent. Whilst the scheme was discretionary, the fund needed to be administered in accordance with The Discretionary Financial Assistance Regulations 2001 and the Department for Work and Pensions (DWP) Discretionary Housing Payments guidance manual. The main criteria for eligibility was that the customer needed to have a shortfall between the benefit paid to help with their rent and the actual rent they had to pay. There were also a few exceptions where DHP could be considered in other circumstances.

Funding was provided twice yearly by the DWP and once the grant had been spent, no further DHPs could be awarded. Local Authorities could top up the DHP fund if deemed necessary by a maximum of two and a half times their original DWP allocation.

In previous years topping up had not been necessary and the budget had been managed well. However, DWP funding was significantly reduced for all Local Authorities at the start of the 2022/23 financial year and WDC's allocation decreased from £165,057 to £116,985. This resulted in the Council "topping up" the budget by £50,000.

The DWP's contribution had remained at £116,985 in the current year. The Council's caseload had not decreased and to date the Council had spent £83,815 with a further £13,318 committed in ongoing payments. This left a balance of just £19,852 for the remainder of the year.

Demand for DHP assistance was very high; rental costs had generally increased as had general living expenses. The benefits paid toward rental assistance had not kept pace and based on previous experience, the Council did not expect its DHP budget would be sufficient to reach the end of the financial year.

In terms of alternative options, the Council could stop providing further DHP support once the existing budget was exhausted. However, doing this could have had significant negative consequences, including increased homelessness or forcing more people to choose between paying their rent or paying for heat and food. Winter, where household running costs inevitably increased meant ceasing DHP support could be devastating.

Simply stopping support was not considered an appropriate response.

Councillor Harrison proposed the report as laid out.

Resolved that

- (1) the release of funding of £50,000 for Discretionary Housing Payments made by the Council, be met from the General Fund using Homelessness Grants for the current year, be agreed; and
- (2) an ongoing commitment of funding as part of the budget setting process to be met from the General Fund, be agreed.

(The Portfolio Holder for this item was Councillor Harrison)

72. Significant Business Risk Register

The Cabinet considered a report from Finance which set out the latest version of the Council's Significant Business Risk Register. It had been drafted following a review by the Council's Senior Leadership Team (SLT) and by the Leader of the Council.

The Significant Business Risk Register (SBRR) recorded all significant risks to the Council's operations, key priorities, and major projects. Individual services also had their own service risk registers, as did the major projects.

The SBRR was reviewed quarterly by the Council's Senior Leadership Team. This process was thorough and involved a focus on the higher rated risks, then a review of the others, and then a discussion on emerging risks/horizon scanning. For this cycle, the SLT had dedicated a large segment of one of its fortnightly sessions. On this occasion the Council Leader joined the meeting and was involved in the review. The SBRR was then, in keeping with Members' overall responsibilities for managing risk, reviewed by Cabinet. Audit and Standards Committee provided scrutiny, before or after Cabinet.

The latest version of the SBRR was set out as Appendix 1 to the report with a summary of the relative priority of the risks set out as Appendix 2 to the report.

In terms of alternative options, Members might have taken a differing view on the risks identified, on the ratings attributed or the mitigations, and might have felt that they wished to indicate changes to be made.

Councillor Davison proposed the report as laid out.

Resolved that

- (1) the contents of the report and appendices, be noted; and
- (2) the proposals for reshaping the approach to future versions of the SBRR, be noted.

(The Portfolio Holder for this item was Councillor Davison)
Forward Plan Reference 1,373

73. Safe and Legal Cap

The Cabinet considered a report from Housing which required that Cabinet determined the response to be provided to the West Midlands Strategic Migration Partnership in relation to a Government consultation on Legal and Safe routes into the country, and the request to Local Authorities to provide a pledge in respect of housing provision.

The Rt Hon Robert Jenrick MP wrote to all Local Authority Chief Executive Officers on 20 October 2023, launching a consultation on a cap on safe and legal routes which closed on 15/12/23.

The cap would be set on an annual basis, to be determined after consultation with representatives of local authorities. It would be amendable for example in the event of humanitarian crises. An annual limit on the number of entrants would ensure the UK accepted through safe and legal routes no more people than could be accommodated and supported effectively. The Illegal Migration Act required that before setting the cap, the Home Secretary must have consulted in England and Wales and Scotland, such representatives of local authorities as the Secretary of State considered appropriate.

The consultation was aimed at local authorities which provided housing or support to resettled individuals in the UK. Local authorities should have

worked with relevant bodies who provided wraparound services in compiling their responses, such as Integrated Care Boards, as well as with Voluntary and Community Sector Organisations, and Community Sponsorship Groups in their areas.

The UK currently operated seven safe and legal routes. These included resettlement schemes such as the UK Resettlement Scheme (UKRS) and Community Sponsorship, as well as bespoke routes for individuals from Afghanistan, Ukraine, Hong Kong and the close family members of refugees. Under the UK's safe and legal routes, eligible individuals were accessed through an application or referral process made overseas. This meant when they arrived in the UK their status was already determined.

Warwick District Council had made previous pledges over time to support families under the UKRS and Afghan schemes. These pledges were for 29 families and to date, had enabled 21 families to be provided with accommodation in Warwick District however there were a further eight families to be accommodated before previous pledges were complete.

UKRS

Area	Pledge (over 4 years)	Number of families in 1 year	Numbers resettled since April 2022:	Number of families still to be to be resettled
Warwick	4 families	1	1	2
Total:	4	1	1	2

Afghan Schemes (ARAP/ACRS)

Area	Pledge	Numbers July 2021 to March 22	Numbers April 22 to March 23	Numbers resettled since April 2023	TOTAL TO DATE	Available Property to be matched	Number of families still to be resettled
Warwick	25	7	9	3	19	2LAHF properties Phase 1 4 LAFH properties phase2 2 Properties for the families at the temporary accommodation One LAHF matched waiting for the formal offer.	6
Total:	25	7	9	3	19		6

The Council had received funding from the Department for Levelling Up Housing and Communities (DLUHC) to support the purchase of 27 family

homes to:

- provide sustainable housing to those on Afghan resettlement schemes at risk of homelessness so that they could build new lives in the UK, find employment and integrate into communities;
- reduce local housing pressures beyond those on Afghan resettlement schemes by providing better quality temporary accommodation to those owned homelessness duties by local authorities;
- reduce emergency, temporary and bridging accommodation costs; and
- reduce impact on the existing housing and homelessness systems and those waiting for social housing.

The LAHF was launched on 14 December 2022. The details of the fund were shared with the Council in the document 'Local Authority Housing Fund – Prospectus and Guidance' ('the Prospectus'). It was a £500m capital grant fund to support local authorities in England to provide sustainable housing for those unable to secure their own accommodation i.e. Afghan and Ukrainian refugees.

In March 2023 a report to Cabinet set out that DLUHC had awarded Warwick District Council £2,820,431 to purchase:

- 19 properties for households that met the eligibility criteria referred to as the 'the main element; and
- 2 x 4 bed properties to be allocated to households currently in bridging accommodation referred to as the bridging element.

A further Cabinet report in July 2023, sought approval for a second grant award of £919,200 from a national award of £250 million to support the purchase of six properties to provide sustainable housing primarily for Afghan families seeking refuge in the area.

There was a risk that any additional pledge would impact upon the ability to accommodate homeless households, meaning that greater numbers of homeless households would need to remain for longer periods in temporary accommodation, thereby incurring costs to the General Fund. By far the highest numbers of households in temporary accommodation were single person households who required one bedroomed accommodation which was in high demand. The risks would be mitigated by stipulating that any additional pledge was for families only, as family housing was in greater supply.

Whilst previous pledges had totalled 29 family households, it was noted that DLUHC funding had enabled the provision of 27 new homes therefore ameliorating the impact on the availability of stock locally that was available for families on the housing register including those who might be homeless.

At the time of writing the report, there were 48 households in Temporary Accommodation of which 14 were family households requiring two+ bedroomed accommodation, and 34 were couples or single person households requiring one-bedroomed accommodation.

There was also higher demand for larger, four+ bedroomed properties and waiting times for these property types could be longer than for two and three bedroomed properties.

It was therefore proposed that a further modest pledge of a further seven family homes should be made, stipulating no single persons or large families. This would mean that the refreshed pledge for Warwick District Council would be 15 family homes.

Members would be kept informed of future pledges.

In terms of alternative options, the Council could choose not to take part in the Government consultation, although this could damage the Council's reputation and/or lead to numbers being imposed and therefore this option had been discounted.

Councillor Wightman proposed the report as laid out.

Resolved that a total pledge of 15 households for the 2024/25 period (eight of which have been previously committed), be approved and thereafter, authority be delegated to the Head of Housing, in consultation with the Portfolio Holder for Housing and Assets to determine the levels of pledge in future years, taking into account, the stability of the housing register, homelessness trends and the numbers and cost of households in temporary accommodation.

(The Portfolio Holder for this item was Councillor Wightman)

74. **Urgent Item - Renewal of Microsoft Enterprise Agreement**

The Cabinet considered a report from Customer and Digital Services which sought permission to renew the Council's Enterprise Software Agreement with Microsoft, via an authorised Large Account Reseller.

Warwick District Council's Customer and Digital Services team currently managed just over 530 laptop computers and 115 servers that supported the day-to-day operation of 600 users. Every service that the Council offered required ICT provision, either directly or behind the scenes and in nearly every instance, that provision would involve a Microsoft product.

Presently, the Council licensed its Microsoft estate through an Enterprise Subscription Agreement (ESA); a volume licensing mechanism specifically reserved for large organisations. WDC was part of a Government-wide Memorandum of Understanding which heavily discounted the prices paid.

The Council's current ESA expired in January 2024 and a renewal was required to maintain access to Microsoft Services. Due to the value of this contract, Cabinet approval was needed to enter into a replacement agreement.

ICT had already worked with its existing supplier to secure budgetary pricing. Since the Council's previous agreement was signed, price

increases had been introduced by Microsoft, which would be applicable at the point of renewal but would then be fixed for a further three years.

It was proposed that ICT worked with the Council's Procurement Team and Crown Commercial Services to secure a new agreement. This would involve a competition to ensure best value, through an existing Crown Commercial Services framework – Technology Products and Services 2. This would fully comply with the Council's Code of Procurement.

As the exact costs of the renewal would not be known until the competition was validated, it was also proposed that authority be delegated to the Head of Customer and Digital Services in consultation with the Portfolio Holder for Transformation, to enter into a new agreement, providing the costs were within an agreed budget envelope.

In terms of alternative options, the Council did not have to renew its Enterprise Agreement, but failing to do so would have dire consequences. All access to Office 365 would be lost and the Council would not be able to use any of its ICT infrastructure. This was not a viable alternative.

There were alternative, free to use applications available for several functions that Microsoft currently covered. However, the significant issue with such software was compatibility; the Council's line of business applications simply did not work with them.

For an organisation like WDC, with a diverse application portfolio, there was not a viable alternative to use mass open-source software.

The Overview & Scrutiny Committee raised concern about the lack of detail provided in the report, particularly around the areas of risk and alternative options, cyber security and protection of residents' personal data. The Committee asked Cabinet that a review should be done, to look at the breakdown in the process leading to the current situation, and lessons to be learnt from it.

Councillor Harrison proposed the report as laid out.

Resolved that

- (1) the Council enter into a revised Enterprise Subscription Agreement upon completion of a procurement exercise; and
- (2) authority be delegated to the Head of Customer and Digital Services and Portfolio Holder for Transformation to execute a revised Enterprise Subscription Agreement, providing the overall costs are no more than £662,971.

75. Public and Press

Resolved that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by

reason of the likely disclosure of exempt information within the paragraph of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Minutes Numbers	Paragraph Numbers	Reason
76,77,78,79	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

76. **Associated Costs for the Purchase of Eighty-Two Section 106 Dwellings at The Asps, Banbury Road, Warwick**

The recommendations in the report and addendum were approved.

77. **Associated Costs for the Purchase of Twenty-Four Dwellings at The Europa Way, Warwick**

The recommendations in the report and addendum were approved.

78. **Confidential Appendix to Item 5 – Radford Road Bridge Replacement**

The confidential appendix was noted.

79. **Confidential Appendix to Item 10 – Interim Consultancy Support**

The confidential appendix was noted.

(The meeting ended at 7:20pm)

CHAIRMAN
8 February 2023

Title: General Fund Revenue and Capital Budget 2024/25

Lead Officer: Andrew Rollins (01926 456013)

Portfolio Holder: Councillor Chilvers

Wards of the District directly affected: N/A

Approvals required	Date	Name
Portfolio Holder	/01/24	Cllr Chilvers
Finance	/01/24	Steven Leathley
Legal Services		
Chief Executive	/01/24	Chris Elliot
Director of Climate Change	/01/24	Dave Barber
Head of Service(s)	/01/24	Andrew Rollins
Section 151 Officer	/01/24	Andrew Rollins
Monitoring Officer	/01/24	Graham Leach
Leadership Co-ordination Group		
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes	
Accessibility Checked?	Yes	

Summary

The report informs Members on the General Fund Budget for Warwick District Council, including proposals for growth, plus the Medium-Term Forecasts up to 2027/28. It will be presented to Full Council alongside a separate report recommending the overall 2024/25 Council Tax Charges for Warwick District Council.

The report presents a balanced budget for 2024/25, which the Council has achieved through a significant use of available reserves. The Council continues to use non-recurrent funding from the Core Finance Settlement, including the Funding Guarantee and New Homes Bonus to support non-recurrent additional activity and replenishing reserve balances, and not to support ongoing core revenue spending.

In advance of the report to approve the 2024/25 Council Tax Charges going to Council, a 2.99% increase has been recommended by Officers, in line with the Medium Term Financial Strategy (MTFS) last approved in February 2023.

Recommendation(s)

- (1)** That Cabinet recommends to Council to approve the proposed 2024/25 revenue budget as detailed in section 1.2 and notes the shortfall on the year of £4.475m is addressed using the General Fund Volatility Reserve.
- (2)** That Cabinet recommends to Council to approve the Council Tax charges for Warwick District Council for 2024/25 before the addition of Parish/Town Councils, Warwickshire County Council and Warwickshire Police and Crime Commissioner precepts, for each band with an increase at band D of 2.99%.

	£
Band A	121.43
Band B	141.67
Band C	161.91
Band D	182.15
Band E	222.63
Band F	263.11
Band G	303.58
Band H	364.30

- (3)** That Cabinet notes the impact on the Medium-Term Financial Strategy (MTFS) due to changes detailed within the report, how these changes are expected to be accommodated through the delivery of an organisational change programme, due to be presented to Cabinet in March.
- (4)** That Cabinet recommends to Council to approve the reserve projections and allocations to and from the individual reserves as detailed in Section 1.8, including the ICT Replacement, Equipment Renewal and Pre-Planned Maintenance (PPM) Schedules.

- (5)** That Cabinet recommends to Council to approve the General Fund Capital and Housing Investment Programmes as detailed in section 1.9 of the report, and Appendices 7 parts 1 and 2, together with the funding of both programmes as detailed in Appendices 7 parts 3 and 4. Changes to the programme are outlined in Appendix 6.
 - (6)** That Cabinet recommends to Council to approve the allocation of project funding outlined in Section 1.10 and summarised in Appendix 8.
 - (7)** That Cabinet recommends to Council to approve the 2024/25 Corporate Property Repair and Planned & Preventative Maintenance (PPM) Programme totalling £2.071m as outlined in Appendix 9 and section 1.12, funded from a drawdown from the Corporate Asset Reserve of up to £1.660m. Members should also note the 5 year programme presented in the appendix, and how this programme can be accommodated by the Corporate Asset Reserve.
 - (8)** That Cabinet approves the introduction of the empty property premium charge with effect from 1 April 2024, and the second homes premium charge relating with effect from 1 April 2025. Both charges relate to Council Tax, and are outlined in section 1.12.
 - (9)** That Cabinet notes that the budget setting timetable for 2025/26 be shared with Cabinet in April, as outlined in section 1.13.
-

1 Reasons for the Recommendation

1.1 Mandatory Obligations

- 1.1.1 By law, the Council must set a balanced budget before the start of the financial year. As part of this process, it must levy a council tax from its local tax payers to contribute to financing General Fund expenditure.
- 1.1.2 It is prudent to consider the medium term rather than just the current and next financial year in the context of strategic planning and decision making, to align with the Corporate Strategy. Hence, Members receive a 5-year Medium Term Financial Strategy (MTFS) detailing the Council's financial plans, Capital Programme and Reserves Schedule, covering the period 2023/24-2027/28.
- 1.1.3 The Local Government Act 2004, Section 3, states that the Council must set an authorised borrowing limit. The CIPFA Code for Capital Finance in Local Authorities states the Council should annually approve Prudential Indicators. These will be included in the Annual Treasury Management Strategy report to Cabinet and Council in March 2024.
- 1.1.4 The Chief Financial Officer is required to report on the robustness of the estimates made and the adequacy of the proposed financial reserves. This statement is provided as Appendix 1.
- 1.1.5 This report is structured to build up and present a holistic view of the Council's finances for Members to assist them in considering the Budget and Council Tax proposals and associated matters. The report is structured as follows:-
 - 1.2 2024/25 Revenue Budget – details of main items included within the proposed 2024/25 budget.
 - 1.3 2024/25 Government Funding announcements, including the Autumn Statement and Local Finance Settlement.

- 1.4 Business Rates – details of main drivers impacting upon the Council’s share of Business Rates, including future policy assumptions.
- 1.5 Council Tax – proposals for Warwick District Councils level of council tax for 2024/25.
- 1.6 New Homes Bonus and Funding Guarantee allocations.
- 1.7 Medium-Term Financial Strategy (MTFS) – revenue projections for the Council covering the period 2023/24 – 2027/28, based upon member decisions and the latest financial assumptions.
- 1.8 Reserves and Balances – details on the funds held by the Council, outlining how they will be used over the MTFS period and their forecast uncommitted balances.
- 1.9 Capital Programme – details of Council’s capital projects and how they are to be funded.
- 1.10 Proposals for the allocation of one-off funding to support non-recurrent activity.
- 1.11 Pre-planned Maintenance Programme (PPM) – agreement to the plan for 2024/25.
- 1.12 Proposals for the empty properties and second homes premium Council Tax charges.
- 1.13 The 2025/26 budget setting timetable.

1.2 **2024/25 Revenue Budget**

- 1.2.1 In preparing the 2024/25 Base Budget the over-riding principle is to budget for the continuation of services at the existing level. The following adjustments need to be made to the 2023/24 Original Budget.
 - Removal of any non-recurrent (one-off) and temporary items
 - Addition of inflation
 - Addition of unavoidable pressures
 - Addition of agreed Growth items
 - Inclusion of any identified savings
- 1.2.2 Core inflation of 4% has been included in the proposed 2024/25 Budget for staff pay, subject to pay award negotiations.
- 1.2.3 The following unavoidable growth has been included in the Budget:-
 - Known increases on major contracts already in place with agreed uplifts. These include the waste contract, repairs and maintenance, cleaning, and ground maintenance contracts.
 - Increased cost of utilities agreed as part of our commercial contracts, covering gas, electricity, and water.
 - IT systems used to support services as Housing, Benefits, Council Tax, Business rates and Finance.
- 1.2.4 As part of agreeing the 2023/24 Budget last year, a series of Budget savings were included. These have continued to be monitored throughout the year, and reported to members as necessary.

1.2.5 The 2024/25 budget shows a deficit of £4.475m. The key drivers of the 2024/25 forecast deficit, compared to when the MTFS was last presented to members in the December 2023 Q2 Budget report include:

- Request for recurrent Growth items £0.821m
- Increase in revenue borrowing costs driven by new projects agreed in-year
Offset by:
 - An Increase to investment income driven by higher than forecast interest rates
 - The inclusion of business rates growth aligned with expected completions in-year.
 - The inclusion of change programme delivery targets from 2024/25.
 - The delay to the introduction of the second homes premium Council Tax charge (see section 1.12.5).

1.2.6 An additional £0.045m Cost of Living Support budget has also been included from 2024 for 3 years.

1.2.7 To present a balanced budget, it is proposed to use funding from the General Fund Volatility Reserve (see section 1.10.2).

1.2.8 Appendix 2b includes details of the breakdown of the Budget over the Council's individual services.

1.3 **Government Funding Announcements**

1.3.1 The Chancellor announced the 2023 Autumn Statement on 22 November, which was followed by the Secretary the Secretary of State giving an update on local government funding in advance of the provisional local government finance settlement 2024-25 on 5 December through a pre-settlement policy statement.

1.3.2 This follows a similar approach to last year, when for the first time a pre-settlement policy statement was published. Last year, this outlined the key decisions for the 2023/24 settlement and also for the 2024/25 settlement.

1.3.3 Most of those key decisions are remain unchanged from those outlined in 2023/24.

1.3.4 The Provisional Local Government Finance Settlement was then released on 18 December.

1.3.5 The recent announcements and provisional settlement are once again a holding position, designed to offer some stability based on a uniform roll-over of the core elements of the settlement. However, this is the third year in succession that the Government has only provided local authorities with a single-year settlement. The hoped-for multi-year settlement has again not been forthcoming, which continues to make financial planning very difficult for local authorities. The settlement is due to be confirmed by the Government in February 2024, ahead of local authorities confirming their budgets for 2024/25.

1.3.6 The Council tax principles of the Finance Settlement have been set out in section 1.5.

1.3.7 Cap compensation will be paid to mitigate for lost income arising from the decision to freeze the small business rating multiplier in 2024/25.

1.3.8 The Services Grant introduced in 2022/23 will be retained again in 2024/25,

but further reduced to £0.022m.

- 1.3.9 For some years the future of New Homes Bonus (NHB) has been subject to review, adding to uncertainty to its continuation.
- 1.3.10 However, as part of the stability, this has included NHB allocations for 2024/25 of £0.902m. There are no legacy payments attached to these new allocations.
- 1.3.11 In addition, to bridge the gap and to ensure that all Councils see a minimum 3% increase in their core spending power (before taking into consideration any local decisions on Council Tax), a further one-off Funding Guarantee allocation of £2.289m will be received. It should be noted that the Council has received a provisional increase in core spending power of 4.8% as part of this settlement.
- 1.3.12 On Wednesday 24 January 2024, the Government announced additional measures for local authorities in England, worth £600 million. This includes £500 million of new funding for councils with responsibility for adults and children's social care, distributed through the Social Care Grant. Further details on the exceptional provision of this funding will be set out at the upcoming Budget.
- 1.3.13 In addition, an increase in the funding guarantee so that all local authorities will see a minimum 4% in their Core Spending Power, before taking any local decisions on raising council tax. It is expected that this will be worth £0.176m to Warwick District Council. However, due to the timing of the announcement, this has not been included in the budget to date. Its inclusion, and how it will be used by the Council, will form part of the Council Tax Report going to Full Council later in February.
- 1.3.14 The Council will continue to use NHB and now the Funding Guarantee to fund one-off items, or to support the top-up of reserve balances. This is in view of the uncertainty over future allocations, so it has been prudent not to use this funding to support core revenue expenditure, with this revenue only factored into the Medium-Term Financial Strategy once it has been agreed for each year. The proposal for their use is outlined in section 1.10 and Appendix 8.
- 1.3.15 Funding reforms and changes in funding distribution, including the Fair Funding Review and Business Rates baseline reset, will not be implemented until after the General Election, and therefore 2025/26 at the earliest. Business Rates are discussed in section 1.4.

1.4 **Business Rates**

- 1.4.1 Under the current Business Rate Retention scheme, 50% of rates collected are retained within local government (40% to Warwick District Council / 10% to Warwickshire County Council), with a series of tariffs and top-ups to redistribute the revenue between local authorities to reflect the individual "needs" of authorities, and to distribute revenue to non-billing authorities. For some years the Government has been planning a move to a 75% scheme to give local authorities more incentive to encourage local businesses on the basis that the local councils would get to retain a greater proportion of the tax revenue.
- 1.4.2 The other planned change to the Business Rate Retention system is for there to be a "Re-set" of the Baselines. Under the system, each authority has a Baseline, and gets to retain a proportion of the additional tax revenues above this. Authorities such as Warwick have benefitted from this since the scheme began and operate well above Baseline. If there is a re-set to the Baseline, this would reduce the business rates that the Council retains substantially. For the

fourth consecutive year the re-set has been delayed, with it now expected to be from 2025/26 at the earliest, with this year being the first following the next expected General Election. Therefore any delay in changing the baselines is seen to be of benefit to the Council. However, the MTFS does account for a steep decrease in the Council's forecast Business Rate income from 2025/26, where it is expected that District Councils will be impacted the most from any change.

- 1.4.3 While the details of any reform remain unknown, typically there would be some form of transitional funding available to Councils that are negatively affected. However, for prudence, the MTFS assumes for a 'worst-case' scenario, with this position subject to continual review as and when more information becomes available.
- 1.4.4 The Business Rate Retention scheme is very complex, with many components and parameters which drive the funding, and the timing of that funding, that Councils receive. The Council's Business Rate Retention projections are based on figures provided by Local Government Futures, a specialist consultancy that many local authorities subscribe to. This information is supplemented with local knowledge from being part of a Business Rates Pool with other Councils across Coventry and Warwickshire
- 1.4.5 The Council is part of the Coventry and Warwickshire business rates pool. This has meant that any tariff payable is made through the pool to central Government, along with the other Warwickshire Councils (including the County Council) and Coventry City Council. The operation of the Coventry and Warwickshire pool has meant that the tariff payments made by the council are reduced and more business rates income can be kept locally. The members of the pool have once again agreed to remain within the pool going forward into 2024/25.
- 1.4.6 Given the large fluctuations in the business rates, and the difficulty in projecting the revenue, it is important that the Council continues to retain a "Volatility Reserve". Any business rates income received in the year above the agreed baseline is allocated to the reserve. In future years, it may be necessary to fund any shortfall to the baseline from the reserve. As the council currently is operating above the baseline, it has been able to use the overperformance income from prior years to balance the current year budgets, with the 2024/25 being no exception.

1.5 **Council Tax**

- 1.5.1 As part of the Finance Settlement (section 1.6) the Government has confirmed that for District Councils, their element of council tax can increase by the higher of 2.99% or £5 for 2024/25. As 2.99% is higher than £5 for this Council, this is the maximum increase in council tax for 2024/25 that is allowed for. Any increase above this level would require a local referendum.
- 1.5.2 Increasing the council tax by the maximum would protect the Council's tax base and maximise council tax revenue. If the Council agrees a lesser increase than 2.99% (or no increase), this will erode the tax revenue of Warwick District Council from 2024/25 in perpetuity. A 2.99% increase would generate an additional £0.308m in 2024/25. If council tax is not increased, the Council's revenue income for all future years will be suppressed by at least this amount. With the Council having to find further revenue savings in future years, the savings to be found will be that much greater. If savings in service provision are not found, it will be necessary to make reductions in services to enable the Council to be able to agree a balanced Budget in future years.

- 1.5.3 The Tax Base for 2024/25 has now been agreed at 58,280 Band D dwellings, representing an increase of 611 from the prior years tax base, and above the forecast used by the Government in setting the Local Finance settlement. However, this figure represents a decrease of 520 from what had been allowed for within the Council's 2023/24 Medium Term Financial Strategy. The decrease reflects the number of new properties across the district now coming forward, following a slowdown in the construction of new properties from the second half of 2023/24 due to the current economic conditions, with inflation and interest rates being higher than what was forecast when the budget was set last year. The figures also reflect the actual impact on the changes to the Local Council Tax Reduction Scheme introduced in 2023/24.
- 1.5.4 The 2023/24 estimated council tax balance in respect of Council Tax income for the current year has recently been reviewed. This gives a total estimated deficit balance of £1.001m as at 31 March 2024. This balance has to be shared with the major preceptors in 2024/25, with this Council's element being £0.100m. Estimating the tax base is invariably very difficult, and frequently results in a deficit or surplus balance which would need to be financed subsequently. The current economic conditions, and the actual impact on the changes to the Local Council Tax Reduction Scheme introduced in 2023/24 have increased the challenge of estimating the tax base with increased levels of certainty. The model used to forecast the tax base is continually revised to take into consideration current economic and sector conditions, with the forecast on new properties being reduced for 2024/25 as a result of the continued challenging market conditions.
- 1.5.5 The Medium-Term Financial Strategy (discussed in section 1.7) assumes council tax increases for future years of 2.99% per annum from 2024/25. Any departure from this will increase the level of the future deficit, and the values required to be achieved within the change programme.
- 1.5.6 Therefore the Officer recommendation within this report is for District Council's element of council tax for 2024/25 to be increased by 2.99%. On this basis, the 2024/25 council tax for each band would be as follows:-

	£
Band A	121.43
Band B	141.67
Band C	161.91
Band D	182.15
Band E	222.63
Band F	263.11
Band G	303.58
Band H	364.30

- 1.5.7 Members must bear in mind their fiduciary duty to the Council Taxpayers of Warwick District Council. Members have a duty to seek to ensure that the Council acts lawfully. They are under an obligation to produce a balanced budget and must not knowingly budget for a deficit. Members must not come to

a decision that no reasonable authority could come to, balancing the nature, quality and level of services that they consider should be provided, against the costs of providing such services. By increasing the Council Tax by the maximum amount permitted, members are ensuring the Council is limiting where possible the size of the financial deficit, and that it is maximising the amount of Council Tax it can receive in-year to support continued delivery of agreed services.

1.6 **New Homes Bonus and Funding Guarantee**

- 1.6.1 For some years the future of New Homes Bonus (NHB) has been subject to review, adding to uncertainty to its continuation.
- 1.6.2 It was expected that NHB payments would end in 2022/23. However, due to the 'holding' nature of the Finance Settlement, NHB allocations have once again been included, with £0.902m to be received in 2024/25. There are no legacy payments attached to these new allocations.
- 1.6.3 In addition, to bridge the gap and to ensure that all Councils see a minimum 4% increase in their core spending power (before taking into consideration any local decisions on Council Tax), a further one-off funding guarantee allocation of £2.465m will be received.
- 1.6.4 However, due to the reasons covered in sections 1.3.12-1.3.13, the previously communicated allocation of £2.289m has been included in the budget to date.
- 1.6.5 The Council will continue to use NHB and now the Funding Guarantee to fund one-off items, or to support reserves. This is in view of the uncertainty over future allocations, so it has been prudent not to use this funding to support core recurrent revenue expenditure, with this revenue only factored into the Medium-Term Financial Strategy once it has been agreed for each year. The proposal for their use is outlined in section 1.10 and Appendix 8.

1.7 **Medium Term Financial Strategy**

- 1.7.1 The MTFS was last formally reported to members in December as part of the Q2 Budget report, with the profile for future years being as follows: -

	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Deficit-Savings Req(+)/Surplus (-) future years	0.600	4.334	2.476	1.525	1.501

- 1.7.2 Once the changes outlined 2024/25 through the Budget Setting process (sections 1.2 – 1.6, with the major changes highlighted) have been incorporated into the Strategy, the position of the MTFS is now as follows:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m

Deficit-Savings Req(+)/Surplus (-) future years	0.759	4.475	2.434	-0.250	-0.903
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1.7.3 Section 1.10.3 proposes how the deficit will be covered through the use of reserves. The below table shows the MTFS once this has been actioned:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m	£m
Deficit-Savings Req(+)/Surplus (-) future years	0.0	0.0	2.434	-0.250	-0.903

1.7.4 As part of the MTFS position above, a number of key assumptions have been included, including:

- A 2.99% Council Tax increase per annum
- A 2% tax base increase per annum
- A 10% increase per annum on authority controlled and agreed fees and charges
- Inflation of 4% to 2025/26, and 3% thereafter
- Revenue expenditure costs associated with additional forecast borrowing
- Business rates growth based on known developments (taking into consideration the assumed business rates reset from 2025/26)
- Delivery of the change programme

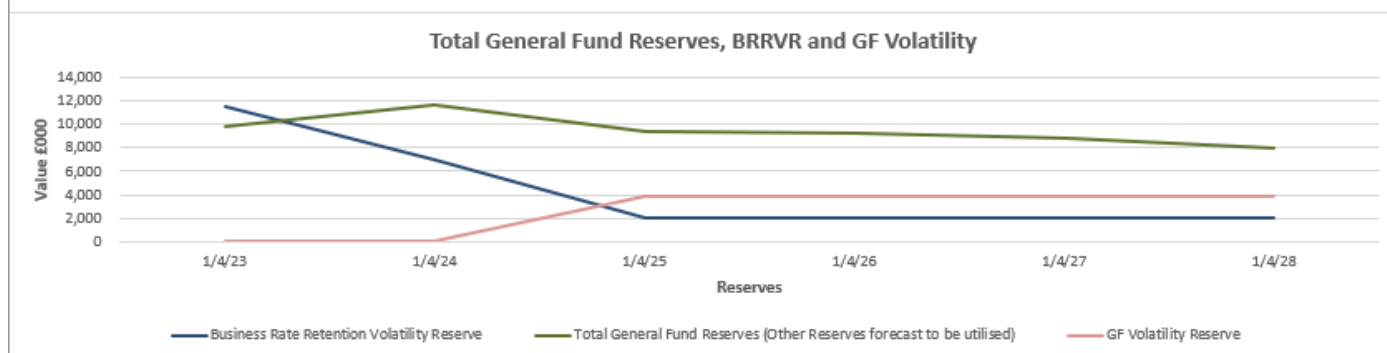
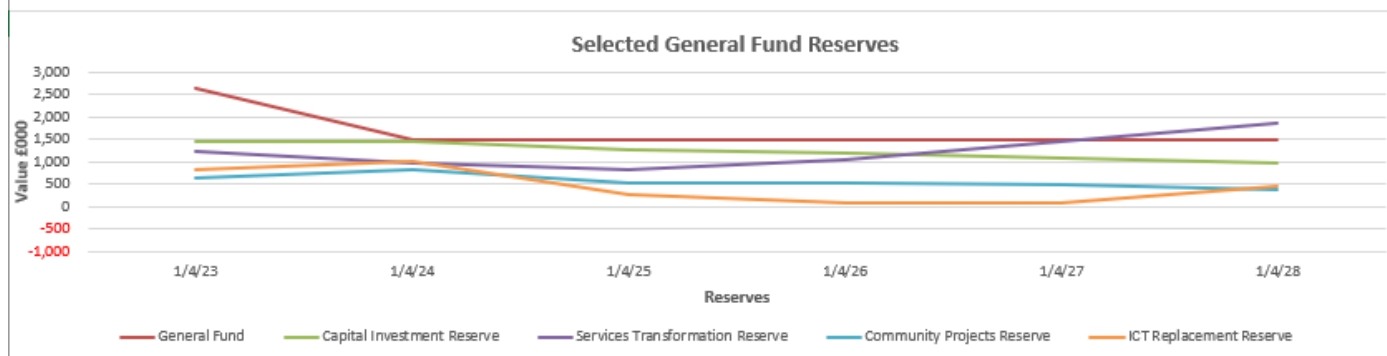
1.7.5 Regarding the change programme, The Council's Corporate Strategy made a clear commitment to ensure continued financial sustainability. To contribute this priority and the Council's medium-term financial strategy, there will be an organisational change programme, which will set out the approach and timeframe to achieve financial efficiencies needed. The change programme business case - the case for change, will be presented to Cabinet in March for approval. The change programme will have senior Cabinet and Officer sponsorship and oversight.

1.7.6 The Council is also maximising returns from its investments, through the Local Housing Company and by ensuring reserves are invested when not required. In addition, agreed borrowing is only taken upon need, and where possible, 'internal borrowing' from reserve balances is used to minimise the associated revenue cost. This will be discussed in greater detail as part of the updated Treasury Management Strategy, which will be presented to Cabinet in March, with current performance having last been reported to Audit and Standards Committee in January 2024.

1.8 Reserves and Balances

- 1.8.1 Members have previously agreed that £1.5m should be the minimum level for the core General Fund Balance. This balance supports the Council for future unforeseen demands upon its resources. In order to consider a reasonable level of general reserves, a risk assessment has been completed (Appendix 4). This shows the requirement for maintaining this minimum balance to mitigate against the risks that have been identified, where other funding is not available.
- 1.8.2 The unallocated General Fund Balance is currently forecast to be £1.5m, and therefore is in line with the agreed minimum level.
- 1.8.3 The Business Rate Retention Volatility Reserve (BRRVR) was used over prior years to deliver a balanced budget. However, to ensure this reserve remains available for its primary purpose of smoothing business rate receipts, any overperformance above a £2m balance has been reallocated to the General Fund Volatility Reserve. Business rates are discussed in section 1.4, including the expected changes to Business Rate Retention which have been delayed over the last few years. With the result of the expected changes in mind, it is essential that the Council moves away from its reliance on overperformance receipts to balance the budget in future years, with the Change Programme in March due to outline how the Council plans to address the ongoing deficit position.
- 1.8.4 A change programme delivery reserve has been established from 2024/25, funded with £0.500m from the Services Transformation Reserve. This will be used on an 'invest to save' basis to enable delivery of schemes within the change programme that may require an initial investment in order to deliver recurrent savings.
- 1.8.5 The Head of Finance has delegated authority enable drawdown from the Equipment Renewal Reserve within the agreed schedule. Any further requests or requests above the agreed schedule will require member approval.
- 1.8.6 Below is a summary of the key reserve balances available for use by the Council before additional commitments:

General Fund Reserve	Notes	1/4/23	1/4/24	1/4/25	1/4/26	1/4/27	1/4/28
		Balance at	Balance at (Estimated)	Balance at (Estimated)	Balance at (Estimated)	Balance at (Estimated)	Balance at (Estimated)
		£000	£000	£000	£000	£000	£000
General Fund	Minimum agreed balance £1.5m	2,631	1,500	1,500	1,500	1,500	1,500
Capital Investment Reserve	minimum agreed balance £1.0m	1,456	1,456	1,283	1,183	1,083	983
Services Transformation Reserve		1,229	982	824	1,050	1,450	1,850
Community Projects Reserve		616	809	534	509	484	379
ICT Replacement Reserve		829	990	262	96	80	448
GF Volatility Reserve	Transfer from BRRVR to leave £2m	0	0	3,853	3,853	3,853	3,853
Business Rate Retention Volatility Reserve	£2m agreed balance ahead of anticipated Business Rate Reset in 2025/26 is achieved.	11,485	6,913	2,000	2,000	2,000	2,000
Total General Fund Reserves (Other Reserves forecast to be utilised)		9,758	11,711	9,457	9,294	8,830	8,016
Changes in Year			1,953	(2,254)	(163)	(464)	(814)



1.8.7 The full reserve projections are included within Appendix 5, alongside an explanation for each reserve. Some of the reserves will have additional commitments not reflected in the schedule, which will reduce the projected balances. It should also be noted that some reserves are potentially over-committed, which would either require further funds being allocated in a future year, or a reduction in funded activity. Section 1.10 covers in more detail some of these reserves.

1.9 Capital Programme

1.9.1 In accordance with the Council's Code of Financial Practice, all new and future capital schemes must be in line with the Council's corporate priorities, including its capital strategy. A report supported by the necessary Business Case should be prepared for review and approval by Cabinet, identifying the means of funding and, where appropriate, demonstrating an options appraisal exercise has been carried out. Should there be any additional revenue costs arising from schemes, the proposed means of financing such must also be included in the Report and Business Plan.

- 1.9.2 The Capital Programme has been updated throughout the year as new and amended projects have been approved. Appendix 7, consisting of 5 parts, details both the General Fund and Housing Investment Programme (HIP) Capital programmes, along with their associated funding. Appendix 6 details the variations to the capital programme as new schemes have been approved and projects have been updated.
- 1.9.3 Slippage and savings on existing schemes are also detailed within Appendix 6.
- 1.9.4 The HIP and associated funding are included within Appendices 7 parts 2 and 4. Additional borrowing is the primary source of funding for new construction and acquisition projects. The HIP will be presented again as part of the HRA Business Plan report due in March.
- 1.9.5 Appendix 7 Part 5 shows the General Fund unallocated capital resources. These total £3.320m in 2023/24. The Capital Investment Reserve represents the largest share of this at just under £1.5m, for which the Council has agreed the minimum balance should be £1m. Whilst the Council does hold other reserves to fund capital projects, it will be noted that these are limited and have been reserved for specific purposes. In addition to the resources shown here, "Any Purposes Capital Receipts" currently total £9.728m (see section 1.10.8).

1.10 Appropriation of Funding and Balances

- 1.10.1 The Council does have some balances and funding which it is able to use to fund specific projects and service demands. The sums available can be used to fund 'one-off' items only. Any initiatives that will result in a recurring cost to the Council need to be accommodated within the revenue budget. The proposed usage of these funds and balances are detailed below.

1.10.2 General Fund Deficit 2024/25

For 2024/25, it is proposed that funding from the General Fund Volatility Reserve is used to cover the £4.475m deficit, to enable a balanced budget to be presented.

1.10.3 General Fund and Business Rate Retention Volatility Reserves

A General Fund Volatility Reserve (GFVR) has been established during the 2024/25 Budget Setting Process to enable the Medium Term Financial Strategy to be balanced over future years, until the forecast surplus position is achieved from 2026/27.

This was done by repurposing funds from the Business Rate Retention Volatility Reserve (BRRVR) above a balance of £2m. Based on latest projections, £2m is now deemed an appropriate amount for the BRRVR, to now only be used to 'smooth' receipt of business rate income. Overperformance to date has enabled this reserve to be topped up annually, but given the forecast business rate reset from 2025/26, it may be required to bridge any gaps from underperformance against a potentially higher baseline.

The GFVR currently has a balance of £3.853m (after the 2024/25 budget is balanced), and will be used to cover the forecast 2025/26 deficit of £2.434m.

1.10.4 General Fund Balance

The Council's policy is for the General Fund Reserve Balance to be maintained at a minimum level of £1.5m, as discussed in paragraph 1.8.1. Following the release of £1m last year from the reserve, the balance is currently £1.5m.

1.10.5 Service Transformation Reserve

The Service Transformation Reserve is to be used to support one-off costs associated with the change in delivery of services. As at 31 March 2024, the forecast balance is £0.982m, with an annual top up of £0.400m to the reserve from 2025/26 from forecast core-settlement allocations.

1.10.6 Change Programme Delivery Reserve

This is a new reserve set up to support the implementation of schemes aligned to the change programme, with the expectation that these should bring recurrent benefit to the Council, either through increased income or service efficiency. It has been allocated £0.500m in 2024/25 from the Service Transformation Fund.

1.10.7 New Homes Bonus and Funding Guarantee

As outlined in section 1.6, the Council will receive £3.191m in 2024/25 as part of the Local Finance Settlement, made up of New Homes Bonus (£0.902m) and a Funding Guarantee payment (£2.289m).

1.10.8 Appendix 8 outlines how this funding is to be used, primarily to support non-recurrent funding requirements or reserve top-ups.

1.10.9 Right to Buy (Any Purpose) Capital Receipts.

As at 31 March 2023, the Council held £9.728m in useable Right to Buy Capital Receipts. £3.416m of this balance has been agreed to be used towards a number of projects, with £3m of this value currently planned to be used towards the Kenilworth Leisure Centre projects at Abbey Fields and Castle Farm.

1.11 **Planned Preventative Maintenance Budget (PPM)**

1.11.1 The proposed PPM budget will enable the Council to proactively maintain all existing corporate assets (i.e. all assets owned by the Council other than its Housing Revenue Account homes, shops, garages and land) in a suitable condition unless or until any future decisions are made in respect of individual assets through a Corporate Asset Management Strategy.

1.11.2 The proposed budget allocation for 2024/25 is based on a review of the current PPM data by officers within the Assets Team, in consultation with building managers from other services which hold or operate specific assets. The Proposed Corporate Property & Planned Preventative Maintenance (PPM) Programme works 2023/24 is set out at Appendix 11 to this report.

1.11.3 For 2024/25, the total PPM budget is £2.073m. This will be funded using £0.413m from the Annual Revenue PPM budget and a £1.660m drawdown from the Corporate Assets Reserve. The Council made a significant top up to the Corporate Asset Reserve in 2023/24 of £3m, and a top-up from the core settlement in 2024/25 of £0.686m, leaving sufficient capacity in the reserve to address emerging issues. Further detail on the PPM schedule and funding is set out in Appendix 9.

1.12 **Empty Properties and Second Homes**

1.12.1 In the Levelling Up and Regeneration Bill, there is a section relating to Council Tax and changes in the way that Local Authorities (LAs) can apply the Long-Term Empty Property Premium and the opportunity to introduce a premium for furnished second homes. The Levelling-Up and Regeneration Bill, introduced in the House of Commons on 11 May 2022, received Royal Assent on Thursday 26 October 2023.

1.12.2 Section 11b of the Local Government Act 1992 has been updated to allow a

local authority to amend how they charge the empty property premium. Currently at Warwick District Council, this is applied at an additional 100% for properties empty over 2 years, 200% for those empty over 5 years and 300% for those empty over 10 years. From 1 April 2024, bill allows a local authority to charge the additional 100% after a property has been empty for 1 year instead of 2, with the other bands remaining unchanged.

- 1.12.3 The second change is that LAs will be able to charge up to an additional 100% premium on all furnished second homes in the district. These are essentially homes not occupied but kept furnished as 'second homes' by their owners, not rented out, just used by the owners as holiday homes etc.
- 1.12.4 The recommendation is that Warwick District Council adopt these new measures, with the empty property premium to be introduced from 1 April 2024.
- 1.12.5 For the second homes premium, a billing authority's first determination under this section must be made at least one year before the beginning of the financial year to which it relates. Therefore the recommendation is for Warwick District Council to adopt the new measures, giving notification as part of the 2024/25 Council Tax notice to be published following resolution at Council, expected to take place on 21 February 2024. The policy would then come into force from 1 April 2025.
- 1.12.6 It should be noted that approval for their introduced was agreed as part of the 2023/24 Budget Setting Report in February 2023, on the expectation that Royal Assent would have taken place in time for their implementation from 1 April 2023 and 1 April 2024 respectively. As this did not take place until October 2023, the timelines have been updated accordingly.
- 1.12.7 The MTFs has been updated to reflect the delay to their introduction (section 1.7) and is expected to increase the council tax received by Warwick District Council as the collecting authority by a forecast £1.3m, which would be distributed amongst the preceptors in the normal way. If implemented, this would equate to a forecast £0.150m per annum from the 2024/25 financial year.

1.13 The 2025/26 Budget Setting Timetable

- 1.13.1 One of the key impacts of the COVID-19 pandemic was how the workflow of the finance service changed to meet the needs of service delivery and additional reporting requirements to central Government, particularly to gain access to available grant funding such as the Income Compensation Scheme.
- 1.13.2 Consequently, the budget setting process was streamlined into one report that went to Cabinet in February, and this is the process that remains in place currently.
- 1.13.3 Previously, a draft base budget report was approved by Cabinet in December, before the final report (which included growth, core settlement funding with allocations and some final proposals) went to Cabinet in February.
- 1.13.4 It is proposed that the process reverts to its original format from the 2025/26 budget cycle. The benefit of this approach is that it will give Senior Officers and Cabinet more time to review additional budget requirements, in particular growth requests, before they are put forward for approval.
- 1.13.5 The revised timetable will be shared with Cabinet in April, which will also include the scheduling for the Statement of Accounts, Quarterly budget monitoring and fees and charges processes.

2 Alternative Options

- 2.1 Council does not have an alternative to setting a Budget for the forthcoming year. Members could, however, decide to amend the way in which the budget is broken down or not to amend the current year's Budget. However, the proposed 2024/25 budget seeks to reflect the decisions made by Members and make appropriate recommendations. Any changes to the proposed budgets will need to be fully considered to ensure all implications (financial or otherwise) are addressed. If any Member is considering suggesting changes to the proposed Budget, these proposals should be discussed (in confidence) with the Head of Finance beforehand to ensure all implications are considered, including funding. If appropriate, alternate Budget papers can be prepared for consideration by Council.

3 Legal Implications

- 3.1 Members have the opportunity to generate extra income by raising the council tax by up to 2.99%. Given that the Council has a recurring forecast deficit and is drawing heavily on reserves, it must satisfy itself that it is acting rationally and reasonably when discharging its fiduciary responsibilities if it decides to raise by an amount different to this, be that lower, or through a referendum, by more than 2.99%.

4 Financial Services

- 4.1 This is a finance report which proposes the draft Revenue Budget for 2024/25 and the position for the MTFS up to 2027/28. The report also identifies the proposed Capital Programme for the same period.

5 Corporate Strategy

- 5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation.
- 5.2 Delivering valued, sustainable services.
- 5.3 Low cost, low carbon energy across the District.
- 5.4 Creating vibrant, safe and healthy communities of the future.

6 Environmental/Climate Change Implications

- 6.1 There are no direct environmental or climate change implications arising as part of this report other than the proposed budget allocations to support the delivery of the Climate Action Programme.

7 Analysis of the effects on Equality

- 7.1 There are no direct equality implications arising as part of this report.

8 Data Protection

- 8.1 There are no data protection implications arising as part of this report.

9 Health and Wellbeing

- 9.1 There are no direct health and wellbeing implications arising as part of this report.

10 Risk Assessment

- 10.1 There are significant financial risks facing all local authorities. Key areas of risk include:
- 10.2 As detailed in section 1.5, there are still substantial risks around Business Rates Retention, with the below changes still on the immediate horizon:-
- The impact of the Fair Funding Review.
 - The re-set of the Baselines.
 - The Investment Zone, and its impact upon retained receipts.

Whilst the Council's business rates retention forecasts are believed to be prudent for the future, there is the possibility future receipts being lower than anticipated, which could result in the Council operating below any future baseline were it to change.

- 10.3 The Strategy assumes a 2.99% per annum increase in Council Tax for future years from 2025/26 on the basis that the current referendum limits will not be changed. This will be subject to future Government determination, and local decision making. There is therefore a degree of risk as to whether this level of Council Tax increase will be able to be continued.
- 10.4 Many of the Risks in the Significant Business Risk Register (SBRR) have links to Finance, and the Finance Service Area has its own Risk Register. Both are reviewed regularly. The SBRR is currently being reviewed in conjunction with the Councils Risk Strategy and Risk Management Policies, with a timeline agreed to implement the updated approach by Summer 2024.
- 10.5 As a result of current economic conditions, there is still significant levels of uncertainty. Some of the specific risks faced include:
- Interest rates are currently high and are only forecast to fall during the second half of 2024. These rates are significantly higher than the historic lows present over the last decade. While the Council is benefitting from this through increased investment returns, it will have implications on the Council when taking on additional debt to fund capital projects, due to the increased cost of borrowing.
 - Inflation continues to remain high. This is a challenge for the Council when trying to contain the cost of its supplies and services. It is forecast that inflation will continue to reduce throughout 2024/25, and across the remaining duration of the current MTFS.
 - Unemployment has increased because of current economic conditions. Increased unemployment does put increased pressure onto Council's services, notably in relation to housing and council tax support.
 - Council Tax income continues to be suppressed through reduced growth in the Council Tax base, with more claimants of Council Tax support and delays to new property completions. The Council's share of Business Rates is limited by Government. This would be further hit if more local businesses cease trading because of the current economic trading conditions.
- 10.6 The MTFS has an amount of savings built in. Failure to deliver these projects, all or in part, will increase the deficit and savings yet to be identified. Delays to capital schemes may drive up the costs of the enabling works and mean savings do not materialise as early as expected. There may also be revenue implications should the projects not have been fully assessed. Several budget

proposals originally approved in December 2020 have been subject to delays or reductions in scope over the last year, with the expectation that further schemes will need to be delivered to achieve a sustainable balanced revenue position in the medium term.

- 10.7 Unforeseen events, such as planning appeals, uninsured damage, legal challenges, can expose the Council to incur expenditure not previously budgeted for. Whilst the Council endeavours to cover these from its Contingency Budgets and Reserves, they may not prove adequate.
- 10.8 Changes in legislation may influence assumptions built into Budgets and the 5-year strategy as well as increasing the costs of implementing these changes.
- 10.9 As previously reported to Members and included within Section 1.8 (Reserves and Balances), the financial projections do not allow for adequate funding to enable the Council to maintain its assets. The Corporate Assets Reserve, ICT Reserve and the Equipment Renewals Reserve are all forecast to have more demands over them in forthcoming years than they can accommodate. Consequently, in addition to the savings referred to in Section 1.7 (MTFS), the Council needs to secure funding to enable these reserves to be replenished, and so maintain current service provision.
- 10.10 Many controls and mitigations are in place to help manage these risks. These include:-
- The comprehensive Budget Review process. This entails all budget managers reviewing their budgets on at least a monthly basis, considering previous, current and future years, along with any possible issues that may impact upon their budgets. As part of this process, regular Budget Review reports are issued to Cabinet and the Joint Management Team.
 - Financial Planning with the MTFS/financial projections, bringing together all issues that will impact on the Council's finances in the medium term.
 - Financial controls, including the Codes of Financial and Procurement Practice, system controls, reconciliations, audit (internal and external).
 - Project Management and associated controls.
 - Trained staff and access to appropriate professional advice (e.g. Legal services).
 - Risk Management process across the Council, including the on-going review and maintenance of risk registers.
 - Scrutiny by Members of the Council's finances, including Budget Reports, and the financial implications of all proposals.
 - Within the proposed 2024/25 Budget there is a Contingency Budget of £0.200m for any unplanned unavoidable expenditure. In addition there is a further £1.8m Budget allocation to mitigate against any inflationary increases, including changes to major contracts or commitments.
 - Reserves – The Council holds reserves as discussed within section 1.9. Whilst much of these reserves have already been earmarked for specific projects, it is important that reserves are held for any unforeseen demands.
 - A General Fund Balance is held and available to accommodate any unforeseen variations in income and expenditure.

11 Consultation

- 11.1 In approving the 2024/25 Budget and Medium-Term Financial Strategy as laid out in this report, the assumptions on which it is based need to be fully achieved, together with the delivery of the change programme to enable a balanced MTFS to be achieved in the years ahead. This will ensure the Council becomes financially sustainable on income received in-year rather than continuing to be reliant on finite reserve balances.

Background papers:

Q2 Budget Review – December 2023

Revenue and Capital Budget 2023/24 – February 2023

Supporting documents:

Appendix 1 – Statement of CFO

Appendix 2 – General Fund Budget Summary 2024/25

Appendix 2b – Budget Book 2024/25

Appendix 3a – Financial Strategy 2024/25 (i)

Appendix 3b – Financial Strategy 2024/25 (ii)

Appendix 4 – Risks influencing General Fund Balance

Appendix 5a – Purposes of Reserves

Appendix 5b - Reserves

Appendix 6 - Capital Variations

Appendix 7.1 – General Fund Capital Programme

Appendix 7.2 – Housing investment Plan

Appendix 7.3 – General Fund Financing

Appendix 7.4 – Housing Investment Plan Financing

Appendix 7.5 – General Fund Programme and Resources

Appendix 8 – Project Funding Summary

Appendix 9 - PPM

Cabinet
8 February 2024

Title: Addendum to General Fund Revenue and Capital Budget
2024/25

Lead Officer: Andrew Rollins (01926 456013)

Portfolio Holder: Councillor Chilvers

Wards of the District directly affected: N/A

Approvals required	Date	Name
Portfolio Holder	05/02/24	Cllr Chilvers
Finance	05/02/24	Steven Leathley
Legal Services		N/A
Chief Executive	05/02/24	Chris Elliott
Director of Climate Change	05/02/24	Dave Barber
Head of Service(s)	05/02/24	Andrew Rollins
Section 151 Officer	05/02/24	Andrew Rollins
Monitoring Officer	05/02/24	Graham Leach
Leadership Co-ordination Group	05/02/24	LCG
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes	
Accessibility Checked?	Yes	

1. Addendum

- 1.1 The following Recommendation has been added to the report:
- (10)** That Cabinet recommends to Council to approve the recommendations set out in Appendix 10: CIL Projects List 2024/24 & 2024/25.
- 1.2 The following sections has now been included within the report:
- 1.1.5 1.14 The Community Infrastructure Levy (CIL), setting out forecast funding and related projects.
- 1.14 The Community Infrastructure Levy
- The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. Appendix 10 to the report covers:
- The purpose of CIL.
 - It's implementation within Warwick District Council
 - The CIL projects list
 - The current balance of CIL
 - Projected CIL income
 - CIL requests and existing commitments
 - A proposed approach to reduce the gap between funding commitments and estimated funds.
- 1.3 Addition to supporting documents section on page 19:
Appendix 10 - CIL Projects List 2024/24 & 2024/25.
- 1.4 Appendix 1 is now available – Statement of CFO 2024/25.
- 1.5 Appendix 10 is now available - CIL Projects List 2024/24 & 2024/25.

General Fund Summary

Appendix 2

Department	Outturn	Original Budget	Latest Budget	Original Budget	Variance	Variance
	2022/23	2023/24	2023/24	2024/25	2023/24	2024/25
	£	£	£	£	£	£
	A	B	C	D	C - B	D - B
Neighbourhood & Assets	7,957,999	9,186,000	8,409,000	6,714,100	(777,000)	(2,471,900)
Safer Communities, Leisure & Environment	5,806,414	5,904,500	6,049,200	6,612,300	144,700	707,800
Place, Arts & Economy	9,329,429	12,526,600	12,935,000	10,945,900	408,400	(1,580,700)
Finance	620,482	3,173,300	1,579,400	2,945,600	(1,593,900)	(227,700)
Housing Services - GF	3,024,872	3,213,000	3,453,800	3,620,300	240,800	407,300
Customer & Digital Services	1,063,740	722,500	737,600	1,314,600	15,100	592,100
People and Communication	(180,518)	0	53,500	(19,700)	53,500	(19,700)
Strategic Leadership	961,565	1,292,200	2,032,400	2,031,600	740,200	739,400
TOTAL GENERAL FUND SERVICES	28,583,982	36,018,100	35,249,900	34,164,700	(768,200)	(1,853,400)
Replacement of Notional with Actual Cost of Capital:						
- Deduct Notional Capital Financing Charges in Budgets	(5,077,515)	(7,587,200)	(7,587,200)	(6,097,000)	0	1,490,200
- Add Cost of Loan Repayments, Revenue Contributions and					0	0
- Interest paid	618	3,058,400	3,058,400	3,335,100	0	276,700
Revenue Contributions to Capital	180,850	80,000	80,000	80,000	0	0
Contributions to / (from) Reserves	3,069,696	(2,234,100)	(1,465,900)	(597,300)	768,200	1,636,800
Net External Investment Interest Received	(4,116,414)	(5,889,900)	(5,889,900)	(6,353,500)	0	(463,600)
IAS19 Adjustments reversed	(3,117,055)	(3,450,000)	(3,450,000)	(3,440,600)	0	9,400
Employee Benefits Accruals reversed	56,005	0	0	0	0	0
Contributions to / (from) General Fund	0	0	0	0	0	0
NET EXPENDITURE FOR DISTRICT PURPOSES	19,580,166	19,995,300	19,995,300	21,091,400	0	1,096,100
Less Revenue Support Grant	0	0	0	0	0	0
Less Business Rate Income	(7,000,271)	(6,718,700)	(6,718,700)	(7,362,500)	0	(643,800)
Less General Grants	(11,638)	0	0	0	0	0
Less New Homes Bonus	(2,680,733)	(1,078,500)	(1,078,500)	(902,000)	0	176,500
Funding Guarantee	0	(1,845,600)	(1,845,600)	(2,289,000)	0	(443,400)
Less Lower Tier Services Grant	(395,303)	0	0	0	0	0
Services Grant	0	(134,100)	(134,100)	(22,000)	0	112,100
Collection Fund (Surplus) / Deficit	22,751	(19,000)	(19,000)	99,900	0	118,900
Surplus / (Deficit) for the Year			0	0	0	0
NET EXPENDITURE BORNE BY COUNCIL TAX - WARWICK DISTRICT COUNCIL	9,514,972	10,199,400	10,199,400	10,615,800	0	416,400
Aggregate Parish Council Expenditure	2,002,150	2,143,700	2,143,700	TBC	0	0
COMBINED DISTRICT AND PARISH EXPENDITURE BORNE BY COUNCIL TAX:	11,517,121	12,343,100	12,343,100	10,615,800	0	416,400
Warwickshire County Council Expenditure	89,727,800	95,360,800	95,360,800	TBC	0	0
Warwickshire Police and Crime Commisioner Expenditure	14,816,700	15,957,700	15,957,700	TBC	0	0
BORNE BY COUNCIL TAX	116,061,621	123,661,600	123,661,600	10,615,800	0	416,400
Council Tax - Band D						
Warwick District Council	176.86	176.86	176.86	182.15		
Parish/Town Councils (average)	35.50	37.17	37.17	TBC		
District & Parish/Town Dand D Council Tax	212.36	214.03	214.03	TBC		
Warwickshire County Council	1,590.93	1,653.57	1,653.57	TBC		
Warwick shire Police & Crime Commissioner	262.71	276.71	276.71	TBC		
Total Band D Council Tax	2,066.00	2,144.31	2,144.31	TBC		
Tax Base - Band D	56,399.56	57,669.62	57,669.62	58,280.77		

Medium Term Financial Strategy

Appendix 3 (i)

	2023/24	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	latest £'000	£'000	£'000	£'000	£'000
Net Cost Of General Fund Services	36,018	35,250	34,165	30,007	29,093	28,801
Investment Interest	-5,890	-5,890	-6,354	-5,351	-4,714	-3,845
Other Financing Adjusments	-10,133	-9,365	-6,720	-5,599	-6,948	-7,034
Net Expenditure after adjustments	19,995	19,995	21,091	19,058	17,431	17,922
NNDR (Business Rate Retention, including SBR grant)	-6,719	-6,719	-7,363	-4,480	-4,974	-5,538
Collection Fund Balance 20/21 Deficit spread over 3 years	54	54				
Collection Fund Balance 23-24	-73	-73	100			
New Homes Bonus	-1,079	-1,079	-902			
Funding Guarantee	-1,846	-1,846	-2,289	-1,000	-1,000	-1,000
Services Grant	-134	-134	-134	-22		
Amount being from Council Tax	-10,199	-10,199	-10,616	-11,144	-11,708	-12,297
Band D Equivalent	176.86	176.86	182.15	187.59	193.20	198.98
% increase on previous year	-	-	2.99%	2.99%	2.99%	2.99%
Net Expenditure after adjustments	19,995	19,995	21,091	19,058	17,431	17,922
Total Grant and Council Tax Income	-19,995	-19,995	-21,091	-16,624	-17,681	-18,835
Deficit-Savings Required(+)/Surplus(-) future years	0	0	0	2,434	-250	-913
Change on previous year	0	0	0	2,434	-2,684	-663

	2023/24 £'000	2023/24 latest £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Base Cost of General Fund Services	35,368	36,018	35,250	34,165	27,573	29,343
Inflation on Controllable Expenditure	466		1,137	1,212	1,008	1,052
Recurring Growth	-886	-961	-1,062	1,641	2,066	460
Items funded from Reserves	5,636	-2,181	2,270	805	664	750
Total New time limited growth/savings	826	2,374	3,225	-4,755	-5,918	-7,145
Less previous year 1 Off/Time Limited Growth	-6,491		-6,655	-5,495	3,950	5,254
Changes in Capital Charges	1,099					
Net Cost of General Fund Services	36,018	35,250	34,165	27,573	29,343	29,714
Less:Capital Financing Charges	-7,587	-7,587	-6,097	-6,097	-7,587	-7,587
Less IAS19 included above	-3,450	-3,450	-3,441	-3,441	-3,441	-3,441
Controllable Expenditure	24,981	24,213	24,627	18,036	18,315	18,686
Financing Charges etc.						
Loan repayments etc	3,058	3,058	3,335	3,335	3,335	3,335
Revenue Contributions to Capital	80	80	80	80	80	80
Contributions to/from reserves	-2,234	-1,466	-597	524	665	579
External investment interest	-5,890	-5,890	-6,354	-5,351	-4,714	-3,845
Total Financing Charges etc	-4,986	-4,218	-3,536	-1,412	-634	149
Net Expenditure	19,995	19,995	21,091	16,624	17,681	18,835
NNDR redistributed	-6,719	-6,719	-7,363	-4,480	-4,974	-5,538
Lower Tier Services Grant						
Services Grant	-134	-134	-22			
New Homes Bonus	-1,079	-1,079	-902			
Funding Guarantee	-1,846	-1,846	-2,289	-1,000	-1,000	-1,000
Collection Fund Balance 20/21 Deficit Spread	54	54				
Collection Fund Balance 23-24	-73	-73	100			
Total AEF/Collection Fund	-9,796	-9,796	-10,476	-5,480	-5,974	-6,538
Council Tax borne expenditure	10,199	10,199	10,616	11,144	11,708	12,297
Equivalent to Band D Council Tax	176.86	176.86	182.15	187.59	193.20	198.98
% increase on previous year	0.00%	0.00%	2.99%	2.99%	2.99%	2.99%
Council Tax Base	57,670	57,670	58,281	59,400	60,600	61,800

APPENDIX 4

Risks Influencing the Level of General Fund Balance

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

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

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<i>Cemetery Land Purchase Reserve</i>	To purchase land for cemetery extensions	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any variation to this figure will be formally agreed by the Executive either as part of the final accounts process or as part of the normal process of revising the General Fund Capital Programme. In addition the reserve is monitored by Finance on a regular basis to provide information for reviews of capital programme resources.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Commonwealth Games (Bowls) Reserve</i>	To set aside funds towards funding the project in future years.	The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Community Forums Reserve</i>	To provide finance for the annual programme of Community Forum Grants	February 2013 Executive approved 4 year programme 2014/15 to 2017/18. forums now funded within core budgets.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Community Projects Reserve</i>	Reserve created from 2017/18 New Homes Bonus to provide finance for various District wide community projects.	Approval for project spend will be way of reports to the Executive.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Corporate Assets Reserve</i>	To provide finance for refurbishment of facilities following Stock Condition Surveys.	Subject to future Executive reports, approvals from the reserve have been delegated to SAG and the Section 151 Officer in consultation with the portfolio holders for Assets and Finance.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Covent Garden Multi Storey Reserve</i>	Balance repurposed towards the 'Future High Street Fund'.	Authority to spend is delegated to the Head of Finance in line with the actual lost net income and debt charges. Executive to be informed of the use of the reserve and its balance.	The level and continuing need for the reserve was reviewed by Finance in conjunction with the S151 Officer, where a recommendation was made to Cabinet for the balance to be repurposed towards the 'Future High Street Fund'
<i>Election Expenses Reserve</i> To provide finance to fund the expense incurred in holding the District Council elections every four years.	The cost of the election is charged to a service account and a contribution from this reserve is credited to the General Fund from this reserve as part of the final accounts process. In the years where no election is held an annual contribution of £30,000 is made to the reserve..	The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Enterprise Projects Reserve</i>	Reserve is used to smooth surpluses / deficits	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes, with delegations over usage agreed by Executive (August 2017) to the Head of Development Services up to £20k..	Reserve reviewed by Finance as part of budget estimates and closedown procedures.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<i>Equipment Renewal Reserve</i> To finance a rolling programme of equipment and property replacement and renewal.	Revenue Items to be financed from this reserve are charged to the service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Items proposed to be financed from this reserve are first approved by the Executive. Use of reserve is subsequently controlled by SMT, which considers a business case requesting release of funding from the reserve and may approve, if appropriate, followed by approval from Chief Executive and relevant portfolio holders. The standard business case template to be used for SMT's consideration was presented and approved by the September 2011 Executive.	Reserve reviewed as part of Estimates and closedown procedures. Balance increased on basis of Executive approval.
<i>Harbury Lane Reserve</i>	A reserve has been created over a number of years to fund this project.	The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.	The level and continued requirement of this reserve will be reviewed by Finance in conjunction with the Chief Executive and the Leader.
<i>Homelessness Prevention Reserve</i>	From Government grants received in 18/19 and 19/20 towards Homelessness Prevention. A balance of £40k is committed for Rough Sleepers Initiative Interventions.	The Head of Housing Services has delegated authority to draw down from the Reserve in conjunction with the Service Portfolio Holder, Head of Finance and Finance Portfolio Holder.	This money is ring-fenced to prevent or deal with homelessness, with the funding being allocated to the reserve until Council has determined how this money will be spent.
<i>ICT Replacement Reserve</i> To provide finance for the Council's ICT Replacement programme	This reserve has been established in order to provide certainty of finance for the Council's ICT replacement programme.	The ICT Services Manager has delegated authority to spend from this reserve in consultation with the Head of Finance and relevant Portfolio Holders	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer and ICT Manager essentially three times a year: a) when the Financial Strategy is updated b) at budget setting and c) final accounts where depending on the need. A recommendation to the Executive can include increasing / decreasing the balance or complete closure. In addition the adequacy of the reserve is taken into account when revising the capital programme.
<i>Insurance Reserve</i> To provide finance to cover the Council's self insurance against potential claims and to pay for security improvements to the Council's General Fund properties. The reserve also holds sufficient funds to cover any potential claim with regard to the Municipal Mutual Insurance "clawback" re previous claims settled.	Self insurance claims and Security Improvements are charged to the service accounts and the comparable amount is credited to the General Fund from this reserve as part of the final accounts process.	The Insurance Officer has authority to spend up to £15,000 (£1,000 per project) in any one year on security improvements. Items above these thresholds have to be authorised by the Head of Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Investment Volatility Reserve</i>	Set up to capture a portion of the gain on corporate equity funds to be used to smooth possible future fluctuations	Authority to spend from this reserve is delegated to the Head of Finance.	The use of this reserve will be included within future Budget reports to be agreed by the Executive.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<i>Leisure Options Reserve</i>	This reserve has been established to cover such items as the reduction in income whilst the Leisure Centre refurbishment programme is under way and also the first year and a half's debt charges arising from the prudential borrowing for this project. The reserve will also fund the re-profiling of the contractor concessions arising from the outsourcing of the Leisure Centres operation.	Authority to spend from this reserve is delegated to the Head of Finance in line with the actual lost income and debt charges incurred.	The continuing need for the reserve will be reviewed by Finance in conjunction with the S151 Officer and Head of Cultural Services, and depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Local Plan Delivery Reserve</i>	The reserve is used for items of work required to help the implementation of the Local Plan. This would include detailed work on a specific proposal to help turn it from a proposal to reality.	Approval to spend from this reserve is delegated to the Chief Executive, Head of Finance and Head of Development Services in consultation with the Deputy Leader (responsible for the Local Plan) and all group leaders.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Other Commuted Sums Reserve</i> Commutated Sums are received from developers in respect of the adoption of public open space or other facilities to be maintained at the Council's expense.	Credits are made annually to the General Fund based on (usually) 1/13 th of the capital sum starting from the year in which the maintenance of the facility begins. This date notified by the relevant Service Area.	The General Fund Estimates and its financing is approved by the Executive. This sets the contribution to / from this reserve. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The balance on this reserve is dictated by receipts from developers.
<i>Planning Appeal Reserve</i> Originally created to provide finance to cover the costs incurred by the Council with regard to appeals against its planning decisions. The Reserve also now pays for issues relating to planning policy, for example the costs associated with the Local Plan, and associated research.	Items to be financed from this reserve are charged to the Planning service account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Approval for expenditure to be met from this reserve is proposed to be delegated to the Head of Development and Head of Finance, in consultation with the relevant portfolio holder. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Planning Investment Reserve</i>	Creation of a reserve into which the 20% uplift in planning fees will be allocated.	To be apportioned by the Head of Finance.	The level and continuing need for the reserve is reviewed by Finance followed by a recommendation to the Executive can include increasing / decreasing the balance or complete closure
<i>Public Amenity Reserve</i>	To provide finance for play area and public open space improvements	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any further upward variation in the contribution would have to be approved by the Executive either as part of a report on the particular scheme in question or as part of a revision of the capital programme during the budget monitoring process. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Public Open Spaces Planning Gain Reserve</i>	Expenditure from this reserve will be charged to service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	The Head of Neighbourhood Services, in agreement with the Head of Finance, has delegated authority to spend from this reserve.	This reserve is reviewed during the final accounts process but as the reserve was created from S106 contributions which generally have conditions of use attached to them, levels and potential closure are not applicable

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<i>Services Transformation Reserve</i>	Reserve created to enable services to continue to be provided pending delivery of required savings and to finance “Fit For the Future” schemes so as to help the Council secure the savings needed in its Medium Term Financial Strategy.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Tourism Reserve</i> To provide finance for initiatives relating to the Council’s ongoing promotion of tourism	Items to be financed from this reserve are charged to the service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Authority to spend delegated to Deputy Chief Executive in consultation with the Development Services Portfolio Holder, Finance Portfolio Holder and S151 Officer.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Digital By Default Reserve</i>	Reserve created to enable digitalisation of services to continue to be provided pending delivery of required savings and to finance “Fit For the Future” schemes so as to help the Council secure the savings needed in its Medium Term Financial Strategy.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Climate Change Reserve</i>	Reserve created to respond to the Climate Emergency Declaration for Council services and across the District.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Community Emergency Response Fund Reserve</i>	Reserve created to respond to the COVID-19 pandemic.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Newbold Benches Donation Reserve</i>	To be used in accordance with the wishes of the benefactor on benches and tree planting at Newbold Comyn.	Head of Service to ensure sums spent in accordance with donation conditions.	Use of the Reserve to be reviewed annually until fully disbursed.
<i>Service Alignment Reserve</i>	Reserve initially created to enable services to prepare for integration with Stratford District Council. Closed in 2023/23 and balance transferred to the Service Transformation Reserve.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>ICT Service System Alignment Reserve</i>	Reserve initially created to develop ICT systems to support service delivery in preparation for integration with Stratford District Council. Uncommitted balance to be transferred to the ICT Reserve.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Ukrainian Resettlement Inspections Reserve</i>	Paid to the Council to fund the inspection of properties for the Ukrainian resettlement scheme	The responsibility for the authorisation of expenditure from this reserve is the Head of the Housing Service and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The reserve can only be used to fund staff carrying out inspections under this scheme. Unutilised balances would have to be repaid.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<i>Working for Warwick Reserve</i>	Reserve set up to carry forward the employee benefits from the 'Working For Warwick' package to future years	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Energy Generation Projects Reserve</i>	Reserve created to investigate and forward-fund energy generation projects that will be cost neutral over the medium-term	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Change Programme Delivery Reserve</i>	Reserve created to support initial investment required to deliver the organisational change programme	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>GF Volatility Reserve</i>	Reserve established to provide finance for “smoothing out” the General Fund balances to ensure there is enough funding available to balance the deficit budgets presnted in the MTFS, using business rates overperformance (while ensuring the BRRVR maintains a balance of £2m)	Executive to approve usage.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Housing Revenue Account (HRA)			
<i>Housing Capital Investment Reserve</i> To provide finance for new build projects.	To provide finance for new build projects.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan in order to achieve the required number of new build homes.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan .
<i>Major Repairs Reserve</i> To provide funding for major capital works to the Council's housing stock	The relevant amount required to finance the HRA capital programme is transferred to the Capital Adjustment Account as part of the final accounts process.	The contribution made from this reserve towards capital expenditure is dictated by the developing needs of the HRA Self Financing Business Plan and will be reviewed as part of the formal Business Plan governance process.	The operation of this reserve will be reviewed as part of the ongoing monitoring of the Self Financing Business Plan.
<i>Housing Revenue Account balance</i> To provide a contingency reserve to protect the HRA against any unexpected and adverse revenue or capital cash flows arising during the year.	The balance will be applied as necessary to finance housing landlord revenue or capital budget variations.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan. The Self Financing Business Plan is based on maintaining a minimum £1.5m balance (uplifted each year for inflation).
<i>HRA Early Retirement Reserve</i> To provide finance to cover the pension one off costs to the HRA as a result of the early retirement of Housing officers and to provide finance to cover redundancy costs properly chargeable to the HRA.	Items to be financed from this reserve are charged to the HRA during the year and notified to Finance. An appropriate amount is then transferred to the HRA as part of the final accounts process.	Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure
<i>HRA Rough Sleeping Initiative Reserve</i>	To fund a rough sleeping initiative at the William Wallsgrove hostel, from Government grant received in 2018/19.	To match-fund expenditure incurred by the HRA, up to the level of the Reserve.	The reserve will be reviewed as part of the wider housing and homeless strategies of the Council

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2023/24 to 2027/28	Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000	Estimated Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000
GENERAL FUND RESERVES - EARMARKED							
Art Gallery Gift Reserve	Balance on this reserve includes monies transferred from Art Fund Reserve. Currently there is no expenditure to be met from this reserve. External donations of approximately £1k per annum will be credited to this reserve.	135	136	137	138	139	140
Building Control Reserve	The surpluses from this 'trading account' are used to support the service costs.	427	427	427	427	427	427
Business Rate Retention Volatility Reserve	Reserve set up to 'smooth' receipt of business rate income. Expected to be a Government Business Rate re-set in 2025/26.	11,485	6,913	2,000	2,000	2,000	2,000
Capital Investment Reserve	£1m is the minimum balance recommended for this reserve.	1,456	1,456	1,283	1,183	1,083	983
Car Park Displacement Reserve	<i>Previous applied to the Commonwealth Games Leamington Spa Station project.</i> NOT NEEDED	253	253	253	253	253	253
Car Parking Repairs and Maintenance Reserve	Reserve created in order to provide resources for future years repairs and maintenance programmes.	122	122	122	122	122	122
Cemetery Land Purchase Reserve	Reserve established to provide finance for the purchase of land for cemetery extensions. Currently no such purchases are included in the General Fund Capital Programme. Future contributions to the reserve will be provided for by a surcharge imposed on out of area burial fees.	28	28	28	28	28	28
Commonwealth Games (Bowls) Reserve	<i>This reserve is currently funding the Project Manager salary costs and various ancillary costs.</i> NOT NEEDED	129	129	129	129	129	129
Community Projects Reserve	Reserve created from New Homes Bonus to provide finance for various District-wide community projects. Topped up in 2023/24 with £500k from New Homes Bonus / Funding Guarantee.	616	809	534	509	484	379
Corporate Assets Reserve	Reserve created to provide finance for refurbishing facilities following stock condition surveys. It includes annual General Fund contributions of £500k, which are necessary to fund planned asset maintenance. Drawdown from reserve is subject to future Executive reports.	1,320	3,506	2,531	2,235	1,943	995
Covent Garden Multi Storey Reserve	Balance being repurposed towards the 'Future High Street Fund'.	900	900	-	-	-	-
Election Expenses Reserve	£35k per annum will be credited to the reserve to help defray the costs of General Elections and £105k subsequently released toward funding the General Elections, based on a 4-year cycle.	110	5	40	75	5	40
Enterprise Projects Reserve	Reserve being reduced to cover legal commitments only.	193	193	55	55	55	55
Equipment Renewal Reserve	Projects will be approved by SMT, Chief Executive and relevant Portfolio Holders prior to going ahead. The reserve receives top ups of £100k per annum and is being used to support a number of projects detailed in Appendix 7	529	166	-157	-67	23	113
Harbury Lane Reserve	This reserve will provide funding towards the proposed travellers site in Harbury Lane	84	84	84	84	84	84

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2023/24 to 2027/28	Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000	Estimated Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000
Homelessness Prevention Reserve	From Government grants received in 18/19 and 19/20 towards Homelessness Prevention within the homeless strategy	1,336	1,336	1,336	1,336	1,336	1,336
ICT Replacement Reserve	This reserve is to provide for planned ICT replacements and revenue costs. The reserve will be topped up annually with £250k., plus £1m from General Fund balances in 2023/24, but is projected to become negative at the end of 2024/25 due to meeting the capital programme funding	829	990	262	96	80	448
Insurance Reserve	This reserve will be used to cover self insurance against claims and to provide finance for security improvements to mitigate future claims.	274	274	274	274	274	274
Investment Volatility Reserve	Set up to smooth possible future fluctuations on equity funds and other treasury investments.	100	100	100	100	100	100
Leisure Options Reserve	Balance from Phase 1 of leisure improvements to finance Kenilworth Phase 2	764	267	267	267	66	66
Local Plan Delivery Reserve	The reserve is funding the Tachbrook Country Park capital budget	44	44	44	44	44	44
Other Commuted Sums Reserve	Contributions of around £150k will be made to the General Fund each year to fund maintenance of adopted land. In addition, the reserve will fund part of the cost of the Green Spaces Team Leader. New developer contributions are added to the Reserve and phased over 14 to 20 years planned grounds maintenance costs	1,593	1,485	1,331	1,177	1,026	875
Planning Appeal Reserve	This is funding consultancy for Local Plan, Kenilworth development brief and site development officer salary etc. costs	390	390	382	382	382	382
Planning Investment Reserve	This reserve will receive income from the uplift in planning fees, subject to meeting core service funding. Various posts e.g. temporary Senior EHO, Development Monitoring Officer, CIL Officer etc. are funded from this reserve	11	174	55	219	383	547
Public Amenity Reserve	This reserve will provide the finance for the play equipment capital programme. The future funding of the play area capital programme is subject to approval of Community Infrastructure Levy (CIL) funding	451	432	-	-	-	-
Public Open Spaces Planning Gain Reserve	Reserve receives a reduced amount of S106 planning development contributions for one-off improvement of Public Open Spaces. It contributes towards capital play area improvements.	89	71	35	37	38	39
Services Transformation Reserve	This reserve include contributions to a number of capital and revenue projects as part of the 'Transforming Our Workplace' programme, and funding various temporary posts. The reserve is receiving the allocations previously made to the Service Alignment Reserve in 2023/24 and 2024/25, and is used to smooth funding between financial years	1,229	982	824	1,050	1,450	1,850
Tourism Reserve	Established to help fund tourism initiatives within the District	27	27	27	27	27	27
Digital By Default Reserve	Used for digitisation projects	23	23	17	12	6	-
Climate Change Reserve	Tackling the climate emergency declaration	393	883	709	709	709	709

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2023/24 to 2027/28	Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000	Estimated Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000
Community Emergency Response Fund Reserve	Set up to fund Covid-19 community support	2	2	2	2	2	2
Newbold Benches Donation Reserve	Donation from a member of the public for benches and tree planting	6	6	6	6	6	6
Ukrainian Resettlement Inspections Reserve	Paid to the Council to fund the inspection of properties for the Ukrainian resettlement scheme	25	25	25	25	25	25
Working for Warwick Reserve	To carry forward the employee benefits from this package to future years	-	223	198	198	198	198
Energy Generation Projects Reserve	To investigate energy generation opportunities	-	-	500	500	500	500
Change Programme Delivery Reserve	Set up to provide funding for activities to deliver efficiency savings across the Council	-	-	500	500	500	500
GF Volatility Reserve	To fund General Fund budget deficits from reserve balances	-	-	3,853	3,853	3,853	3,853
GENERAL FUND RESERVE TOTAL		25,373	22,861	18,213	17,985	17,780	17,529
Change in GF reserves (+ increase / - decrease)			-2,512	-4,648	-228	-205	-251
BALANCES							
General Fund	A core balance of at least £1.5m after liabilities will be maintained as a contingency reserve.	2,631	1,500	1,500	1,500	1,500	1,500
Housing Revenue Account (HRA):							
Housing Capital Investment Reserve	Under self financing, this reserve provides the finance for investment in new housing stock	27,871	18,032	11,751	7,939	5,275	2,694
Major Repairs Reserve	Under Self Financing this reserve provides the major element of funding for capital maintenance works to the Council's housing stock.	6,956	4,491	4,176	4,079	3,975	3,975
Housing Revenue Account balance	To provide a contingency reserve to protect the Housing Revenue Account against adverse in year revenue or capital cash flows arising from unexpected major repairs etc.	1,500	1,500	1,500	1,500	1,500	1,500
Housing Early Retirements Reserve	Contributions of £20k in each year will be made.	21	41	61	81	101	121
HRA Rough Sleeping Initiative Reserve	To support provision of temporary accommodation and services	262	262	262	262	262	262
Lifeline Funding for Assistive Technology Reserve	North Warwickshire Borough Council paid WDC as part of the transfer of their Lifeline customers over to WDC's Lifeline service. This reserve is ringfenced to be used to upgrade the Lifeline connections as the customers migrated over the next 2 years.	127	21	21	21	21	21
HRA TOTAL		36,737	24,347	17,771	13,882	11,134	8,573

CAPITAL VARIATIONS**Appendix 6**

	2023/24 £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	TOTAL £'000's
ORIGINAL BUDGETS PER 2023/24 BUDGET BOOK:						
Original General Fund Capital Budgets	33,456.5	8,099.2	698.0	560.0	N/A	42,813.7
TOTAL	33,456.5	8,099.2	698.0	560.0		42,813.7

ORIGINAL GENERAL FUND CAPITAL BUDGETS PER 2023/24 BUDGET BOOK	33,456.5	8,099.2	698.0	560.0	Not published	42,813.7
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Items slipped from 2022/23 and added to 2023/24 Budgets (see Final Accounts Report 2022/23 for detail on individual schemes - Not yet approved by Cabinet)	8,067.0	N/A	N/A	N/A	N/A	8,067.0
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Items brought forward from 2023/24 to 2022/23 (see Final Accounts Report 2022/23 for detail on individual schemes- Not yet approved by Cabinet)	-496.0	N/A	N/A	N/A	N/A	-496.0
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TOTAL adjustments arising from Final Accounts Report:	7,571.0	N/A	N/A	N/A	N/A	7,571.0
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INCREASES TO SCHEMES:

Desktop Infrastructure				10.0		10.0
Regulatory Services Software		100.0				100.0
Development, Building Control and LLPG Replacement.		50.0				50.0
Abbey Fields LC New Building	690.6	781.4				1,472.0
CCTV replacement system	2.4					2.4
Play area improvement programme		195.0	480.0	520.0	200.0	1,395.0
Kenilworth School loan	1,500.0					1,500.0
TOTAL Increase to Schemes:	2,193.0	1,126.4	480.0	530.0	200.0	4,529.4

NEW APPROVALS:

Replacement of Member IT Kit				30.0		30.0
Desktop Infrastructure					40.0	40.0
Infrastructure General					15.0	15.0
Network devices LAN & WAN				110.5	15.0	125.5
Physical Server Replacement			10.0		10.0	20.0
UPS				6.0		6.0
Mobile Phone Replacement				10.0		10.0
Rural & Urban Initiatives	100.0	100.0	100.0	100.0	100.0	500.0
Recycling & Refuse Containers					80.0	80.0
Abbey Fields LC Demolition-split away from main project code	700.0					700.0
Castle Farm LC Demolition-split away from main project code	10.4					10.4
St. Nicholas Park All Weather Pitches Carpet Replacement		350.0				350.0
Victoria Park Tennis Court Resurfacing	103.0					103.0
Newbold Comyn Pavilion Refurbishment	28.6	26.5				55.1
Central Ajax Football Club	6.5	112.9				119.4
Acre Close MUGA	30.0					30.0
Play Area Disabled Improvements		100.0				100.0
Spa Centre Lights and Radio Microphones	61.0					61.0
Spa Centre Replacement Seating	69.0					69.0
Cinema projector		40.0				40.0
PA system Front of House/Backstage		55.0				55.0
Assembly Rooms at Pump Rooms Replacement Chairs	35.0					35.0
Pump Rooms Roof Repair and Restoration	1,644.3	1,168.3				2,812.6
Severn Acre Close Play Area	72.6	6.0				78.6
Glendale Drive Play Area		55.0				55.0
Hatton Park Play Area		52.6				52.6
Sabin Drive Play Area	80.0					80.0
Eagle Recreation Ground Improvement Works	10.4	22.0				32.4
Refugee Sculpture	8.8	15.0				23.8
Abbey Fields Management Plan	5.0					5.0
CCTV Cameras (UKSPF)	96.1	63.1				159.2
Improvements to lighting in parks and open spaces (UKSPF)		218.0				218.0
The Crest (UKSPF)	60.0					60.0
Everyone Active (UKSPF)	2.2					2.2
Emergency Contact (UKSPF)	16.0					16.0
Sydni Centre (UKSPF)	13.0					13.0
Brunswick HLC (UKSPF)	41.0	20.0				61.0
Establish 'an active neighbourhood' to prioritise the movement of people over motor traffic (UKSPF)		20.0				20.0
Develop active sessions to reach out to people diagnosed with dementia and mental health issues (UKSPF)		20.0				20.0
Air Quality Sensors Warwick Hospital Car Park	10.0					10.0
Air Quality Sensors Oakley Grove Phase 3/Land off Harbury Lane & Oakley Wood Rd	10.0					10.0
Barford Youth & Community Centre-Grant		250.0				250.0
Lillington Hub (UKSPF)	228.0					228.0
Signage (UKSPF)	8.0					8.0
Sustrans (UKSPF)	25.0	50.0				75.0

CAPITAL VARIATIONS

Appendix 6

	2023/24 £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	TOTAL £'000's
Creative Organisations (UKSPF)	10.0	15.0				25.0
Spark & Ignite (UKSPF)	5.0	20.0				25.0
Makers Hub (UKSPF)	10.0	10.0				20.0
Lights of Leamington (UKSPF)	20.0	50.0				70.0
Digital skills provision (UKSPF)		30.0				30.0
Address barriers to accessing education and training courses (UKSPF)		30.0				30.0
Develop activities (Spark and Ignite)(UKSPF)		20.0				20.0
Commission a programme of Public art (UKSPF)		5.0				5.0
Hydrogen Hub (UKSPF)		75.0				75.0
Frontline Vehicle Fleet (SDC/WDC)	196.0	195.0				391.0
Lillington Health Hub	2,740.0	31.4				2,771.4
Lord Leycester Hospital	40.0					40.0
TOTAL New Approvals:	6,494.9	3,225.8	110.0	256.5	260.0	10,347.2

CAPITAL VARIATIONS**Appendix 6**

	2023/24 £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	TOTAL £'000's
TOTAL General Fund New/Increases to Capital Approvals during 2023/24:	8,687.9	4,352.2	590.0	786.5	460.0	14,876.6
SLIPPAGE/BUDGET B/FWD - Changes to start dates or delays on projects mean that it is proposed to slip resources into future years/bring forward from future years - identified as part of budget review process:						
Virtualisation Servers	-10.0	10.0				
Infrastructure Replacement-ESX Servers (x5)	-60.0	60.0				
Backup solution	-100.0	100.0				
Physical server replacement	-46.0	46.0				
UPS			-14.0	14.0		
Software/Digital-- Strategy Seed Funding	-137.0	137.0				
Storage Area Network (SAN)	-10.0	10.0				
Development, Building Control and LLPG Replacement.	-100.0	100.0				
Abbey Fields LC New Building	-8,159.0	8,159.0				
Kenilworth Leisure Centre Sites Fit Out Costs	295.9	-496.7		200.8		
Athletics Facility Relocation	-188.0	188.0				
Myton footpath/cycleway	-100.0	100.0				
Spa Centre Lights and Radio Microphones	-75.0	75.0				
Play Area Improvement Programme	-275.0	275.0				
Skate Park in St. Nicholas Park	-38.8		38.8			
Pottertons Landscaping Works	-4.5	4.5				
Tach Brook Country Park		-1,600.0	1,600.0			
Community Stadium Project	-200.0	200.0				
Future High Street-Town Hall	-1,465.1	1,465.1				
Future High Street-Former Stoneleigh Arms	-1,849.3	1,849.3				
Future High Street-Sorting Office	-5,088.0	5,088.0				
Leper Hospital regeneration	-302.0	302.0				
Castle Farm Sports Pitch Drainage	-73.0	73.0				
TOTAL General Fund Capital Slippage identified during 2023/24:	-17,984.8	16,145.2	1,624.8	214.8		
SCHEMES DELETED / REDUCED /SAVINGS/VIREMENTS:						
Relocation to Crown Hosting Site	-50.0					-50.0
Mobile Phone Replacement-virement to Desktop Infrastructure	-18.0					-18.0
Infrastructure general-virement to Desktop Infrastructure	-11.2					-11.2
Committee Services Software Replacement-virement to desktop	-9.3					-9.3
Desktop Infrastructure virement from above lines	37.9					37.9
Physical server replacement		-5		-15.0		-20.0
Storage Area Network (SAN)-slipped into 28/29				-181.0		-181.0
Castle Farm LC New Building	-1,883.2					-1,883.2
Warwick Fire Station--no longer required	-30.0					-30.0
Future High Street-Town Hall-virement from Sustainable Movement		256.3				256.3
Future High Street-Former Stoneleigh Arms- moved from sustainable Movement project	250.0					250.0
Future High Street-Sustainable Movement-virement to other FHS projects	-1,006.3					-1,006.3
Future High Street-Spencer Yard-private sector funding not required	-3,649.3					-3,649.3
Future High Street-Sorting Office--		-4,170.0				-4,170.0
Health & Community Protection IT system	-27.5					-27.5
Sherbourne Resource Park Development Costs- Long-term loan so transferred to revenue	-765.0					-765.0
TOTAL General Fund Reductions / Savings:	-7,161.9	-3,918.7		-196.0		-11,276.6
PROPOSED GENERAL FUND CAPITAL PROGRAMME FOR 2023/24 BUDGET BOOK:	24,568.7	24,677.9	2,912.8	1,365.3	460.0	53,984.7

	Latest Budget 2023/24 £'000	Proposed Expend. 2024/25 £'000	Proposed Expend. 2025/26 £'000	Proposed Expend. 2026/27 £'000	Proposed Expend. 2027/28 £'000	TOTAL 2023/24 to 2027/28 £'000
Capital Programme Summary						
Climate Change		75.0				75.0
Customer & Digital Services	1,208.7	1,152.0	614.0	464.5	80.0	3,519.2
Safer Communities, Leisure & Environment	10,406.7	10,301.9		200.8		20,909.4
Finance Portfolio	100.0	100.0	100.0	100.0	100.0	500.0
Neighbourhood & Assets	2,328.6	3,376.9	2,198.8	600.0	280.0	8,784.3
Place, Arts & Economy	10,524.8	9,672.1				20,196.9
Total General Fund Capital Programme	24,568.8	24,677.9	2,912.8	1,365.3	460.0	53,984.8
Climate Change						
Hydrogen Hub (UKSPF)		75.0				75.0
Total Climate Change	-	75.0	-	-	-	75.0
Customer & Digital Services						
Desktop infrastructure	47.9	200.0	125.0	40.0	40.0	452.9
Mobile Phone Replacement	2.0			30.0		32.0
Virtualisation Servers		10.0				10.0
Infrastructure Replacement-ESX Servers (x5)		60.0				60.0
Infrastructure general	3.3	14.5	14.5	14.5	15.0	61.8
Backup solution		100.0				100.0
Voice of IP telephone system	67.0			80.0		147.0
Server Infrastructure	160.0	10.0				170.0
Network	360.0	14.5	14.5	180.0	15.0	584.0
Contact Centre	58.0			60.0		118.0
Physical server replacement		56.0	10.0	10.0	10.0	86.0
UPS	10.0			20.0		30.0
Development, Building Control and LLPG Replacement.	150.0	200.0				350.0
Committee Services Software Replacement	10.7					10.7
Replacement of Member IT Kit				30.0		30.0
Regulatory Services Software		300.0	50.0			350.0
Revenues and Benefits Replacement or Renewal			400.0			400.0
Software/Digital - Strategy Seed Funding	149.8	187.0				336.8
Software/Digital - GIS	70.0					70.0
Cyber Security Posture	100.0					100.0
AV Kit	20.0					20.0
Total Customer & Digital Services	1,208.7	1,152.0	614.0	464.5	80.0	3,519.2
Safer Communities, Leisure & Environment						
Castle Farm sports pitch drainage		73.0				73.0
St. Nicholas Park All Weather Pitches Carpet Replacement		350.0				350.0
Victoria Park Tennis Court Resurfacing	22.0					22.0
Abbey Fields LC New Building	1,599.8	8,940.4				10,540.2
Abbey Fields LC Demolition	700.0					700.0
Castle Farm LC New Building	6,993.2					6,993.2
Castle Farm LC Demolition	10.4					10.4
Kenilworth Leisure Centre Sites Fit Out Costs Abbey Fields				200.8		200.8
Kenilworth Leisure Centre Sites Fit Out Costs Castle Farm	496.6					496.6
Newbold Comyn Pavilion Refurbishment	30.0	26.5				56.5
Central Ajax Football Club	6.5	112.9				119.4
Acre Close MUGA	30.0					30.0
Athletics Facility Relocation	50.0	188.0				238.0
Myton footpath/cycleway	47.0	100.0				147.0
Commonwealth Games	50.0					50.0
Spa Centre Replacement Seating	69.0					69.0
Spa Centre Lights and Radio Microphones	4.7	75.0				79.7
Cinema projector		40.0				40.0
PA system Front of House/Backstage		55.0				55.0
Assembly Rooms at Pump Rooms Replacement Chairs	35.0					35.0
CCTV replacement system	2.4					2.4
CCTV Server Upgrade (UKSPF)	11.9					11.9
CCTV Cameras (UKSPF)	96.1	63.1				159.2
Improvements to lighting in parks and open spaces (UKSPF)		218.0				218.0
The Crest (UKSPF)	60.0					60.0
Everyone Active (UKSPF)	2.2					2.2
Emergency Contact (UKSPF)	16.0					16.0
Sydni Centre (UKSPF)	13.0					13.0
Brunswick HLC (UKSPF)	41.0	20.0				61.0
Establish 'an active neighbourhood' to prioritise the movement of people over motor traffic (UKSPF)		20.0				20.0
Develop active sessions to reach out to people diagnosed with dementia and mental health issues (UKSPF)		20.0				20.0
Air Quality Sensors Warwick Hospital Car Park	10.0					10.0
Air Quality Sensors Oakley Grove Phase 3/Land off Harbury Lane & Oakley Wood Rd	10.0					10.0
Total Safer Communities, Leisure & Environment	10,406.7	10,301.9	-	200.8	-	20,909.4
Finance						
Rural & Urban Initiatives	100.0	100.0	100.0	100.0	100.0	500.0
Total Finance	100.0	100.0	100.0	100.0	100.0	500.0
Neighbourhood & Assets						
Play Area Improvements		470.0	480.0	520.0	200.0	1,670.0
Play Area Disabled Improvements		100.0				100.0
Severn Acre Close Play Area	72.6	6.0				78.6
Sabin Drive Play Area	80.0					80.0
Glendale Drive Play Area		55.0				55.0
Hatton Park Play Area		52.6				52.6
Eagle Recreation Ground Improvement Works	10.4	22.0				32.4
Refugee Sculpture	8.8	15.0				23.8
Skate Park in St. Nicholas Park			38.8			38.8
Abbey Fields Management Plan	5.0					5.0
Pottertons Landscaping Works		4.5				4.5
Pump Rooms Roof Repair and Restoration	1,644.3	1,168.3				2,812.6
Newbold Comyn Masterplan & Cycling Facilities	51.8					51.8
Tach Brook Country Park	179.6	1,208.6	1,600.0			2,988.2
Recycling & Refuse Containers	80.0	80.0	80.0	80.0	80.0	400.0
Frontline Vehicle Fleet (SDC/WDC)	196.0	195.0				391.0
Total Neighbourhood & Assets	2,328.6	3,376.9	2,198.8	600.0	280.0	8,784.3
Place, Arts & Economy						
Warwick Town Wall	100.0					100.0
Barford Youth & Community Centre-Grant		250.0				250.0
Community Stadium Project	56.0	200.0				256.0
Railway Line Spur To Draycote Water (Sustrans)	25.0					25.0
St. Mary's Church Tower Restoration	50.0					50.0
Kenilworth School loan	5,318.8					5,318.8
Future High Street-Town Hall	170.3	1,721.4				1,891.7
Future High Street-Former Stoneleigh Arms	1,361.3	1,849.3				3,210.6
Future High Street-Sorting Office	52.0	5,088.0				5,140.0
Lillington Hub (UKSPF)	228.0					228.0
Signage (UKSPF)	8.0					8.0
Sustrans (UKSPF)	25.0	50.0				75.0
Creative Organisations (UKSPF)	10.0	15.0				25.0
Spark & Ignite (UKSPF)	5.0	20.0				25.0
Makers Hub (UKSPF)	10.0	10.0				20.0
Lights of Leamington (UKSPF)	20.0	50.0				70.0
Digital skills provision (UKSPF)		30.0				30.0
Address barriers to accessing education and training courses (UKSPF)		30.0				30.0
Develop activities (Spark and Ignite)(UKSPF)		20.0				20.0
Commission a programme of Public art (UKSPF)		5.0				5.0
Lillington Health Hub	2,740.0	31.4				2,771.4
Lord Leycester Hospital	40.0					40.0
Leper Hospital regeneration	305.4	302.0				607.4
Total Place, Arts & Economy	10,524.8	9,672.1	-	-	-	20,196.9

Housing Investment Programme (HIP) 2023/24 to 2032/33

Appendix 7 Part 2

Activity Description		Actual Spend	Budgeted Spending Plan									
Construction / Acquisition of Housing:		2023/24 Revised £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	2032/33 £'000's	Total £'000's
Repurchase of Ex-Council Housing		762	500	500	500	500	500	500	500	500	500	5,262
Purchase of Property		0	0	0	0	0	0	0	0	0	0	0
Purchase of property		0	0	0	0	0	0	0	0	0	0	0
Purchase of property		5	0	0	0	0	0	0	0	0	0	5
Refurbishment		1,710	0	0	0	0	0	0	0	0	0	1,710
Purchase of land		0	0	0	0	0	0	0	0	0	0	0
Development		150	0	0	0	0	0	0	0	0	0	150
Purchase of Land		0	0	0	0	0	0	0	0	0	0	0
Development		3,817	0	0	0	0	0	0	0	0	0	3,817
Purchase of property		709	0	0	0	0	0	0	0	0	0	709
Purchase of Land		0	0	0	0	0	0	0	0	0	0	0
Purchase of property		0	0	0	0	0	0	0	0	0	0	0
Purchase of property		10	0	0	0	0	0	0	0	0	0	10
Development		1,554	0	0	0	0	0	0	0	0	0	1,554
Purchase of property		17,986	9,033	9,033	9,033	9,033	0	0	0	0	0	54,120
Birmingham Road		9,700	3,300	0	0	0	0	0	0	0	0	13,000
Juniper Way - Golf Lane December Cabinet - Land and JCT build contract - Will be approved by the time the HIP is approved in Feb		8,751	11,374	1,477	0	0	0	0	0	0	0	21,602
CLS Demolition		0	1,500	0	0	0	0	0	0	0	0	1,500
LA Housing Fund - Syrian/Ukrainian Refugee Scheme		3,388	3,388	0	0	0	0	0	0	0	0	6,775
LA Housing Fund 2 - Afghanistan Refugees (6 dwellings)		2,047	0	0	0	0	0	0	0	0	0	2,047
Thickthorn, kenilworth - 20x S106		376	3,750	0	0	0	0	0	0	0	0	4,127
The Asps Warwick - 51 x S106		2,201	8,258	0	0	0	0	0	0	0	0	10,459
Europa Way 24 Dwellings		752	7,242	0	0	0	0	0	0	0	0	7,994
The Asps Warwick - 82 Dwellings		1,588	15,418	0	0	0	0	0	0	0	0	17,006
Total Construction / Acquisition of Housing		55,506	63,763	11,010	9,533	9,533	500	500	500	500	500	151,846
Improvement / Renewal Works:		2022/23 £'000's	2023/24 £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	Total £'000's
Stock Condition Survey Works:												
Aids & Adaptations		1,206.1	647.1	647.1	647.1	647.1	647.1	647.1	647.1	647.1	647.1	7,030
Defective Flooring		59.3	59.3	59.3	59.3	59.3	59.3	59.3	59.3	59.3	59.3	593
Door Entry/Security/Safety Systems		150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	1,500
Kitchen & Bathroom Fittings / Sanitaryware Replacement		1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	10,000
Electrical Fitments / Rewiring		612.4	612.4	612.4	612.4	612.4	612.4	612.4	612.4	612.4	612.4	6,124
Water Services		9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	91
Structural Improvements		250.0	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	427
Improved Ventilation		4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	47
Major Garage Works		24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	246
Codependant Asbestos Removal		200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	2,000
Special capital works - Lift Replacement		197.0	300	300	300	300	0	0	0	0	0	1,397
Capital Salaries for Improvement / Renewal Works		303.6	309.7	315.9	322.2	328.6	335.2	341.9	348.8	348.8	348.8	3,303
Total Stock Condition Survey Works		4,016.8	3,336.6	3,342.8	3,349.1	3,355.5	3,062.1	3,068.8	3,075.7	3,075.7	3,075.7	32,758.7
Climate Change & Environmental Works:												
Environmental - Roof Coverings		925.0	750.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	5,875

Activity Description	Actual Spend	Budgeted Spending Plan									
Construction / Acquisition of Housing:	2023/24 Revised £'000's	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	2032/33 £'000's	Total £'000's
Solar Panels - Roof Covering Works	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	5,000
Environmental - Window/Door Replacement	535.0	535.0	535.0	535.0	535.0	535.0	535.0	535.0	535.0	535.0	5,350
Environmental Central Heating Replacement	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	12,398
Thermal Improvement Works	223.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	1,495
Environmental Works	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	750
Environmental Works: Tenant Participation Projects	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7	377
Environmental Improvement works - The Crest	600.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	600
Environmental Improvement works - The Crest Water Main Repairs	200.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	200
Total Climate Change Works	4,335.8	3,278.8	3,053.8	3,053.8	3,053.8	3,053.8	3,053.8	3,053.8	3,053.8	3,053.8	32,045.0
Fire Safety Works:											
Fire & Building safety in Multi Occupancy Use Blocks	5,544.1	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	32,544
Hi Rise Cladding Replacement 5x Hi-rises	5,617.0	5,617.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11,234
Total Fire Safety Works	11,161.1	8,617.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	43,778.1
Decarbonisation Grant Works											
LAD 3 BEIS - Sustainable Warmth Grant - On Gas Delivery - HUG included in this	3,913.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,914
LAD 2 Match Funding	137.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	138
BEIS Wave 2 Match Funded Works - Decarbonisation Works	500.0	500.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,000
Total Grant Funded Works	4,551.7	500.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,051.7
Total Improvement/Renewal Works	24,065.4	15,732.4	9,396.6	9,402.9	9,409.3	9,115.9	9,122.6	9,129.5	9,129.5	9,129.5	113,633.5
Total Housing Investment Programme Expenditure	79,571.1	79,495.5	20,406.9	18,936.2	18,942.7	9,615.9	9,622.6	9,629.5	9,629.5	9,629.5	265,479.3

General Fund Capital Programme Financing 2023/24 to 2027/28

Appendix 7 Part 3

Source	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Total £'000
Internal / External Borrowing	8,818.2	6,135.4	-	-	-	14,953.6
Capital Receipts	56.0	3,360.0		-	-	3,416.0
External Contributions	13,299.2	11,052.8	1,600.0	-	-	25,952.0
Revenue Contributions to Capital Outlay	100.4	80.0	80.0	80.0	80.0	420.4
Service Transformation Reserve	22.4	183.6	38.8	-	-	244.8
Equipment Renewal Reserve	108.7	170.0	-	-	-	278.7
Public Amenity Reserve	18.3	432.1	480.0	520.0	200.0	1,650.4
Planning Public Open Space Reserve	19.2	37.0	-	-	-	56.2
Community Projects Reserve	276.8	250.0	-	-	-	526.8
Leisure Options Reserve	496.6			200.8		697.4
Corporate Assets Reserve	264.4	614.4	-	-	-	878.8
ICT Replacement Reserve	1,088.7	1,152.0	614.0	464.5	80.0	3,399.2
Enterprise Reserve	-	137.6		-	-	137.6
Covent Garden MSCP Reserve	-	900.0		-	-	900.0
Capital Investment Reserve	-	173.0	100.0	100.0	100.0	473.0
Funding	24,568.8	24,677.9	2,912.8	1,365.3	460.0	53,984.8

Housing Investment Programme (HIP) Financing Strategy 2023/24 to 2032/33

Appendix 7 Part 4

Housing Investment Programme (HIP) Financing:	2023/24 £'000's		2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	2032/33 £'000's	Total £'000's
Capital receipts: Buy Back	50.0		50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	50.0	500.0
Capital Receipts: One for One replacement	1,926.2		1,573.8	2,316.7	450.0	1,050.0	450.0	450.0	450.0	450.0	450.0	9,566.7
HRA Capital Investment Reserve	17,002.6		3,250.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	44,252.6
Major Repairs Reserve	7,552.6		6,615.4	6,396.6	6,402.9	6,409.3	6,115.9	6,122.6	6,129.5	6,129.5	6,129.5	64,003.7
S 106 Affordable Housing Contributions	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decent Homes Grant	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shared Ownership Sales Capital Receipts	2,162.0		2,715.3	1,134.5	1,134.5	477.5	0.0	0.0	0.0	0.0	0.0	7,623.8
Homes England Affordable Homes Grant - Juniper Way	6,535.4		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6,535.4
LAD 1B BEIS - Green Homes Grant	0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
LAD 2 BEIS - Green Homes Grant - Midlands Energy Hub	0.0		0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
LAD 3 BEIS - Sustainable Warmth Grant - On Gas Delivery	3,913.8		0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,913.8
BEIS WAVE 2 Match Funding	250.0		250	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	500.0
LA Housing Fund Grant - Syrian/Ukrainian Refugee Scheme Grant - CIR will fund the Build	1,410.2		1,410	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,820.4
LA Housing Fund 2 - Afghanistan Refugees (6 dwellings)	919.2		0	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	919.2
CWLEP Demolition Grant - See CIR	0.0		1,500	0	0	0.0	0.0	0.0	0.0	0.0	0.0	1,500.0
HRA Additional Borrowing	37,849.1		62,130.8	7,509.1	7,898.8	7,955.8	0.0	0.0	0.0	0.0	0.0	123,343.7
Housing Revenue Account Related HIP Financing	79,571.2		79,495.5	20,406.9	18,936.2	18,942.7	9,615.9	9,622.6	9,629.5	9,629.5	9,629.5	265,479.3

General Fund Programme & Resources

Appendix 7 Part 5

Capital Programme 2023/24 to 2027/28

	Proposed expenditure					Total £'000
	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	
Capital summary						
Climate Change	-	75.0	-	-	-	75.0
Customer & Digital Services	1,208.7	1,152.0	614.0	464.5	80.0	3,519.2
Safer Communities, Leisure & Environment	10,406.7	10,301.9	-	200.8	-	20,909.4
Finance Portfolio	100.0	100.0	100.0	100.0	100.0	500.0
Neighbourhood & Assets	2,328.6	3,376.9	2,198.8	600.0	280.0	8,784.3
Place, Arts & Economy	10,524.8	9,672.1	-	-	-	20,196.9
Total capital programme (A)	24,568.8	24,677.9	2,912.8	1,365.3	460.0	53,984.8
Capital resources brought forward						
Usable Capital receipts	-	-	-	-	-	-
Capital Investment Reserve	1,456.2	1,456.2	1,283.2	1,183.2	1,083.2	
Public Amenity Reserve	450.5	432.3	0.2	0.2	0.2	
Equipment Renewal Reserve *	529.4	165.6	-157.4	-67.4	22.6	
ICT Replacement Reserve	829.0	990.4	262.4	96.4	79.9	
Total capital resources brought forward (B)	3,265.1	3,044.5	1,388.4	1,212.4	1,185.9	
Additions in year to resources						
Borrowing / leasing	10,569.4	6,135.4	-	-	-	16,704.8
Capital receipts	0.3	3,415.8	-	-	-	3,416.0
External contributions	11,973.0	12,379.0	1,600.0	-	-	25,952.0
Revenue Contributions to Capital Outlay (RCCO)	-	80.0	80.0	80.0	80.0	320.0
Capital Investment Reserve (net increase)	-	173.0	100.0	100.0	100.0	473.0
Other reserves used for capital financing	1,980.6	4,191.1	1,132.8	1,185.3	1,190.0	9,679.8
Total additions to capital resources in year (C)	24,523.2	26,374.3	2,912.8	1,365.3	1,370.0	56,545.6
Total available capital resources (B+C)	27,788.3	29,418.8	4,301.2	2,577.7	2,555.9	56,545.6
less : Capital programme expenditure as above (A)	24,568.8	24,677.9	2,912.8	1,365.3	460.0	53,984.8
Capital resources carried forward (B+C-A)	3,219.6	4,740.9	1,388.4	1,212.4	2,095.9	
Reduction in capital resources brought forward (C - A)	-45.5	1,696.4	-0.0	-	910.0	2,560.8

Note: # Equipment Renewal Reserve is expected to have a negative balance from 2025/26.

Project funding

Appendix 8

	2024/25	Funding source
Projects	£000	
Packmores Community Centre plus land	225	NHB
Womens Cycle Tour	30	NHB
Rural / Urban Capital Improvement Scheme	100	NHB
Voluntary and Community Sector Contracts	250	NHB
Trees for the future	408	FG
Energy Generation Projects Reserve established	500	FG
RSH Ongoing costs pending sale to HE	211	FG
Finance System Development Support Contract	36	FG
Commemoration events for 80 years of D Day	4	NHB
Additional dedicated 'Rapid Response Unit' RRU for flytipping.	130	NHB
Media Team Comms	38	FG
Events Co-ordinator	25	FG
Scrutiny Officer Post - 4 years	47	FG
Paddling Pools Repairs	30	NHB
Occupational Health/Counselling Service	27	NHB
Bio-Diversity Resources	51	NHB
Recycling/waste minimisation publicity and promotion	5	NHB
Extension of Project Manager FTC	65	FG
Parking Team Training	5	FG
Legal Services Investment to reduce outsourcing	50	NHB
Contribution to the South Warwickshire Place Partnership to multi agency ill health prevention for 5 years	20	FG
Top-up of Corporate Assets Reserve	686	FG
Top-up of ICT Reserve	250	FG
Total	3,191	
Funding Source Summary		
New Homes Bonus 24/25	-902	
Funding Guarantee 24/25	-2,289	
Total	-3,191	

GF PPM - New 5 Year Plan - 2024/25 - 2028/29

Appendix
9

PPM Category	24/25 Budget Estimate	25/26 Budget Estimate	26/27 Budget Estimate	27/28 Budget Estimate	28/29 Budget Estimate	5 Year Overall Totals
	£000	£000	£000	£000	£000	£000
Corp Operational Total	1,452	258	255	210	165	
Non-Operational Total	70	70	70	80	70	
Open Spaces Total	551	381	381	386	381	
Total Total	2,073	709	706	676	616	4,780

Revised PPM 5 year Medium Term Financing Plan						5 Year Overall Totals
Funding Resources Analysis	2024/25	2025/26	2026/27	2027/28	2028/29	
	£000	£000	£000	£000	£000	£000
Corporate Assets Reserve Opening Balance	3,506	2,531	2,235	1,943	1,681	
Corporate Assets Reserve Annual Top Up - MTFS	686	0	0	0	0	
Contribution from Business Rate Retention Volatility Reserve	0	0	0	0	0	
Corporate Asset Reserve Balances	4,192	2,531	2,235	1,943	1,681	
PPM Base General Fund Budget	413	413	413	413	413	
Total Available Funding	4,605	2,944	2,648	2,356	2,094	
PPM Annual Budgets - Estimated Spend	-2,073	-709	-706	-676	-616	-4,780
Y/E Estimated Corp Assets Reserve Balance	2,532	2,235	1,942	1,680	1,478	

Appendix 10: CIL Projects List 2023/24 & 2024/25

8th February 2024

1 Summary

- 1.1 This appendix sets out the current position regarding projects that are funded from the Community Infrastructure Levy (CIL). In particular, it recommends the following:-
- a) That Cabinet approves the CIL Project List set out in Table 7;
 - b) That Cabinet notes that the proposed distribution of CIL receipts for the remainder of 2023/4 and 2024/25 will be restricted to those projects for which CIL receipts have previously been committed, with the exception of Myton Path as this is a corporate priority, and that there is no capacity to support additional projects on the CIL Projects List in 2023/24 or 2024/25.
 - c) That Cabinet recommends to Council to approve the use of forward-funding if necessary to deliver on its commitment to provide Kenilworth Wardens with £2.5m of CIL income in 24/25 and to fund Myton Path in 24/25 as there may be insufficient CIL contributions to cover this in the short term.
 - d) That Cabinet notes the projects listed for support to the period to 2029 as indicated in Annex B.

2 What is CIL?

- 2.1 The Community Infrastructure Levy (CIL) is a charge which can be levied by local authorities on new development in their area. It is an important tool to help local authorities deliver the infrastructure needed to support development in their area.
- 2.2 The levy only applies in areas where a local authority has consulted on, and approved, a charging schedule which sets out its levy rates and has published the schedule on its website. In implementing CIL, development viability is taken into account.
- 2.3 Some developments may be eligible for relief or exemption from the levy. This includes residential annexes and extensions, and houses and flats which are built by 'self-builders'. There are strict criteria that must be met, and procedures that must be followed, to obtain the relief or exemption.

3 CIL income received at WDC

- 3.1 Within Warwick District CIL is only charged on residential, retail and student housing developments.
- 3.2 Since its implementation in December 2017, WDC has used CIL income to support and deliver a number of infrastructure projects as well as passing on notable sums of money to Town and Parish Councils.
- 3.3 As of 16th October 2023, a total of **£14,018,079 has been received from the CIL.**

- 3.4 Of this, **£2,148,112 has been passed on to Town and Parish Councils** under the 'neighbourhood portion' (15% of the levy revenues arising from development in a parish, capped at £100 per existing council tax dwelling; where a parish has a "made" neighbourhood plan, this increases to 25% of the levy arising from development in a parish, and is uncapped).
- 3.5 Total CIL income received to date for spend on CIL Projects (Total CIL Income minus Total passed to Parish Councils) is therefore **£11,869,966**.
- 3.6 It is estimated that at least a further £706,000 CIL income will be received by end of May 2024, although from this, money will also have to be paid out to Parishes in April 2024.

4 CIL Projects List

- 4.1 The CIL Projects List (previously Regulation 123 List) sets out the projects that the Council intends to fund through CIL. This list is kept under review – usually annually. The last review and update of the list took place in March 2022.
- 4.2 In compiling and reviewing the CIL Projects List, the Council does the following:-
- It makes an assessment of likely levels of CIL income over the next five years. This is done using the housing trajectory which is updated annually.
 - It recommends projects to be included on the CIL Projects List based on the estimated income from CIL over the next five years.
 - It makes specific "commitments" to fund projects in the next year from CIL based on anticipated income from CIL within that year. (Note that the Council does not make "commitments" to CIL funding for the whole five-year period covered by the CIL Projects List but only (usually) the first year. Further commitments can be made at the next review of the List.)
 - Since CIL was first introduced, we have allowed "committed" CIL contributions to "roll over". If a specific CIL contribution is committed for a certain year but, for reasons of project slippage, the money is not drawn down in that year, we allow that commitment to be carried forward. This is important to help project managers plan with greater confidence. It does mean, as will be seen later in this report, that although we are currently holding a healthy balance of CIL contributions, all of these are already committed to existing projects.
- 4.3 It is important to note that any "commitments" that are made are based on anticipated income from CIL. As CIL is a levy on new development, triggered once development commences on site, the council is entirely in the hands of developers for when this money is paid. If, for reasons wholly outside the Council's control, the rate of development is not as anticipated, then levels of CIL contributions will not match those projected. In this case, there may be insufficient CIL funds to finance projects.
- 4.4 A total of 16 infrastructure projects have been included since the Council first published a list on 5th April 2018. The infrastructure projects include some WDC led projects as well as some from other infrastructure providers (e.g., Warwickshire County Council; South Warwickshire University NHS Foundation Trust). Annex A provides a summary of all of these projects.
- 4.5 Of the 16 projects, five have been completed in whole or in part as a direct result of CIL money, totalling £7,715,600. These are shown in Table 1.

Table 1: Completed projects benefitting from CIL funding

Infrastructure Project	CIL allocated & spent
Warwick Town Centre Improvement Works	£373,000
Whitnash Civic Centre & Library	£660,000
Warwick Gates Community Centre	£150,600
Leamington Station Enhancements	£532,000 (note: this was more than the allocated £500,000)
Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	£6,000,000
Total	£7,715,600

- 4.6 A number of projects have received CIL income but are not yet complete. The scale of many projects funded by CIL means that this is to be expected. All projects for which CIL contributions have been committed, and others currently on the CIL Projects List, are set out in Table 2. Some of the projects have spent CIL money, others have yet to or haven't had any committed.
- 4.7 Please note that "commitments" relate to what WDC has committed to paying in Cabinet Reports (subject to satisfactory receipt of sufficient CIL income) and not necessarily the overall CIL request from the project lead.

Table 2: Current commitments to schemes currently on CIL Projects List

Infrastructure Project	Total Commitment to date	Spent	Amount of CIL commitment remaining	Notes
Bath Street Improvement Scheme	£510,000	£244,658	£265,342	WCC has been instructed to undertake no further work until they get confirmation of additional spend from WDC
Emscote Road Multi Modal Corridor Improvements	£1,459,443	£126,003	£1,333,440	
Medical facilities - N Leamington (Cubbington/Lillington)	£2,800,000	£2,768,594	£31,406	Of this, £2,740,000 was paid during 23/24. It is not anticipated that any further drawdown of money will be made for this project
Wayfinding in Leamington, Kenilworth, Warwick	£140,000	£126,000	£14,000	Leamington & Kenilworth schemes all funded. WTC has claimed £21k for consultancy work on feasibility
Europa Way Bridge Link	£0.00	£0.00	£0.00	
Newbold Comyn	£480,000	£446,403	£33,597	
St.Mary's Land, Warwick	£8,000	£0.00	£8,000	
Myton Footpath	£150,000	£0.00	£150,000	

Relocation of Athletics Facility & Commonwealth Park	£225,000	£0.00	£225,000	
Commonwealth Park Bridge	£0.00	£0.00	£0.00	
Relocation of Kenilworth Wardens	£2,500,000	£0.00	£2,500,000	The £2.5m is requested for 24/25
Total	£8,272,443	£3,711,658	£4,560,785	
Total Commitments to end of 23/24			£2,060,785	i.e. not including £2.5m for Kenilworth Wardens.

- 4.8 As table 2 shows, in addition to the £7,715,600 of CIL spent on completed schemes (see table 1), a further **£3,711,658** has been spent supporting the delivery of schemes still on the list. Note there is some uncertainty over the extent of expenditure on some schemes, e.g. Newbold Comyn and therefore this figure may be notably higher.

5 Current Balance in CIL Account

- 5.1 The CIL balance at 31/3/23 was £7,131,485.35.
- 5.2 Including in year receipts in 2023/24 from 1st April – 16th October and outward payments made to Parish Councils, the balance will have increased by £1,735,437. The total balance as at 16/10/23 is therefore £8,866,922.
- 5.3 We estimate receipt of at least £706,000 CIL income will be received by the end of May 2024 and, assuming we pay 25% to Town and Parish Councils at the end of the financial year, that would add a further £529,500 to the CIL balance. This would make a total of around £9,400,000. From this, two major payments have been made in 2023/24 (North Leamington Health centre and Kenilworth leisure centre (see tables 1 and 2)) totaling £8,740,000 Therefore, the **anticipated balance at the end of 2023/24 is therefore expected to be around £660,000.**
- 5.4 As table 2 shows, previously WDC has outstanding "commitments" of £2,060,785 to projects on the List. This amounts to a deficit of around **£1,400,000** in terms of WDC's ability to meet its current CIL obligations in 2023/24. This is because CIL income has not matched projections owing to development not proceeding at the anticipated rate.

6 Projected Income

- 6.1 To help the Council understand how much money it is likely to have available from CIL contributions to fund projects over the next five years, it is possible to estimate this using the latest Local Plan housing trajectory, published in October 2023. If housing is delivered as per the trajectory, CIL is predicted to deliver the following as set out in Table 3 below. It should be remembered that a proportion of CIL receipts (15% or 25%) must be distributed to Town and Parish Councils to spend within their areas and therefore is not available to the District Council to allocate.

- 6.2 Table 3 shows an estimate of future CIL income to Warwick District Council using the 2023 Housing Trajectory. It sets out estimated CIL income to the Council for the next 5 years (including the whole of this financial year) and until the end of the current Local Plan period.
- 6.3 There are many variables that affect delivery of housing and therefore could affect the timing of receiving CIL income. The Government also proposes a new Infrastructure Levy in the Levelling up and Regeneration Act 2023 which may also mean in due course that the current CIL arrangements cease.

Table 3: Estimate of future CIL income to Warwick District Council (using 2023 Housing Trajectory)

	Total (£)	If 15% passed to parish councils (£)	If 25% passed to parish councils (£)
2024/25	3,286,596	2,793,607	2,464,947
2024/25 – 2028/29	28,744,242	24,432,606	21,558,182

7 CIL Requests and existing commitments

- 7.1 Given that total commitments to CIL projects exceed the current CIL account balance and anticipated balance at the end of the financial year (see paragraph 5.3 above), we have not invited external infrastructure providers to put forward additional projects for consideration.
- 7.2 Two additional projects have however been put forward internally – ‘Elizabeth Park’ and ‘Community Stadium’.
- 7.3 It should furthermore be noted that Warwick Town Council is requesting a further £12,500 to delivery its Wayfinding project (in addition to £35,000 already allocated).
- 7.4 Table 4 below sets out the current position in terms of projects that are on the current CIL Project List and the requests for CIL funding that they are making (based on the most recent discussions with project leads). (Please note that this list excludes two projects for which full funding was agreed (including funding during 2023/24) when the last CIL Projects List was agreed in March 2022. At this time, the balance of funding for the Kenilworth leisure centre and medical facilities (North Leamington) was “committed”. These schemes are included in table 2 above but have excluded from table 4 to avoid double counting.)

Table 4: CIL Requests to end of Plan period (2029) including for 23/24 & 24/25

Infrastructure Project	Total remaining CIL request for period to 2029 (excl. payments already made)	CIL request 23/24	CIL request 24/25
Bath Street Improvement Scheme	£3,991,345	£200,000	£291,345
Emscote Road Multi Modal Corridor	£1,660,000	£0.00	£1,335,000
Wayfinding in Warwick (Leamington & Kenilworth completed)	£12,500	£0.00	£0.00
Europa Way Bridge	£6,000,000	£300,000	£500,000
Newbold Comyn	£2,400,000	£138,000	£973,000
St. Marys Land	£2,200,000	£100,000	£300,000
Myton Path	£1,755,000	£905,000	£700,000
Relocation of Athletics facility	£1,575,000	£135,000	£1,440,000
Riverside Walk Bridge	£1,500,000	£250,000	£1,000,000
Community Stadium	£8,000,000	£2,000,000	£2,000,000
Elizabeth Park	£1,750,000	£250,000	£750,000
Relocation of Kenilworth Wardens	£2,500,000	£0.00	£2,500,000 (previously committed)
CIL Admin charge annual (assuming no increase)	£73,000 (£438,000 over 6 years)	£73,000	£73,000
TOTAL (inc.CIL charge)	£33,416,845	£4,351,000	£11,874,845

7.5 Bringing all this together, the situation can be shown as follows:-

Table 5: Summary table

		Amount (£)	Notes
A	Available (estimated) CIL income at 31/3/24	660,000	See para 5.3.
B	Current CIL commitments at 31/3/24	2,060,785	See table 2.

C	Shortfall to meet existing commitments up to 31/3/24 (B – A)	1,400,785	
D	Additional estimated CIL income (24/25 – 28/29)	21,558,182	See table 3.
E	Estimated CIL available to allocate to projects (D - C)	20,157,397	
F	CIL funding requests for period 24/25 – 28/29	33,416,845	See table 4.
G	Shortfall in projected CIL income to meet all requests (E – F)	13,259,448	

8 Proposed approach

- 8.1 It is clear from table 5 above, that whilst CIL has been a very successful tool in being able to fund infrastructure in the District, the CIL commitments and requests for CIL income outstrip the levels of anticipated CIL income. There is, and will be, insufficient CIL contributions, both now and to 28/28, to meet all commitments.
- 8.2 Therefore, not all requests would be able to be fulfilled and difficult decisions have to be made to ensure that the Council can meet its existing commitments, perhaps involving reversing previous commitments or re-profiling those commitments, and also carefully consider which of the projects on the current Projects List and those additional projects put forward the Council most wishes to deliver using its current and anticipated CIL income.
- 8.3 Having reviewed all projects on the list, the following is the proposed approach to achieving a balanced approach for allocation of CIL funds.

9 Suggested approach to reduce the gap between funding commitments/requests and estimated funds

- 9.1 Following engagement with project sponsors and managers a proposal to balance the commitments/requests and estimated funds between now and 28/29 is set out below in Table 6.

Table 6: Potential project removals & funding reductions

Remove/ reduce	Infrastructure Project	Amount	Running total of reductions
Remove	Europa Way Bridge	£6,000,000	£6,000,000
Remove	St. Mary's Land	£2,200,000	£8,200,000
Reduce	Newbold Comyn	by £1,265,000 from £2,400,000 to £1,135,000	£9,465,000
Reduce	Community Stadium	by £3,794,448 to £4,205,552	£13,259,448

Total Reduction		£13,259,448	
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- 9.2 The Europa Way Bridge scheme is proposed to be removed from the list because alternative sources of funding are potentially available to enable its delivery. The St.Mary's Land proposals, whilst desirable, are not considered to be as essential as other infrastructure projects on the list and for this reason has been removed. The reduction to Newbold Comyn funding follows discussions with the Project Manager, who whilst being keen to secure as much funding as possible to deliver various proposals, has confirmed that £1,135,000 is required to deliver the higher priority Newbold Nature Reserve. In order to help achieve a balanced CIL budget, other desirable improvements relating to the Newbold Comyn Masterplan and exercise and play facilities improvements have been removed from the CIL request. The Community Stadium is a new request for the CIL Project List and having accounted for the above changes, this has simply been reduced to deliver a balanced budget.
- 9.3 In arriving at Table 6 the following factors have been taken into account:
- Projects where notable levels of funding have already been provided will continue to be funded
 - Projects where commitments have previously been made will continue to be funded (e.g. Kenilworth Wardens relocation)
 - The interdependencies between projects. For example, Myton Path is required to enable the athletics track to be relocated and in turn the relocation of the athletics track enables the creation of Elizabeth Park
 - The relatively quick delivery of the Myton Path scheme
 - The match funding of £1.5m from Homes England for the Riverside Park Bridge and the risk of losing that should a further £1.5m not be found.
- 9.4 The changes above would result in a balanced budget based on current estimates for CIL income between now and the end of the Plan period. There remains, however, concerns around the profiling of projects; i.e. the issue of when the CIL contribution is likely to be available against when the project would (ideally) wish to have the CIL contribution to spend.
- 9.5 Looking forward to 2024/25, the Council is anticipating an additional £2,464,947 of CIL contributions (see table 3). Once the current shortfall of £1,400,785 is taken from this, this leaves an estimated £1,064,162 available in 2024/25. This will be insufficient to fund the £2.5m for Kenilworth Wardens that has already been committed and also funding of £1m for the Myton Path, which is considered to be a corporate priority. There may, therefore, be a requirement for this money to be found from elsewhere if there are not the CIL contributions available to pay for these projects when requested. Should this happen, the Council agrees to forward-fund these two projects, and be reimbursed from CIL contributions once these are received (possibly in 2025/26).
- 9.6 Table 7 below sets out the requests from project leads which have resulted from this project profiling. It also makes indicates that there is no headroom to make any contributions to CIL projects during 2023/24 and 2024/25 EXCEPT for the following schemes:-

- a) Kenilworth leisure centre and medical facilities – North Leamington: The funding for these schemes was committed as part of the March 2022 report to Cabinet.
- b) Kenilworth Wardens: The funding for this from CIL was approved by Cabinet on 20 September 2023 (although note that the precise timing of when this would be required was not set out in the report).
- c) Myton Path: This is considered to be a corporate priority and would also unlock the potential delivery of other infrastructure projects. Therefore, funding of £1,000,000 is proposed for this scheme in 2024/25.

9.7 As table 5 shows, there is currently projected to be a shortfall in CIL contributions against existing projects at 31/3/24 of an estimated £1,400,785. (NB: This has already taken account of the two CIL projects for which CIL funding has been agreed in 2023/24 (the schemes in 9.4 (a) above). There is therefore no headroom to fund further projects this year.

Table 7: Proposed funding allocations 23/24 and 24/25

Infrastructure Project	CIL request 23/24	Proposed CIL allocation 23/24	CIL request 24/25	Proposed CIL allocation 24/25
Bath Street Improvement Scheme	£200,000	£0.00	£291,345	£0.00
Emscote Road Multi Modal Corridor	£0.00	£0.00	£1,335,000	£0.00
Kenilworth Leisure phase II	£375,000 (previously committed)	£375,000		
Medical facilities - N Leamington (Cubbington/Lillington)	£900,000 (previously committed)	£900,000	£0.00	£0.00
Newbold Comyn	£138,000	£0.00	£138,000	£0.00
Myton Path	£905,000	£0.0	£700,000	£1,000,000 *
Relocation of Athletics facility	£135,000	£0.0	£1,440,000	£0.00
Riverside Walk Bridge	£250,000	£0.0	£1,000,000	£0.00
Community Stadium	£2,000,000	£0.00	£2,000,000	£0.00
Elizabeth Park	£250,000	£0.00	£750,000	£0.00
Relocation of Kenilworth Wardens	£0.00	£0.00	£2,500,000 (previously committed)	£2,500,000 *
CIL Admin charge annual (assuming no increase)	£73,000	£73,000	£73,000	£73,000
TOTAL (inc.CIL charge)	£5,226,000	£1,348,000	£11,862,345	£3,573,000

Infrastructure Project	CIL request 23/24	Proposed CIL allocation 23/24	CIL request 24/25	Proposed CIL allocation 24/25
Total estimated available CIL				£1,064,200
Requirement for forward funding				£2,508,800
Total minus previous commitments for 23/24	£3,951,000			

Note: Schemes denoted with an Asterisk * have received agreement for forward funding of CIL, to be provided through use of Council Reserves.

9.9 Table 6 identified that in order to balance estimated CIL receipts between now and the end of the Plan period (2028/29) there is a need to remove projects from the CIL Project List and reduce potential funding that might be made available to those projects. To avoid raising expectations and being realistic about anticipated income, it is therefore unlikely that the Council will invite bids from infrastructure providers for CIL funding between now and the end of the Plan period although reserves the right to re-visit this approach and consider funding other projects in exceptional circumstances or should there be concerns over the delivery of projects currently on the CIL Project List.

9.10 Table 8 below, identifies an indicative amount of CIL funding that is estimated might be available between now and the end of the Plan period for each project remaining on the CIL Project List. Firm funding commitments will be taken on an annual or biennial basis given the difficulty in estimating CIL receipts too far in advance.

Table 8: Indicative CIL funding for projects 24/25 through to 28/29

Infrastructure Project	Indicative Funding
Bath Street Improvement Scheme	£3,991,345
Emscote Road Multi Modal Corridor	£1,534,000
Newbold Comyn	£1,135,000
Myton Path	£1,605,000
Relocation of Athletics facility	£1,575,000
Riverside Walk Bridge	£1,500,000
Community Stadium	£4,205,552
Elizabeth Park	£1,750,000

Infrastructure Project	Indicative Funding
Relocation of Kenilworth Wardens	£2,500,000
TOTAL (exc.CIL admin charges)	£19,795,897

Note: CIL Admin charges are reviewed annually. If they remained unchanged they would amount to £365,000 between 24/25 and 28/29. When added to the Total in Table 8, this provides a total indicative CIL expenditure of £20,160,897.

Annex A: Schemes currently or previously on CIL Projects List

Ref.	Project Name	Project Description	Date Added	On 2022/23 list
1	Improvements to Destination Parks - St.Nicholas, Warwick & Abbey Fields, Kenilworth	Proposed improvements to the two key Destination Parks which have a key strategic role in the provision of open space in the District. The proposals for St Nicholas are based upon the previous HLF bid and improvements to Myton Fields, whilst those for Abbey Fields, seek to build upon the existing heritage as a Scheduled Ancient Monument	05/04/2018	No. Last on list Nov 20. Project not yet delivered
2	Bath Street Improvement Scheme	The proposed infrastructure is fundamental to alleviating the Bath Street area's known air quality issue, (which is an Air Quality Management Area (AQMA)); it provides better accessibility to Leamington Spa's railway station and Leamington South, for all modes of transport, and gives vitality to an area of Leamington that is otherwise declining	05/04/2018	Yes
3	Emscote Road Multi Modal Corridor Improvements	Multi modal improvements, including improved cycle infrastructure, improvements to Portobello Bridge, carriageway improvements and junction improvements to the following: St Johns/Coventry Road, Emscote Rd / Greville Road, Rugby Road/Warwick New Road & Princes Drive/ Warwick New Road	05/04/2018	Yes

4	Warwick Town Centre Improvement Works	The improvement works for Warwick town centre include revised traffic flows through the town centre, junction enhancements and improved pedestrian and cycle connectivity	05/04/2018	No – Scheme completed Last on list Nov 19
5	Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	The Council is committed to improving leisure facilities in Kenilworth including the facilities at Castle Farm as part of phase II of its Leisure Development Programme. Professional services were appointed in Spring 2018, and the initial public consultation on a short list of Options took place in Oct/Nov 2018. In January 2019 Executive approved the preferred option for this site (and the preferred option for Abbey Fields). From this point, the project will follow the RIBA framework to develop a scheme which is appropriate and viable for Castle Farm	05/04/2018	Yes
6	Medical facilities - N Leamington (Cubbington/Lillington)	New GP surgery in north Leamington Spa (Cubbington/Lillington); or new health hub (incorporating primary medical care and community services) in north Leamington Spa (Cubbington/Lillington)	05/04/2018	Yes
7	Wayfinding in Leamington, Kenilworth & Warwick Changed to Wayfinding in Warwick (reflecting works complete in other two towns)	Review and replacement of pedestrian / cycle signage and way marking in Leamington, Warwick and Kenilworth town centres	05/04/2018 08/07/2021 as Wayfinding in Warwick	Yes Last on list under initial name Nov 19
8	Whitnash Civic Centre & Library	The Civic Centre and Library will see the delivery of modern leisure facilities in Whitnash town. The project is to build a new community centre incorporating a community sports hall	13/11/2019	No – scheme complete. Last on list Nov 20
9	Europa Way Bridge Link	A new pedestrian and cycle route bridge across Europa Way. In addition to providing a gateway feature for Leamington, Warwick and the Tach Brook Country Park, the new bridge will provide improved and more sustainable link across Europa Way	18/03/2020	Yes

		between the new residential developments on either side, the new Country Park and the proposed new Secondary School and Sixth Form at Oakley Wood Road		
10	Newbold Comyn	Improvements to Newbold Comyn Park	18/11/2020	Yes
11	St.Mary's Land, Warwick	A range of measures to support the delivery of the St.Mary's Land masterplan approved in 2017	18/03/2021	Yes
12	Warwick Gates Community Centre	Reconfiguration of the centre and addition of a function room to increase capacity of building	18/03/2021	No – scheme completed. Last on list July 21
13	Myton footpath/cycleway (Renamed from Europa Way spine road cycleway)	A cycle/pedestrian path from the Stadium (Fusilier's Way) through to Myton Road	18/03/2021	Yes
14	Relocation of athletics facilities and creation of Commonwealth Park	Relocation of the athletics facility from Edmondscote Road to new location by proposed Community Stadium. Edmondscote Road to be used as public open space (Commonwealth Park)	18/03/2021	Yes
15	Commonwealth Park Bridge	A new footpath/cycleway bridge connecting the north & south side of River Leam at Victoria Park	18/03/2021	Yes
16	Relocation of Kenilworth Wardens	To purchase land, enable site access and essential supporting site infrastructure thereby enabling Kenilworth Wardens Cricket Club to relocate from its current site	18/03/2021	Yes
17	Leamington Spa Forecourt enhancement	Improvements to the station forecourt which will create an enhanced public realm space at the station forecourt including new waiting areas for buses and taxis, improved existing pedestrian and cycle infrastructure, refurbishment of the station underpass and provision of new wayfinding signs within the public realm space	08/07/2021	No – scheme completed. Last on list July 21

Annex B: Proposed CIL Projects List to 2029 including for 2023/4 and 2024/5

Project Name	Project Description
Bath Street Improvement Scheme *	The proposed infrastructure is fundamental to alleviating the Bath Street area's known air quality issue, (which is an Air Quality Management Area (AQMA)); it provides better accessibility to Leamington Spa's railway station and Leamington South, for all modes of transport, and gives vitality to an area of Leamington that is otherwise declining.
Emscote Road Multi Modal Corridor Improvements *	Multi modal improvements, including improved cycle infrastructure, improvements to Portobello Bridge, carriageway improvements and junction improvements to the following: St Johns/Coventry Road, Emscote Rd / Greville Road, Rugby Road/Warwick New Road & Princes Drive/ Warwick New Road.
Kenilworth Leisure (Phase 2): Castle Farm Recreation Centre	Delivery of replacement improved leisure facilities in Kenilworth including the facilities at Castle Farm as part of phase II of its Leisure Development Programme.
Medical facilities - N Leamington (Cubbington/Lillington)	New health hub (incorporating primary medical care and community services) in north Leamington Spa (Cubbington/Lillington).
Wayfinding in Warwick	Review and replacement of pedestrian / cycle signage and way marking in Warwick town centre
Newbold Comyn *	Improvements to Newbold Comyn Park
Myton footpath/cycleway	A cycle/pedestrian path from the Stadium (Fusilier's Way) through to Myton Road
Relocation of athletics facilities and creation of Commonwealth Park *	Relocation of the athletics facility from Edmondscote Road to new location by proposed Community Stadium. Edmondscote Road to be used as public open space (Commonwealth Park)
Riverside Walk Bridge *	A new footpath/cycleway bridge connecting the north & south side of River Leam at Victoria Park
Relocation of Kenilworth Wardens	To purchase land, enable site access and essential supporting site infrastructure thereby enabling Kenilworth Wardens Cricket Club to relocate from its current site
Community stadium *	To support the delivery of a new community stadium on land off Fusilier's Way, Warwick.
Elizabeth Park *	To support the delivery of a new park on land at Edmondscote, Leamington Spa.

Note: The projects marked with an Asterisk * on the CIL Projects List are not identified for funding in 23/24 or 24/25 but are indicated on this list to demonstrate ongoing support for the projects as it is likely that funding will be available to support them in subsequent years.

Title: Housing Revenue Account (HRA) Budget 2024/25 and Housing Rents Setting Report

Lead Officer: Lisa Barker & Emma Leeming

Portfolio Holder: Councillor Wightman

Wards of the District directly affected: All

Approvals required	Date	Name
Portfolio Holder	17.01.24	Councillor Wightman
Finance	Authors	Emma Leeming/Steven Leathley
Legal Services		N/A
Chief Executive		Chris Elliott
Director of Climate Change		Dave Barber
Head of Service(s)	Author	Lisa Barker
Section 151 Officer	28/01/24	Andrew Rollins
Monitoring Officer		Graham Leach
Leadership Co-ordination Group		N/A
Final decision by this Committee or rec to another Cttee / Council?	Recommendation to: Council	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes, 2024/25 Budget Setting Report	
Accessibility Checked?	Yes	

Summary

The report informs Members on the Council's financial position for the Housing Revenue Account, bringing together the latest and original Budgets for 2023/24 and 2024/25. The report presents a balanced budget for 2024/25.

The report makes recommendations to members in respect of Council tenant housing rents, garage rents and other HRA charges for 2024/25.

Recommendation(s)

- (1) That Cabinet recommends to Council to approve proposed increase to rents for all Social & Affordable tenanted dwellings (excluding Shared Ownership) for 2024/25 in line with the Chancellor of the Exchequer's one year 7.7% (CPI+1%) as per the National Rent Policy increases, as detailed in section 1.1
 - (2) That Cabinet recommends to Council to approve that Shared Ownership tenanted dwelling rent increases of 5.8% (RPI+0.5%) for 1 year in line with advice from the National Housing Federation.
 - (3) That Cabinet notes that the HRA Social dwelling rents for all new tenancies created in 2024/25 continue to be set at Target Social (Formula) Rent for Social rent properties.
 - (4) That Cabinet notes that the HRA Affordable dwelling rents for all new tenancies created in 2024/25 continue to be set at the standard National Affordable rent level.
 - (5) That Cabinet notes that any new Shared Ownership tenancies will continue to adopt lease agreements based on the revised Homes England template lease with rents increased by (CPI+1%) annually.
 - (6) That Cabinet recommends to Council to approve that Garage Rents for 2024/25 continue to be increased by 10% per year.
 - (7) That Cabinet recommends to Council to approve the new Temporary Accommodation rent review noted in paragraphs 1.22, 1.28
 - (8) That Cabinet recommends to Council to approve the proposed 2024/25 revenue budget, as detailed in paragraph 1.39
 - (9) That Cabinet notes the Sheltered Housing Heating, Water and Lighting recharges for 2024/25, (Appendix 4).
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1 Reasons for the Recommendation

1.1 Social Rent Setting and National Rent Policy

1.2 From April 2020, a new National Rent Policy came into effect, which included the ability for Councils to increase rents annually by up to (CPI+1%) at September per annum. The Council will increase rents for Social Rent dwellings by (CPI+1%) at the September 2023 rate of 6.7% + 1% meaning a total rent increase of 7.7% from April 2024.

1.3 After a short consultation, in the Autumn Statement on 17th November 2022 the Chancellor of the Exchequer announced that a one year 7% Rent Cap would be applied in the place of the National Rent Policy, using a Direction to the Regulator of Social Housing and advised this would support people in Social &

Affordable Housing in England with the cost of living crisis by limiting the increase in their rents. However, on 4th January 2024, it was announced this would revert to the National Rent Policy (CPI+1%) as detailed in paragraph 1.2 above.

- 1.4 Details of current rents and those proposed because of these recommendations are set out in Appendix 1. It is noted that from April 2016 Target Formula rents are applied when a dwelling becomes void and re-let, existing tenancies prior to this policy change, continue under the historic rent regime with inflation linked in line with national rent policy. Appendix 1 contains the average rents for both Target Formula Rent and Historic Rent policy dwellings.
- 1.5 A comparison of the Councils proposed 2024/25 rents to Local Market Rents, National Formula Rent Caps and Local Housing Allowance Rents is set out in Appendix 2. The Councils Social Rents are 42% lower than the Local Average Weekly Market Rent. This means that the Council's housing service reduces the cost of living for tenants, allowing more money to be spent in the wider economy and reducing the social welfare costs of helping lower income tenants afford their rent.
- 1.6 From April 2016 landlords were permitted to set the base rent as the Target Social Rent (also known as Target Formula Rent) for new Social Tenancies. These tenancies are subject to agreed rental policy to comply with the Welfare Reform and Work Act 2016.
- 1.7 The Council adopted the policy to introduce Target Formula Social Rents on new tenancies issued upon a dwelling becoming void and re-let. This phased approach equates to approximately 400 dwellings per year transferring from the prior social rent policy to Target Formula Rents. Existing tenancies commencing prior to April 2016 will remain on the prior rent policy with rents being inflated by 7.7% (CPI+1%) for 2024/25, in line with Target Social Rents Dwellings.
- 1.8 **New Affordable Housing Tenancies**
- 1.9 New Affordable Housing tenancies within the HRA will continue to have their rents set in line with the National Affordable Housing Rate which is 80% of the Local Market Rent in line with planning permission and grant approvals from Homes England.
- 1.10 Prior to 2020 existing Affordable Housing tenancies were set at a special "Warwick Affordable Rent" which was a mid-point between Social and Affordable rent. Any existing historic tenancies will continue to pay 'Warwick Affordable' rents for the remainder of their tenancy to ensure there are no negative financial implications for existing tenants.
- 1.11 Affordable rents and 'Warwick Affordable' rents will be inflated in line with national rent policy at (CPI+1%) at September, meaning total rent increasing to 7.7% from April 2024.

1.12 **Shared Ownership**

- 1.13 Shared Owners purchase a percentage of the property from the Council and are required to pay rent on the proportion of their home which they do not own.
- 1.14 Shared Ownership rents are currently increased once a year by the Retail Prices Index (RPI+0.5%), meaning the total rent increase from April 2024 will be 5.8%. However, the government recognises that RPI is now an outdated measure of inflation, the government is committed to phasing out of usage by the end of the decade.
- 1.15 On 12th October 2023 it was announced that rents for new Shared Owners can instead be increased once a year by no more than the Consumer Prices Index (CPI+1%) meaning a total increase of 7.7% from April 2024. This reform brings Shared Ownership rents into line with the limit that normally applies to annual rent increases in other forms of social housing.
- 1.16 The Council will continue to use lease agreements based on the Homes England template lease for all new shared ownership tenancies which will be increased annually by (CPI+1%), existing Shared Ownerships will remain at (RPI+0.5%).

1.17 **Garage Rents**

- 1.18 Garage Rent increases are not governed by National Guidance. In 2020/21 as part of the HRA Rent Setting Report, Cabinet approved Garage Rents to be increased by 10% per year over a 5-year period with following years being inflated by CPI. The Council does not have a formal policy for the setting of rents for garages, but the points below contributed to the decision to increase the rents.
- 1.19 Two different rent charges apply to garages depending upon whether the renter is an existing WDC tenant or not. There are also parking spaces and cycle sheds which are charged for.
- 1.20 Market Research shows that in the private sector, garages are being marketed in the district with rents ranging from £80-£105 per month depending on quality and location (local market valuations last reviewed January 2024). The average monthly rent for a Council garage is currently £55.19.

1.21 **HRA Dwellings being Leased to the General Fund for Temporary Accommodation**

- 1.22 The HRA owns a number of dwellings that are sub-leased to the Councils General Fund to be used as Temporary Accommodation. The reason for the dwellings being sub-let is that Homelessness is a General Fund function and must be financed separately from the HRA Ringfence which means the HRA cannot cross subsidise General Fund costs and vice versa in line with legislation.
- 1.23 The way Lease Financing works is that the HRA charges the General Fund an annual lease based on the weekly rent that would be charged for a Temporary Accommodation Dwelling. The General Fund Temporary Accommodation team allocate the Temporary Accommodation tenants and charge them rent which is

then collected and paid into the General Fund. At year end an internal transfer of this rent is made by the Accountancy Team to enable the General Fund to transfer enough Rent to the HRA to pay for the annual lease charge.

- 1.24 Most of the Temporary Accommodation rent is funded by tenants claiming Housing Benefit due to the nature of the service.
- 1.25 During the 2021/22 Social Housing Rent Regulator's inspection of the HRA Rents It became apparent that the HRA dwellings being sublet to the General Fund as Temporary Accommodation were deemed to have low rents. Although Temporary Accommodation falls outside of the Social Rent Regulators Remit, it was stated that it is good practice to have an annual rent review in place and a firm inflation policy adopted where the HRA owns the stock being sub-let to the General Fund.
- 1.26 There is no official National Rent Policy where Temporary Accommodation is concerned as providers vary greatly across the sector from B&B's, Hotels, Private Landlords, Local Authorities and Housing Associations so one flat rate of rental inflation has not been legislatively applied to this sector.
- 1.27 It was proposed that during the 2023/24 financial year a full review of the HRA Temporary Accommodation Rents is completed to comply with the Social Rents Regulator's suggestions, a consultation took place in January 2024 with the Local Benefits Office, where it was discovered rents are significantly undercharged and should be increased to £117.69 for a 1-bed property, £147.69 for a 2-bed property and £173.08 for a 3-bed property.
- 1.28 The lease agreements between the HRA and General Fund would be updated to factor in these new revised rents and an annual agreed inflation policy will be implemented.
- 1.29 **HRA Revenue Budgets 2024/25**
- 1.30 In determining the 2024/25 Base Budget, the over-riding principle is to budget for the continuation of services at the agreed level. The following adjustments need to be made from the 2023/24 budgets:
 - Removal of any non-recurrent (one-off) and temporary items
 - Addition of inflation (contractual services and pay only)
 - Addition of previously agreed growth items
 - Addition of unavoidable growth items
 - Inclusion of any identified savings
- 1.31 The table below summarises the figures in Appendix 3 and shows how the 2024/25 HRA base budget has been calculated.

	£
Original Approved Net HRA Surplus 2023/24	(4,031,100)
Net Increase in Expenditure	900,800
Net increase in Interest on Borrowing	843,400
Net Increase in Income	(2,561,400)
Original Net HRA Surplus 2024/25	(4,848,300)

1.32 Key drivers of the change in budgets include:

Expenditure

- The increase in expenditure of £900,800 include the following:
- Increased Salary costs in-year including the Working for Warwick pay award, Inflation, offset against an increased vacancy factor.
 - Increase on contract inflation on existing contracts. This increase is based on individual contract inflation as per contract.
 - Increase income as part of the Fees & Charges revive. The increased fees and charges relate to Warwick Response.
 - Decrease in the budget required for Utility costs. Although Utility cost is increasing in the new year, last year's estimate budget was high compared to actual charges in year. A full reconciliation of costs has been completed as part of budget setting, including the inflation charges set by our supplier which has then reduced the budget to expected cost in the year.
- Increase in Depreciation for Equipment, Council Dwellings and other HRA Properties.
- Interest on Balances Costs represents the increasing revenue cost borrowing to support the HRA's capital programme year-on-year.

The amount of interest that is to be credited or debited to the Housing Revenue Account will vary depending on how the net balances and cashflow of the HRA changes. As the HRA's capital programme has begun to rely on external borrowing in recent financial years, due to interest rates and the Council's overall level of investments (of reserves and balances), this borrowing has been deferred, and the HRA has used 'internal borrowing', for which the interest is paid to the General Fund for that fund's share of the investments foregone. As underlying interest rates have risen since the Original Budget 2023/24 was set, the cost to the HRA has risen. However, given how high long-term PWLB (and other borrowing) rates are, this is still cheaper overall to the HRA than replacing the internal borrowing by external debt.

When external borrowing is done by the Council on behalf of the HRA there will be the external interest costs charged to the HRA, and the 'interest on balances' paid to the General Fund will be reduced by a corresponding amount, depending on interest rate differentials."

Income

- An increase of Gross Income of £2,561,400 includes the following:
- HRA Dwelling Rents Income increasing by £2,278,200 in line with 7.7% increase as per Rent Policy.

- Garage rents income increasing £74,200 by 10% in line with paragraph 1.19
- An increase in Shared Ownership of £13,800 in line with the new policy for new Shared Ownership of CPI+1%)
- An increase of £171,700 in Service Charges in relation to heating, lighting and water cost increases.
- An increase of £83,000 on Legal Fee income in relation to Right to Buy properties.

1.33 A number of assumptions have been made in setting the budgets for 2024/25, including the following:

1.34 Inflation has been applied in line with specific guidance for each expenditure type, for instance the Gas and Electricity inflation has been advised by ESPO the Commercial Energy Broker that the Council buys its energy from. The Russian War with Ukraine has caused utility costs to increase by huge and unexpected amounts. Price Caps were implemented by central government to protect consumers and businesses from these extreme price rises but because ESPO Broker affordable contracts for the Council the Caps are a lot higher than the actual usage so are not able to be applied.

1.35 Other inflation factors such as for the major works has been inflated at between 10-14% depending on the contract, staff costs have been inflated in line with the National Local Government annual pay agreement.

1.36 Rents - The base rent budget in this report is a baseline calculated from the 7.7% (CPI+1%) as at September 2023 rate. In 23/24 a rent cap of 7% was applied to social and affordable housing and shared ownership for a period of one year which meant that the increase in income did not cover the costs of the increased inflation on other operation costs. As mentioned previously the rent cap has now been lifted allowing WDC to inflate rents by the National Rent Policy rates of (CPI+1%) for Social and Affordable Housing, (RPI+0.5%) for existing Shared Ownership in 2024/25

1.37 Growth/Income Reductions from unavoidable and previously committed growth have been included in the Base Budget.

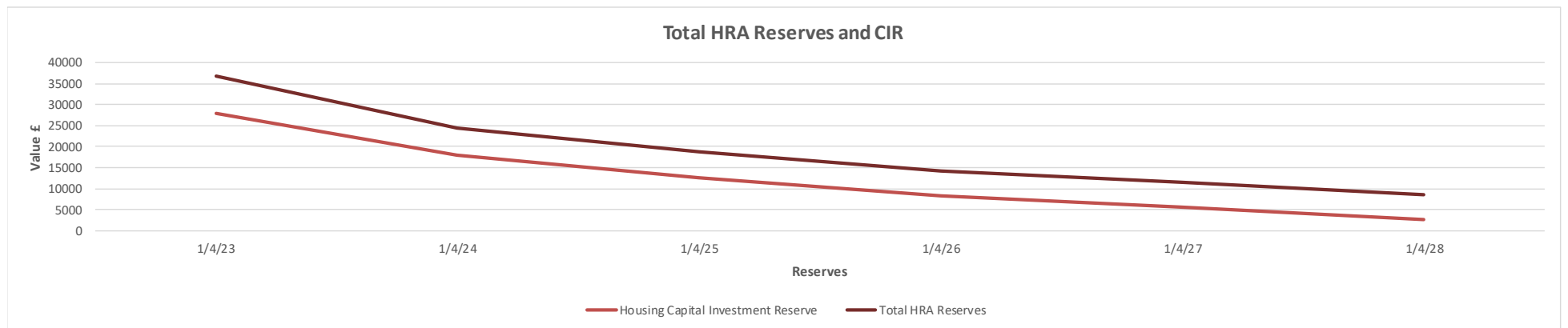
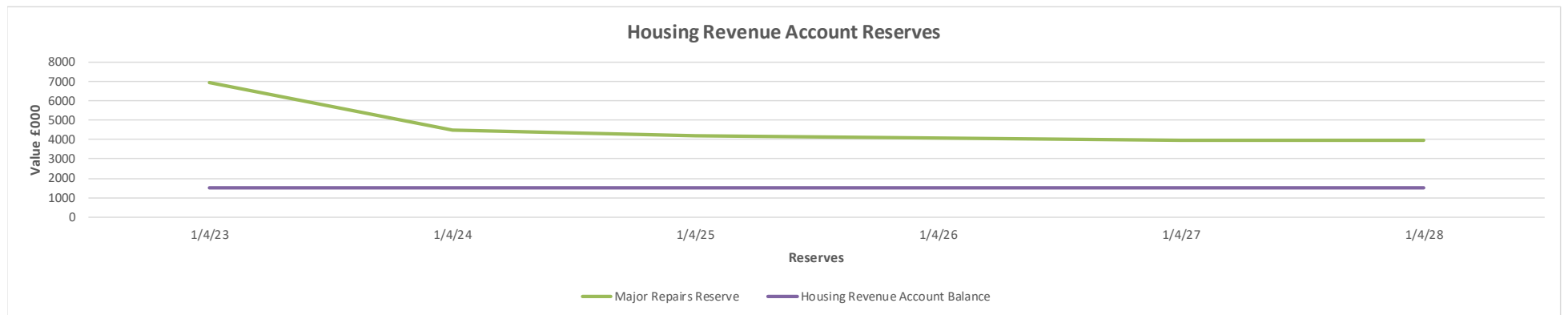
1.38 HRA Capital Investment Reserve - Any HRA operational surplus above the amount required to maintain the appropriate HRA working balance of £1.5m is transferred into the HRA Capital Investment Reserve (CIR) to be used on future HRA capital projects. If the costs increase to the point that there is a requirement to draw money out of the CIR then this is noted in the same place in the budget appendix 3.

1.39 While the Current Balance of the HRA CIR is £18.032m as at 1 April 2024 , there are numerous demands on this reserve particularly from new build development schemes, Climate Change and Fire Safety works. The CIR is also being used to support the Major Repairs Reserve as that has been used in full in recent years to support the ongoing improvement works on the Councils Housing Stock. The full impact of having to drawdown from the HRA CIR will be documented in the forthcoming HRA Business Plan Report being presented to March Cabinet but in future years budgets will need to be adjusted to ensure that there are sufficient surpluses to enable the HRA CIR to continue to be topped up.

- 1.40 Sheltered Housing Heating, Water and Lighting recharges for 2024/25**
- 1.41 Costs for electricity, gas, water, and laundry facilities are provided at some sheltered housing schemes and are recovered as a weekly charge. These utility charges are not eligible for Housing Benefit. Tenants are notified of these charges at the same time as the annual rent increase. Appendix 4 contains the charges for 2024/25 which will commence on the 1 April 2024.
- 1.42 A policy of full cost recovery was adopted in the report to Cabinet "Heating, Lighting and Water Charges 2018/19 – Council Tenants' on 7th February 2018." Recharges are levied to recover costs of electricity, gas, and water supply usage to individual properties within one of the sheltered and the five very sheltered housing schemes.
- 1.43 The costs of maintaining communal laundry facilities are also recharged at those sites benefitting from these facilities under the heading of miscellaneous charges.
- 1.44 Utility costs are reviewed in line with Council contracts to ensure affordability. The gas and electricity used to deliver communal heating and lighting is supplied under the provisions of the Council's energy supply contracts. Other measures such as installing Photovoltaic cells (solar panels) at James Court, Tannery Court and Yeomanry Court in April 2012 assist with reducing tenant's costs with the electricity generated reducing consumption from the national grid.
- 1.45 The charges necessary to fully recover costs for electricity, gas, water, and laundry facilities in 2024/25 are calculated annually from average consumption over the last three years, updated for current costs such as average void levels, Solar panel feed in tariff income, Biomass Boiler feed in tariff subsidy and adjusted for estimated inflation for the forthcoming year. The use of a 3-year adjusted average ensures that seasonal and yearly variations are reflected in the calculation.
- 1.46 The cost of gas and electricity has increased due to the Cost of Living Crisis. The Councils electricity contract was renewed in October 2023 and the gas contract is to be renewed in April 2024. At the end of 2023 we began to see prices stabilise and, in some cases, slightly decrease. As part of these contract renewals, it has been predicted that Gas will increase by 15% in the first 6 months of 2024 and then reduce by 25% in the remaining 6 months of 2024. Electricity is predicted to reduce by 15% in 2024, meaning gas and electricity remains high for 2024/25.
- 1.47 To protect the general public from the huge increases in energy costs the Government implemented an Energy Price Guarantee which protects customers from increases in energy costs by limiting the amount suppliers can charge per unit of energy used. It currently brings a typical household energy bill in Great Britain for dual-fuel gas and electricity down to around £1,928 per annum from January 24.
- 1.48 Council tenants are on the ESPO business contract. Therefore, the total charges to be paid by Sheltered Housing tenants for their energy is below this cap noted in Appendix 4. Depending on the location and the number of bedrooms in the dwelling the total annual bills range from £265.20 - £1,198.60 which at the top end of this range is £729.40 less than the £1,928 Energy Price Cap.

- 1.49 This 3-year average cost calculation in appendix 4 shield tenants to some extent from the huge increases in gas and electricity bills which have been experienced over the last year. However, in 2024/25 it was also decided to forecast further increases based on a per property basis, % increase between 2022/23 to 2023/24, rather than use the previous year's mark up of 200% and 100%, this is a more accurate approach to setting budgets and has helped further reduce charges to tenants.
- 1.50 The total cost to the Council in 2024/25 has been calculated at £229,583.40 for Electricity, Heating, Lighting and Laundry and £39,259.74 for Water. This will be recovered by recharging tenants of applicable Sheltered Housing Schemes with the Service Charges being itemised on Appendix 4.
- 1.51 Reserves – The table below present the latest summary of available as at 1 April 2023. This reflects uncommitted and non ring fenced balances as approved at February cabinet each financial year. This includes estimates of reserve balances through to the 1 April 2028. This is subject to final outturn of the current financial year.
- 1.52 As previously noted in section 1.39, the total balances on HRA Reserves will continue to fall over the coming years, as a result of supporting an ambitious Housing Investment Programme (HIP). This covers the acquisition of new properties, ongoing programmes of replacement components driven by the stock condition survey, and decarbonisation and fire safety works driven by the Council's ambitions and legislation.

Housing Revenue Account Reserve	1/4/23	1/4/24	1/4/25	1/4/26	1/4/27	1/4/28
	Balance at	Balance at (Estimated)	Balance at (Estimated)	Balance at (Estimated)	Balance at (Estimated)	Balance at (Estimated)
	£000	£000	£000	£000	£000	£000
Housing Capital Investment Reserve	27,871	18,032	12,696	8,275	5,694	2,756
Major Repairs Reserve	6,956	4,491	4,176	4,079	3,975	3,975
Housing Revenue Account Balance	1,500	1,500	1,500	1,500	1,500	1,500
Housing Early Retirements Reserve	21	41	61	81	101	121
HRA Rough Sleeping Initiative Reserve	262	262	262	262	262	262
Lifeline Funding for Assistive Technology Reserve	127	21	21	21	21	21
Total HRA Reserves	36,737	24,347	18,716	14,218	11,553	8,635
Changes in Year		(12,390)	(5,631)	(4,498)	(2,665)	(2,918)



2 Alternative Options

- 2.1 The purpose of this report is to produce budgets as determined under the requirements of the Financial Strategy, in line with current Council policies. Any alternative strategies will be the subject of separate reports.
- 2.2 **Garage Rents** - The Council has discretion over the setting of Garage Rents. It would be possible to set Garage Rents higher than those proposed to maximise income; however significantly higher rents may make Garages harder to let and so reduce income. Similarly, rents could also be reduced but this would reduce income to the HRA Budget when it is needed.
- 2.3 **Dwellings** - The Council does have the discretion to decrease rents for existing tenants. However, following the negative impact of the previous rent policy of a four-year fixed -1% rental income reduction and the negative impact of the Covid-19 Pandemic and then the 7% rent cap not matching inflationary operational costs, any decreases would further reduce the level of income for the HRA, which in turn could impact upon the viability of future projects and business requirements.
- 2.4 **Shared Ownership** - The Council does not have the discretion to change the rent schedule for existing shared ownership dwellings without permission from Homes England, which is determined by the existing terms of the lease. As noted above permission to apply the 5.8% in line with the National Rent Policy (RPI+0.5) at November 2023 rate will be sought.
- 2.5 **Heating** – The Council does have the discretion to reduce the heating charges charged back to tenants. In 2024/25 the budget includes a reduction of 1/5 of communal gas paid from scheme bills this is calculated into Appendix 4.

3 Legal Implications

- 3.1.1 The proposals are in line with current legislation where applicable.

4 Financial Services

- 4.1 The HRA is a key component of the Council's budget framework and the budgets proposed are in accordance with the long term HRA Business Plan. The gross increased income generated from inflating rents in line with the National Rent Setting Policy in relation to, Social Rents, Affordable Rents, Shared Ownership Rents, and the other increases such as Garage Rents, and Service Charges is estimated as a total budget growth of £ 2,561,400 as noted in Appendix 3.
- 4.2 The recommended budgets maintain the reserve will be kept at approximately £1.5m on the HRA under current Council policy, increasing by inflation each year. This minimum balance is separate to any contributions to the HRA Capital Investment Reserve (HRA CIR) or the Major Repairs Reserve, all of which can be seen in the HRA Budget Appendix 3.
- 4.3 The HRA Business Plan will be presented to March 2024 Cabinet and will be reviewed throughout 2024/25 to take account of the changes proposed through the budget setting process and outlined within this report, and also subsequent

changes to national policy or adjustments needed to reflect changes to existing spending priorities throughout the year.

5 Corporate Strategy

- 5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation:
- 5.2 Delivering valued, sustainable services – Better return/ use of our assets. Full cost accounting, continued cost management. Seek best value for money, ensuring that the HRA is able to set a balanced budget whilst maintaining service provision.
- 5.3 Low cost, low carbon energy across the district - Where possible we have reduced the charges of energy to our tenants by spreading increases over an average of 3 years. In 2024/25 we also increased charges based on the actual cost on a property-by-property basis to keep increases to a minimum.
- 5.4 Creating vibrant, safe and healthy communities of the future - The HRA budgets provide the necessary resources to enable tenants' needs to be met and support improvement of services relating to Council Housing Stock. Setting sufficient budgets and planning for the future ensures the business plan remains viable to meet service provision and provide a safe environment for residents.

6 Environmental/Climate Change Implications

- 6.1 As part of the HRA repairs, maintenance, replacement and investment work, consideration is given to the environmental impact. The Council has a work programme for decarbonising and increasing the energy efficiency of the housing stock in response to the Climate Emergency declared by the Council. The Council is focused on delivering Council dwellings and services which enable them to meet their agreed strategic outcomes.

7 Analysis of the effects on Equality

- 7.1 Tenants of Council housing include some of the most marginalised and disadvantaged households within our communities. Providing tenants with a home that is built and maintained to a decent standard, is safe and energy efficient will improve the quality of life of occupants, enabling their home to be a springboard to achieve better health, education, and life outcomes.

8 Data Protection

- 8.1 Not relevant.

9 Health and Wellbeing

- 9.1 See Paragraph 7.1

10 Risk Assessment

- 10.1 The Council's Significant Business Risk Register contains several risks which are finance related. Shortage of finance will impact upon the Council's plans for the provision of services. Reduced income or increased expenditure will reduce the funding available. The risks, and appropriate control mechanisms, for the 2024/25 HRA Budget and the rent increase process are considered below.
- 10.2 The main sources of income which may be subject to increases/decreases

include:

- Rental income based on (CPI+1%) at September 2023 and (RPI+0.5%) at November 2023, increased arrears from the cost of living crisis and bad debts, void rent loss and Sale of Council Houses (SOCH) through Right to Buy (RTB)
- Service Charges
- Fees and charges
- Investment interest
- Grants

10.3 Increased expenditure in service provision may be due to:

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

10.4 When setting the HRA budget for 2024/25, a sensitivity analysis of assumptions relating to these risks and their potential impact on the budget is as follows:

- Further years of rent caps enforced on the HRA dwelling rents would be damaging to the business model. After the announcement of the 7% rent Cap in the Autumn Statement it has been stated that the cap will only be enforced for one financial year. The housing sector is lobbying for a rent clawback scheme to be implemented to enable Registered Social Housing Providers to claw back the lost income in future years above the current (CPI+1%) and (RPI+0.5%) Rent Policies in place but nothing has been confirmed at the time of writing this report.
- The Covid-19 Pandemic impact on Central and Local Government finances is expected to affect the economy for the next 3-5 years. There are several potential risks for instance in regard to the Government's ability to continue to support housing development with grants from Homes England and the ability to continue to fund Homelessness initiatives. Central Government's stance on these matters will have to be monitored closely as changes to current arrangements will impact this model negatively.
- Towards the end of 2023/24 the economy stabilised and we began to see inflation reduce to CPI 6.7% and RPI 5.3%. In 2024/25 The Cost-of-Living Crisis is still expected to have an impact on the UK's economy. Prior to the fluctuations of 2022/23 where CPI reached 11.1% and RPI 14.0%, an expectation of CPI and RPI inflation was 1.5%-2.00% annually.
- The latest published inflation rate as at 17 January 2024 had begun to increase again to 4%, up from 3.9% in November 2023. The first increase since February 2023. Industry experts are projecting that inflation is set to rise again due to shipping disruptions in the Red Sea. This is very uncertain at this point in time as tensions in the region escalate.

- On average the loss of rental income due to Right to Buy (RTB) sales in 2023/24 is £5,600 per annum for each property sold. A capital receipt is received when a property is sold which can be retained, in part, in line with RTB Pooling Rules to fund the acquisition of new/replacement housing.
- In some circumstances, ex-RTB properties must be offered to the Council in advance of the property being advertised on the market. An annual reoccurring budget of £500,000 has been included in the most recent version of the Housing Investment Plan presented to December 2021 Cabinet as part of the HRA Business Plan Report to enable a modest number of properties to be repurchased each year, mitigating the rental loss upon the longer-term Business Plan. Furthermore, the Council has agreed proposals to build new council housing, effectively replacing those sold through the RTB.
- Where any, or all, of these possibilities to arise the impact could be accommodated within the proposed HRA budget for 2024/25 and HRA Business Plan.

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

- The comprehensive Budget Review process. This entails all budget managers reviewing their budgets, considering previous, current, and future years, along with any possible issues that may impact upon their budgets. As part of this process, Budget Review reports are issued to the Cabinet and Senior Leadership Teams.
- Financial Planning with the Housing Business Plan, bringing together all known/projected issues that will impact on HRA finances in the medium and long term. The next revision is due to be presented to Cabinet in March 2024.
- Financial controls, including the Codes of Financial and Procurement Practice, system controls, reconciliations, audit (internal and external).
- Project Management and associated controls.
- Trained staff and access to appropriate professional advice (e.g., Legal, Local Government Futures for advice on local government funding and developments in housing).
- Scrutiny by Members of the Council's finances, including Budget Reports and the financial implications of all proposals brought to them for consideration.
- Maintaining a HRA Capital Investment Reserve (CIR) to fund capital investment, such as providing new homes, and to fund any unexpected HRA costs.

- In addition to Reserves, the HRA Balance stands at £1.5m. This is available to accommodate any unplanned expenditure, or to make up any shortfall in income. However, the Council should seek to maintain the balance at this level, increased by RPI each year, and replenish any monies that are drawn down.
- The HRA follows the same Risk Management process as all Service Areas across the Council, including the on-going review and maintenance of risk registers.
- Specific causes of reductions to income or increased expenditure should continue to be managed by the Service Area as part of managing risks within the Service Risk Register.

11 Consultation

11.1 Not required

Background papers:

HRA Business Plan presented to Cabinet on the 8th March 2023

Housing Revenue Account (HRA) Budget 2023/24 and Housing presented to Cabinet on 9th February 2023

Supporting documents:

Appendix 1 HRA Rent Setting Report - Rent Summary

Appendix 2 HRA Rent Setting Report – Rent Comparison

Appendix 3 HRA Budgets 2024/25

Appendix 4 Heating, Lighting, Water, Misc Recharges 2024/25

HRA Rent Setting Report - Rent Summary

Historic Rent Regime Weekly Rents - Formula, Current and Proposed Social Rents

- The Historic Rent Regime levels are slightly lower than Target Formula Rent
- It is estimated that approximately 2000 HRA dwellings are currently paying Target Formula Rents with approximately 400 dwellings per year transferring from the historic rents policy

Number of Bedrooms	2023/24	2024/25	2024/25 Proposed Average Increase in Weekly Rent 7.7% (Rent Cap %)	
	Historic Rents - Weekly Rent - Averages	Historic Rents - Proposed Weekly Rent - Averages		
Studio	£70.89	£76.35	£5.46	7.7%
1	£91.88	£98.95	£7.07	7.7%
2	£100.53	£108.27	£7.74	7.7%
3	£111.89	£120.51	£8.62	7.7%
4	£121.57	£130.93	£9.36	7.7%
5	£125.81	£135.50	£9.69	7.7%
Averages Based on all HRA Social Rent Stock	£103.76	£111.75	£7.99	7.7%

Target Formula Weekly Rents - Formula, Current and Proposed Social Rents

- From April 2016 the national rent policy was updated with all NEW Social Rent Tenancies being charged Target Formula Social Rent
- Target Formula rents are applied when a dwelling becomes void and re-let, existing tenancies prior to this policy change continue under the historic rent regime with inflation linked in line with national rent policy

Number of Bedrooms	2023/24	2024/25	2024/25 Proposed Average Increase in Weekly Rent 7% (Rent Cap %)	
	Target Formula Rent - Averages	Target Formula Rent - Proposed Weekly Rent - Averages		
Studio	£78.79	£84.86	£6.07	7.7%
1	£96.84	£104.30	£7.46	7.7%
2	£105.22	£113.32	£8.10	7.7%
3	£119.43	£128.63	£9.20	7.7%
4	£143.06	£154.08	£11.02	7.7%
5	£169.64	£182.70	£13.06	7.7%
Averages Based on all HRA Social Rent Stock	£118.83	£127.98	£9.15	7.7%

"Warwick" Affordable Rent - Existing Schemes Only from April 2021

- Prior to April 2021 "Warwick Affordable Rents" were charged which was a local policy to charge a mid point between National Affordable Rents and Target Social Rent
- In 2020 Homes England Investment Partner Status was achieved so National Affordable Rents will now apply from April 2021 on all new Affordable tenancies
- Existing tenants will continue to pay "Warwick Affordable Rents" for the remainder of their tenancy to ensure financial hardship is not caused by this policy change
- The average market rent for "Warwick Affordable Rent" Schemes is based on independent valuations prepared upon completion of Sayer Court (2016) and Bremridge Close (2019) by a RICS registered Valuer.
- The average market rent is based on median weekly rents data from Hometrack .
- Affordable rent is calculated at 80% of the market rent
- "Warwick" affordable rent is calculated at the midpoint between affordable rent and target social rent
- Some affordable rents properties are subject to a service charge of £7.39 per week

Number of Bedrooms & Property Type (SC/B denotes different schemes)	2023/24 Rent Per Week	2024/25 Rent Per Week		
	Average "Warwick" Affordable Rent (existing tenancies)	Warwick Affordable Rent *** (existing tenancies Only)	Average Proposed increase for Existing Tenants Only from 1st April 2024	
1 Apartment (SC)	£120.04	£129.28	£9.24	7.7%
2 Apartment (SC)	£144.08	£155.17	£11.09	7.7%
2 Bungalow (SC)	£157.01	£169.10	£12.09	7.7%
3 Bungalow (SC)	£184.18	£198.36	£14.18	7.7%
2 House (B)	£143.29	£154.32	£11.03	7.7%
3 House (B)	£169.46	£182.51	£13.05	7.7%
2 Bungalow (B)	£144.36	£155.48	£11.12	7.7%

National Affordable Rent - New Affordable Schemes from April 2021

- National Affordable Rents Policy will apply to all Affordable Tenancies from April 2021.
- Historic Affordable Housing Stock currently paying "Warwick Affordable" Rents will transfer to the National Affordable rent levels when dwellings become void and are re-let.
- Affordable rent is calculated at 80% of the market rent using the Average Market Rents sourced from Hometrack for the Warwick District area at December 2021

Existing Tenancies

Number of Bedrooms	2022/23 Rent Per Week		2023/24 Rent Per Week			2024/25 Rent Per Week		
	Average Local Market Rent (Hometrack Dec 2021)	Average Affordable Rent - 80% of local Market Rent	Average Affordable Rent - 80% of local Market Rent	Proposed increase for Existing Tenants Only	2023/24 Proposed Average Increase in Weekly Rent 7% (Rent Cap %)	Average Affordable Rent - 80% of local Market Rent	Proposed increase for Existing Tenants Only	2024/25 Proposed Average Increase in Weekly Rent 7.7% (CPI 6.7%)
1	£162.00	£129.60	£138.67	£9.07	7.0%	£149.35	£10.68	7.7%
2	£206.00	£164.80	£176.34	£11.54	7.0%	£189.91	£13.58	7.7%
3	£283.00	£226.40	£242.25	£15.85	7.0%	£260.90	£18.65	7.7%
4	£391.00	£312.80	£334.70	£21.90	7.0%	£360.47	£25.77	7.7%

New Tenancies from April 2024

Number of Bedrooms	2024/25 Rent Per Week	
	Average Local Market Rent (Hometrack Dec 2023)	Average Affordable Rent - 80% of local Market Rent
1	£183.00	£146.40
2	£242.00	£193.60
3	£323.00	£258.40
4	£414.00	£331.20

Appendix 2

WDC HRA Rent Setting Report - Rent Comparisons 2024/25

Comparison to Local Market Rents - WDC Historic Rents Regime - Average Rents

- The overall average rents charged for HRA dwellings are compared with the average market rents
- Median local average private market rents (as at December 2019) from Hometrack
- The Council currently charges Historic Social Rent, Target Formula Social Rent, "Warwick Affordable Rents", National Level Affordable Rents (From April 2021) - All are inflated by (CPI+1%)
- Shared Ownership Rents are excluded from this exercise, existing Shared Ownership will be inflated by (RPI+0.5%) an new Shared Ownerships will be inflated by (CPI+1%) in line with the lease agreement

Number of Bedrooms	2023/24 WDC Proposed Average Weekly Rent (inflated by 7% Rent Cap)	2024/25 WDC Proposed Average Formula (Target) Rent (inflated by CPI+ 1%)	Hometrack Local Average Weekly Market Rent (Dec 2023)	Difference between Proposed WDC Rent and Market Rent	Proposed 2024/25 WDC Rent as a % of Market Rent
1 Bedroom	£91.88	£98.95	£183.00	-£84.05	54%
2 Bedroom	£100.53	£108.27	£242.00	-£133.73	45%
3 Bedroom	£111.89	£120.51	£323.00	-£202.49	37%
4 Bedroom	£121.57	£130.93	£414.00	-£283.07	32%
Average 2024/25 Proposed WDC Rent as a % of Market Rent					42%

Comparison to Local Market Rents - Target Formula Rents

- From April 2016 the national rent policy was updated with all NEW Social Rent Tenancies being charged Target Formula Social Rent
- Target Formula rents are applied when a dwelling becomes void and re-let, existing tenancies prior to this policy change continue under the historic rent regime with inflation linked in line with national rent policy
- It is estimated that approximately 1600 HRA dwellings are currently paying Target Formula Rents

Number of Bedrooms	2023/24 WDC Average Formula (Target) Rent	2024/25 WDC Proposed Average Formula (Target) Rent (inflated by CPI+ 1%)	Hometrack Current Local Average Weekly Market Rent (Dec 23)	Difference 2024/25 WDC Formula Rent to Market Rent	2024/25 WDC Formula Rent as a % of Market Rent
1 Bedroom	£96.84	£104.30	£183.00	-£78.70	57%
2 Bedroom	£105.22	£113.32	£242.00	-£128.68	47%
3 Bedroom	£119.43	£128.63	£323.00	-£194.37	40%
4 Bedroom	£143.06	£154.08	£414.00	-£259.92	37%

Comparison to Local Market Rents - Affordable Rents (National Level)

- Prior to April 2021 "Warwick Affordable Rents" were charged but Homes England Investment Partner Status was achieved in 2020 so National Affordable Rent applies from April 2021 on all new Affordable tenancies

Number of Bedrooms	2023/24 Hometrack Local Average Weekly Market Rent (Dec 23)	2024/25 Affordable Rent 80% Local Market Rent	Difference 2024/25 Affordable Rent to Local Market Rent	2024/25 Affordable Rent as a % of Market Rent
1 Bedroom	£183.00	£146.40	-£36.60	80%
2 Bedroom	£242.00	£193.60	-£48.40	80%
3 Bedroom	£323.00	£258.40	-£64.60	80%
4 Bedroom	£414.00	£331.20	-£82.80	80%

Comparison to National Formula Rent Caps - Target Formula Rent

- Annual Target Formula Rent Caps represent the highest possible rents that can be charged to Social Housing tenants.
- The Rent Cap Data is as per the Regulator of Social Housing Publication "Limit on annual rent increases 2021-22"
- Formula Rent Caps are applicable from the 1st April each year

Number of Bedrooms	Target Formula Rent Caps for 2024-25 (Dec 23)	WDC Average Formula Rents 2024/25	Difference between WDC Average Formula Rents and Rent Cap	WDC Rents as a % of Formula Rent Caps
1 Bedroom	£188.04	£104.30	-£83.74	55%
2 Bedroom	£199.09	£113.32	-£85.77	57%
3 Bedroom	£210.15	£128.63	-£81.52	61%
4 Bedroom	£221.19	£154.08	-£67.11	70%

Comparison to Local Housing Allowance Limit - Target Formula Rent

- LHA (Local Housing Allowance) is the cap for housing benefit for those who rent privately, subject to other eligibility criteria.
- Rates shown are for the Warwickshire South Broad Rental Market Area, December 2020 sourced from the Valuation Office Agency via Direct Gov
- LHA does not apply to council tenants; it is shown to illustrate the highest rents that can be supported by housing benefit in the private rented sector.

Number of Bedrooms	LHA Local Housing Allowance Limit ** (Dec 2022)	WDC Average Formula Rents 2024/25	Difference between WDC Average Formula Rents and LHA	WDC Rents as a % of LHA Rent Caps
1 Bedroom	£143.84	£104.30	-£39.54	73%
2 Bedroom	£172.60	£113.32	-£59.28	66%
3 Bedroom	£207.12	£128.63	-£78.49	62%
4 Bedroom	£276.16	£154.08	-£122.08	56%

Appendix 3 - HRA Budgets 2023/24 - 2024/25

HOUSING SERVICES - HOUSING REVENUE ACCOUNT		Outturn 2022/23	Original Budget 2023/24	Latest Budget 2023/24	Original Budget 2024/25	Variance 2023/24	Variance 2024/25
		£	£	£	£	£	£
		A	B	C	D	C - B	D - B
6999		HOUSING REVENUE ACCOUNT					
EXPENDITURE							
10-0-6999-10000-64500	Housing Repairs Supervision	643,545	942,000	942,000	942,000	0	0
10-0-6999-10000-62111	HRA Repairs and Maintenance	9,712,543	8,424,500	8,524,500	8,882,200	100,000	457,700
10-0-6999-10000-62201	Electricity	1,061	0	0	0	0	0
10-0-6999-10000-62202	Gas	0	12,000	12,000	0	0	(12,000)
10-0-6999-10000-62400	Rates	46,899	50,600	50,600	59,600	0	9,000
10-0-6999-10000-62401	Council Tax	330,063	145,100	145,100	350,000	0	204,900
10-0-6999-10000-62500	Water Rates	39,358	42,300	42,300	45,500	0	3,200
PREMISES		10,773,469	9,616,500	9,716,500	10,279,300	100,000	662,800
10-0-6999-10000-61104	Joint Post contribution	46,200	0	0	0	0	0
10-0-6999-10000-64607	Postage	186	0	0	0	0	0
10-0-6999-10000-65105	Debt Recovery Agency Costs	0	4,100	4,100	4,100	0	0
10-0-6999-10000-64503	Grants-Revenue	0	0	0	0	0	0
10-0-6999-10000-64950	Contributions To Provisions	0	77,200	77,200	77,200	0	0
10-0-6999-10000-64951	Bad Debts Provision	109,431	402,600	402,600	402,600	0	0
SUPPLIES AND SERVICES		155,817	483,900	483,900	483,900	0	0
THIRD PARTY PAYMENTS		0	0	0	0	0	0
10-0-6999-10000-67000	Supervision & Management - General	4,544,331	4,376,200	7,643,300	3,228,000	3,267,100	(1,148,200)
10-0-6999-10000-67101	Supervision & Management - Special	3,198,936	4,864,100	4,849,100	5,495,600	(15,000)	631,500
SUPPORT SERVICES		7,743,267	9,240,300	12,492,400	8,723,600	3,252,100	(516,700)
10-0-6999-10000-68100	Depreciation on Equipment	5,995,682	6,206,500	6,206,500	6,032,600	0	(173,900)
10-0-6999-10000-68101	Depreciation on Council Dwellings	510,437	0	0	878,500	0	878,500
10-0-6999-10000-68102	Depreciation on Other HRA Properties	47,597	0	0	50,100	0	50,100
CAPITAL CHARGES		6,553,715	6,206,500	6,206,500	6,961,200	0	754,700
GROSS EXPENDITURE		25,226,268	25,547,200	28,899,300	26,448,000	3,352,100	900,800
INCOME							
10-0-6999-10000-41000	Government Grants - General	(16,874)	0	0	0	0	0
10-0-6999-10000-43001	Service Charges Leasehold	(8,926)	0	0	0	0	0
10-0-6999-10000-43010	Other Income	(134,729)	0	0	0	0	0
10-0-6999-10000-43021	Other Licences	(745)	(4,200)	(4,200)	(4,200)	0	0
10-0-6999-10000-43016	Heating Charges	(262,047)	(209,500)	(209,500)	(318,000)	0	(108,500)
10-0-6999-10000-43030	Legal Fee - Income	(41,500)	0	(83,000)	(83,000)	(83,000)	(83,000)
10-0-6999-10000-43034	Service Charges	(30,015)	0	0	0	0	0
10-0-6999-10000-43500	Rents-Others	(364,751)	(353,700)	(353,700)	(364,700)	0	(11,000)
10-0-6999-10000-43501	Rents-Housing	(26,209,700)	(28,185,000)	(28,185,000)	(30,356,600)	0	(2,171,600)
10-0-6999-10000-43502	Rents-Shared Ownership	(116,480)	(107,000)	(107,000)	(120,800)	0	(13,800)
10-0-6999-10000-43503	Rents-Garages	(698,120)	(767,900)	(767,900)	(842,100)	0	(74,200)
10-0-6999-10000-43504	Use and Occupation - Homeless	(1,318)	(33,000)	(33,000)	(33,000)	0	0
10-0-6999-10000-43505	Rents-Affordable	(838,338)	(783,100)	(783,100)	(878,700)	0	(95,600)
10-0-6999-10000-43506	Recharges - Water	(33,803)	(34,500)	(37,300)	(39,300)	(2,800)	(4,800)
10-0-6999-10000-43507	Recharges - Heating & Lighting	(181,798)	(335,700)	(487,700)	(394,100)	(152,000)	(58,400)
10-0-6999-10000-43900	Insurance - Income	(14,405)	0	0	0	0	0
10-0-6999-10000-49003	Interest Receivable	153,200	0	0	0	0	0
10-0-6999-10000-49012	Adjustment for HRA Financing (Cr)	0	0	(384,400)	59,500	(384,400)	59,500
10-0-6999-10000-69002	General Fund (And EMR)	(64,228)	(38,700)	(38,700)	(38,700)	0	0
GROSS INCOME		(28,864,577)	(30,852,300)	(31,474,500)	(33,413,700)	(622,200)	(2,561,400)
NET INCOME FROM SERVICES		(3,638,309)	(5,305,100)	(2,575,200)	(6,965,700)	2,729,900	(1,660,600)
10-0-6999-40010-49003	Interest-Balances	0	1,374,000	1,374,000	0	0	(1,374,000)
10-0-6999-40010-68003	HRA Interest Receivable and similar income	0	0	0	2,217,400	0	2,217,400
10-0-6999-40013-69101	Capital Charges - Adj	0	(100,000)	(100,000)	(100,000)	0	0
NET OPERATIONAL INCOME		(3,638,309)	(4,031,100)	(1,301,200)	(4,848,300)	2,729,900	(817,200)
APPRORPRIATIONS							
10-0-6999-40009-68002	External Interest	4,765,564	4,765,600	4,765,600	4,765,600	0	0
10-0-6999-40017-69000	Approp HRA Resource Equiv to Depn to MRR	(6,553,715)	0	0	0	0	0
10-0-6999-40017-69013	Approp from CAA to Offset HRA Resources	6,553,715	0	0	0	0	0
10-0-6999-40003-69001	Capital financing	818,767	0	0	0	0	0
10-0-6999-40003-69310	Cap Fin-Rev Contr to Cap Outlay(GF+HIP)	0	119,600	119,600	119,600	0	0
10-0-6999-40017-69002	Cont from Reserves	(818,767)	73,400	(2,656,500)	32,500	(2,729,900)	(40,900)
10-0-6999-40017-69014	Contrib HRA Capital Invest Reserve (Dr)	(568,059)	(625,200)	(625,200)	232,900	0	858,100
10-0-6999-40002-49008	Unrealised Losses on investments (cr)	3,828,370	0	0	0	0	0
10-0-6999-40002-49321	Recognised gains/losses -asset sales	2,532,701	0	0	0	0	0
10-0-6999-40008-69011	F Assets sales b/s val trf to I & E a/c	(2,532,701)	0	0	0	0	0
10-0-6999-40017-69001	Capital financing	0	0	0	0	0	0
10-0-6999-40017-49002	Cont from Reserves	0	(100,000)	(100,000)	(100,000)	0	0
10-0-6999-40008-49008	rec gains/losses - fa - reversal	(3,828,370)	0	0	0	0	0
10-0-6999-40001-69200	employee benefits accruals (cr)	11,206	0	0	0	0	0
10-0-6999-40016-49200	Net IAS19 Charges for Retirement Benefits	(1,197,419)	(1,490,200)	(1,490,200)	(1,490,200)	0	0
10-0-6999-40006-69102	Employers Contribs payable to Pension Fd	437,795	928,800	928,800	928,800	0	0
10-0-6999-40019-62300	HRA CLS Decants - Rent	22,121	0	0	0	0	0
10-0-6999-40019-63300	HRA CLS Decants - Hired Transport	7,330	0	0	0	0	0
10-0-6999-40012-69302	Pensions Interest+Rate of Return Assets	159,771	359,100	359,100	359,100	0	0
TRANSFER (TO) / FROM HRA RESERVE		(0)	0	0	0	0	0
Balance Brought Forward		(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)		
HRA BALANCE CARRIED FORWARD		(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	0	0

Appendix 4 - 2024/25 Sheltered Heating, Lighting and Miscellaneous Charges

The Charges necessary to fully recover costs are calculated annually from average consumption over the last 3 years, updated for current costs. The use of an average ensures that seasonal and yearly variations are reflected in the calculation

As Heating, Lighting and water charges are intended to be cost recovery it is proposed that from 2019/20 the charges are agreed following the methodology above by the Head of Housing, Head of Finance and in consultation with the relevant portfolio holders, any changes to the income will be reflected in the HRA rent setting report.

Heating, Lighting and Miscellaneous Recharges	Current Charge per Week 2023/24	Proposed Charge per Week 2024/25	Proposed Increase/ (Decrease) per week 2024/25	Total Cost per year
Acorn Court, Stockton Grove, Lillington, Royal Leamington Spa	£	£	£	
No's 1-12, 14-41	21.4	21.95	0.55	1,141.40
No's 43, 44, 46, 47 (Misc. Charge Only)	1.85	1.85	0	96.20
Tannery Court, Bertie Road, Kenilworth				
No's 1, 2, 4-6, 7a, 8-12, 22a, 14-40	11.70	6.05	-5.65	314.60
Yeomanry Close, Priory Road, Warwick				
No's 1-12,14-32	18.1	9.20	-8.9	478.40
James Court, Weston Close, Warwick				
No's 1-12, 14-26	15.00	5.10	-9.9	265.20
Chandos Court, Chandos Street, Royal Leamington Spa				
No's 1-12,11a, 25a,14-46	25.25	24.60	-0.65	1,279.20
Radcliffe Gardens, Brunswick Street, Royal Leamington Spa				
Bedsits and 1 Bed Flats	20.30	15.35	-4.95	798.20
2 Bedroom Flats	30.45	23.05	-7.4	1,198.60

Water Recharges Weekly Cost Analysis	Acorn Court	Tannery Court	Yeomanry Close	James Court	Chandos Court
	£	£	£	£	£
Charge payable for 2023/24 per week	3.97	4.13	2.86	2.91	3.55
Proposed weekly charge 2024/25 per week	3.90	4.03	2.49	6.68	3.73
Difference between 2023/24 & 2024/25	-0.07	-0.10	-0.37	3.78	0.18
Total Cost per year	202.63	209.72	129.45	347.55	194.16

Title: Air Quality Management Area (AQMA) Revocations
Lead Officer: Frances Taylor & Jack Clifford, Environmental Protection team, Pollution@warwickdc.gov.uk
Wards of the District directly affected: All

Approvals required	Date	Name
Portfolio Holder	16/01/24	Cllr Sinnott
Finance	08/01/24	Betty Gong
Legal Services	7/1/2024	Ross Chambers
Chief Executive	3/1/2024	Chris Elliott
Director of Climate Change	08/01/24	Dave Barber
Head of Service(s)	08/01/24	Marianne Rolfe
Section 151 Officer		Andrew Rollins
Monitoring Officer	09/01/24	Graham Leach
Leadership Co-ordination Group		
Final decision by this Committee or rec to another Cttee / Council?	No Recommendation to: Council	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes, Forward Plan item 1,418 – scheduled for 8 February 2024)	
Accessibility Checked?	Yes	

Summary

The purpose of this report is to recommend the revocation of the long-term compliant air quality management areas (AQMA) in Warwick District following instruction from the Department for Environment, Food and Rural Affairs (Defra). Defra have provided advice on which AQMA's meet these criteria:

1. AQMA No.4 Warwick Road, Kenilworth
2. AQMA No.5 New Street, Kenilworth
3. AQMA No.7 Coventry Road, Warwick

Recommendation

That Cabinet recommends to Council the revocation of the No.4 Warwick Road, Kenilworth, No.5 New Street, Kenilworth and No.7 Coventry Road, Warwick AQMA.

1 Reasons for the Recommendation

- 1.1 Local authorities have a duty under the Environment Act 1995 to monitor the quality of air within their administrative areas. They must also prepare and implement Air Quality Action Plan (AQAP), produce annual air quality status reports, and designate special Air Quality Management Areas known as AQMA's where pollutants exceed prescribed UK objectives.
- 1.2 Warwick District Council currently has five designated AQMA's, which were introduced because of elevated annual average concentrations of nitrogen dioxide (NO₂). The AQMA's include Warwick Town Centre, Coventry Road (Warwick), Leamington Spa (Bath st, High st) and two AQMA's in Kenilworth. (See appendix 1 for maps of the AQMA's)
- 1.3 DEFRA has now instructed local authorities that the revocation of an AQMA should be considered following three consecutive years of compliance, with NO₂ annual average of 36µg/m³ or less which is at least 10% below the air quality objective at the point monitored.
- 1.4 Unless a likely exceedance has been identified in the AQMA area, DEFRA has advised that they will not appraise AQAPs for AQMA's that have been in compliance for five years.
- 1.5 Where the results for 2020 and 2021 are a continuation of a downward trend and part of many consecutive years of compliance (e.g., where compliance with the objective was met prior to the pandemic that exaggerated air quality improvements) the AQMA may be appropriate for revocation.
- 1.6 DEFRA has therefore directed we must revoke the long-term compliant AQMA's. For WDC, this includes the two Kenilworth AQMA's (compliant for 5 years) and the Warwick Coventry Road AQMA, (compliant for 4 years).
- 1.7 A detailed assessment report undertaken by officers indicates a consistent improvement in air quality that is projected to continue in all Warwick District AQMA's.
- 1.8 Failure to revoke these compliant AQMA's will result in Defra refusing to accept any updated AQAP which includes these 3 AQMA's and our other AQMA's. AQAPs

are required to be updated every five years or will lead to the Council being directed to do so by the Secretary of State

- 1.9 A detailed assessment has been undertaken to observe the trends of the air quality management areas to justify revocation (see appendix 1)

2 Alternative Options

- 2.1 In theory, it is understood that Cabinet could choose not to recommending revoking the AQMAs as instructed. This will result in Defra rejecting the Warwick District AQAP update. This in turn will result in an instruction from the Secretary of State to submit an AQAP for Warwick District. Therefore, this alternative has been discounted. An annual review for revoking retained AQMA's will occur as air quality is monitored.

3 Legal Implications

- 3.1 The process for revocation is defined in Air Quality Technical Guidance 22. The local authority must publish its intention to revoke an AQMA and must publish its Revocation Order, this can be done on the Councils website. A local authority should then submit its justification to DEFRA or the appropriate Devolved Administration (including the Greater London Authority GLA).
- 3.2 Section 83, Environment Act 1995 describes the Designation of AQMAs. It states that where the result of an air quality review shows that the air quality standards or objectives are not being achieved or are not likely to be within a defined time period (31 December 2005) then a local authority will designate that area as an AQMA. Warwick District Councils, Scheme of Delegation (HCP 42) outlines that the delegation for section 83 is an officer function, following consultation with a solicitor acting for the Council and relevant Portfolio Holder.
- 3.3 The legislation goes on to define that on subsequent reviews, Councils can revoke an AQMA if the air quality standards or objectives are being met and are likely to remain met during a defined period of three years.
- 3.4 In section 85 of the same legislation, the powers of the Secretary of State are defined. The Secretary of State can give direction when it appears that the local authority are not monitoring or achieving air quality standards, are not conducting the duties imposed on them, that the actions being taken by the local authority are not appropriate to the circumstances etc.
- 3.5 The direction could be but isn't limited to: undertake an air quality review, designate air quality management areas, revoke or modify air quality management areas, prepare AQAP and instruct actions to be taken as defined in the AQAP.

4 Financial Services

- 4.1 There are no financial implications other than the publication of the revocation order on the council website.
- 4.2 It is proposed that the current monitoring devices be reallocated to other suitable sites throughout the District by Environmental Health Officers. Some monitoring equipment will be left in situ in the current AQMAs to continue to monitor overall

trends in air quality. There is no additional cost as this task can be undertaken with existing resources.

5 Corporate Strategy

- 5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation.
- 5.2 Delivering valued, sustainable services – The reduced number of AQMAs provides an opportunity to target resources on those areas with a continued need. This in turn provides opportunities to develop innovative approaches and actions to continue to address air quality improvement in the district.
- 5.3 Low cost, low carbon energy across the district – This report has no impact on energy generation for council buildings or private homes.
- 5.4 Creating vibrant, safe and healthy communities of the future – The direction to revoke AQMAs indicates that air quality has improved.

Poor air quality is linked to various health issues, including respiratory problems, heart diseases, and more. By improving air quality, it has been shown to lead to reduced instances of these health concerns and contribute to overall improved health for residents.

6 Environmental/Climate Change Implications

The strategic removal of certain AQMAs, owing to sustained compliance with air quality standards, aligns with the ambitions outlined in the Climate Emergency Action Plan. Ambition 2 - Low Carbon South Warwickshire 2030. This reduction in AQMAs directly reflects diminishing local emissions, offering a substantial contribution to the overarching goal of curbing net carbon emissions.

7 Analysis of the effects on Equality

- 7.1 There are no identified impacts on protected characteristics by this report's recommendations.

8 Data Protection

- 8.1 There are no identified data protection matters identified by this report's recommendations.

9 Health and Wellbeing

- 9.1 The proposal to revoke long-term compliant AQMAs carries both positive and potentially concerning health and well-being implications. On the positive side, sustained compliance leading to the revocation indicates a significant improvement in air quality, potentially resulting in reduced respiratory issues, cardiovascular diseases, and other health conditions associated with poor air quality. This improvement could contribute positively to the overall well-being of residents, fostering a healthier living environment. The negative impacts could be a reduction in improvements due to a reduced focus on revoked areas.

10 Risk Assessment

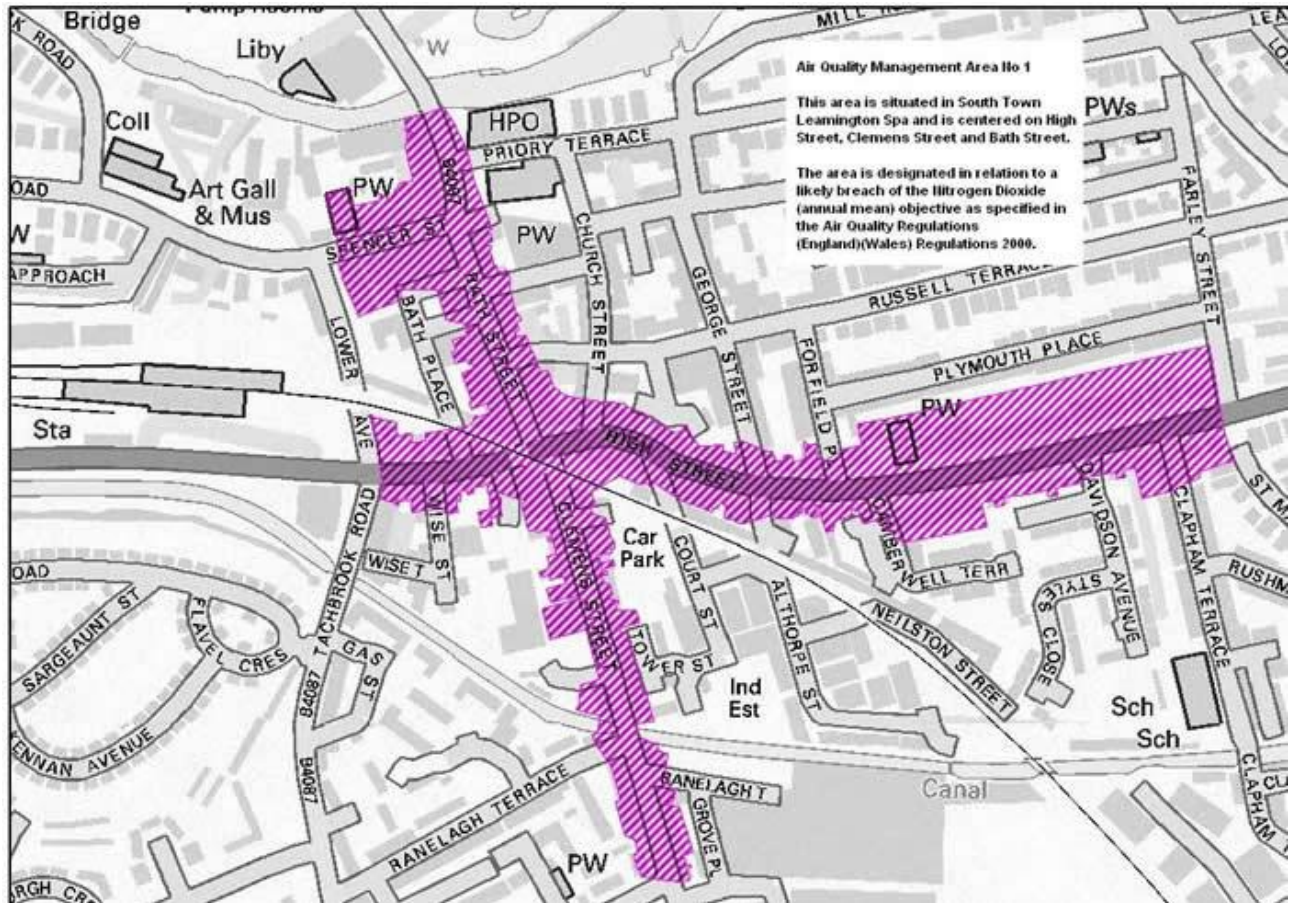
- 10.1 There is a risk of air quality deterioration due to the reduced focus on revoked areas. However, the likelihood of this is low as officers will continue to monitor air quality in revoked areas. This will sustain vigilance over air quality, ensure continuous improvement and consistent compliance with air quality standards.
- 10.2 In addition, environmental agencies and local stakeholders will continue to collaborate to maintain a proactive stance on pollution reduction strategies. Coupled with the regular public awareness campaigns which emphasise the ongoing commitment to air quality improvement despite the removal of AQMA designation, encouraging community involvement and support.
- 10.3 The above risk also carries the potential for health hazards resulting from reduced Air Quality Standards adherence. The links between poor air quality and health are well documented.
- 10.4 Officers will conduct regular audits and assessments to ensure ongoing compliance and pre-emptively address any deviations. Officers continue to foster partnerships with legal experts and environmental regulatory bodies to stay updated on evolving standards and mitigate any potential legal ramifications resulting from non-compliance.
- 10.5 There may be a risk of community mistrust and perception of neglected environmental health. Officers ensure that there are transparent communication channels with the community, regularly updating them on ongoing air quality improvement measures.

Background papers:

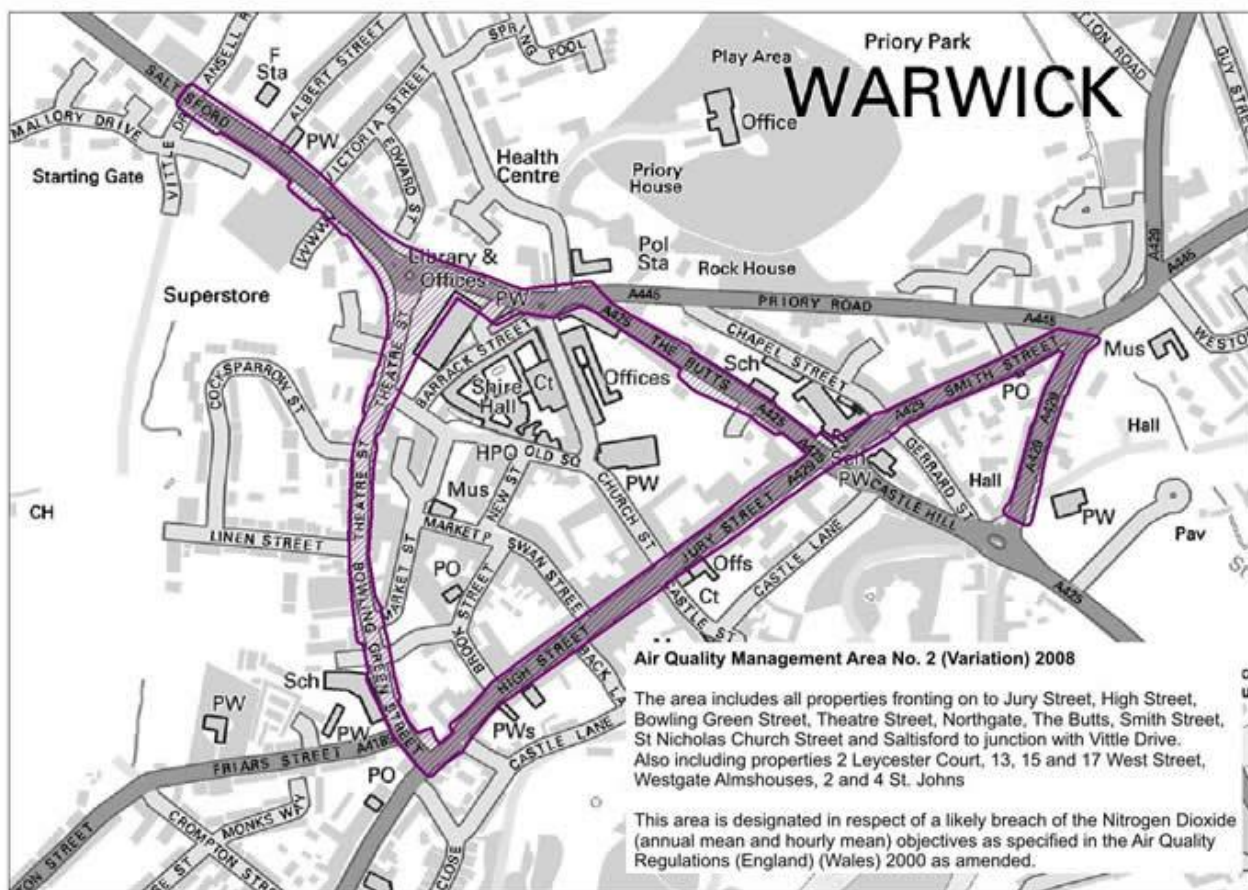
Local Air Quality Management Technical Guidance (TG22)

Appendix 1

AQMA Maps



10.6



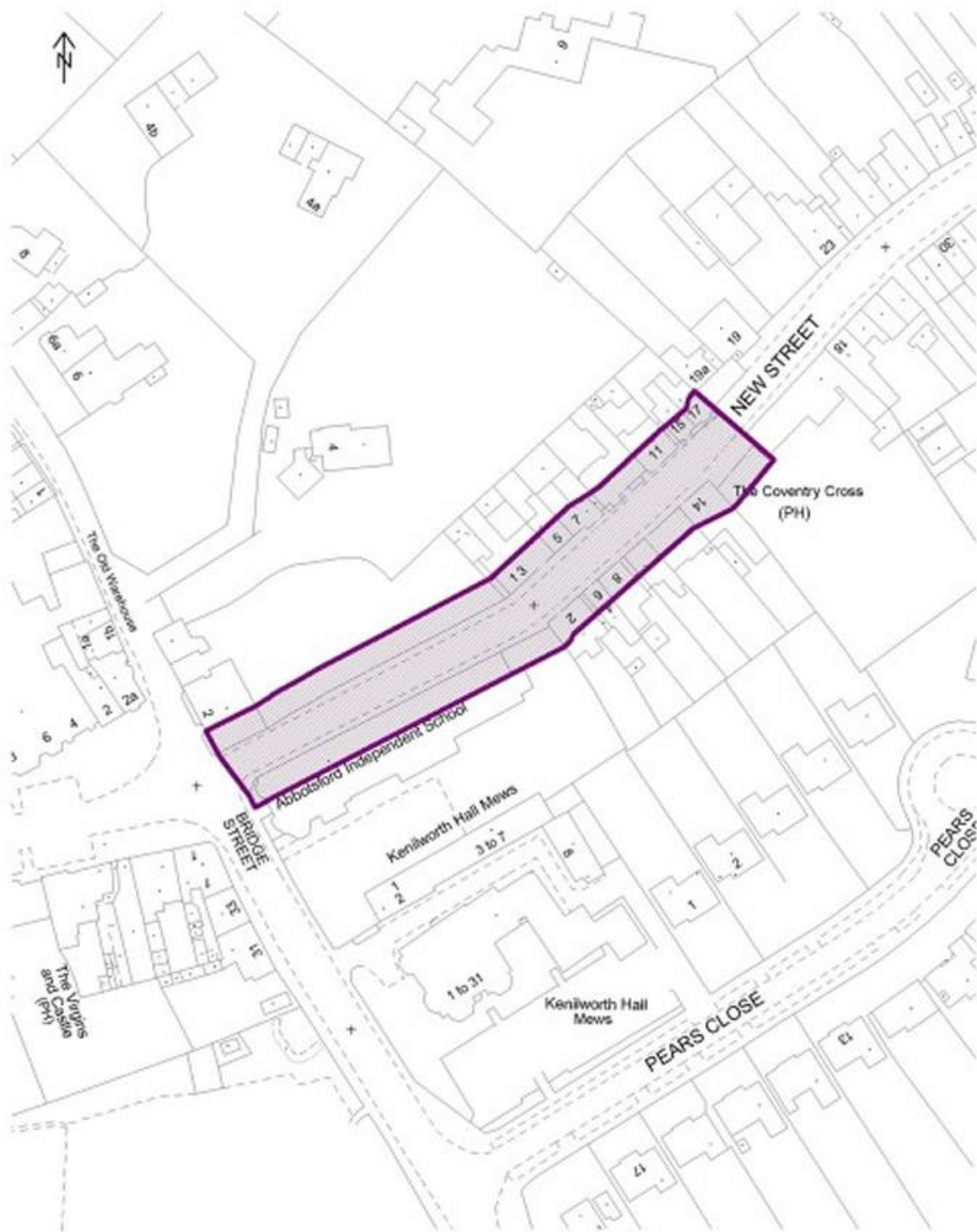
10.7



Air Quality Management Area No. 4 (Warwick Road, Kenilworth) 2008

This area includes all properties fronting onto Warwick Road from the junction of Station Road to the junction with Waverley Road.

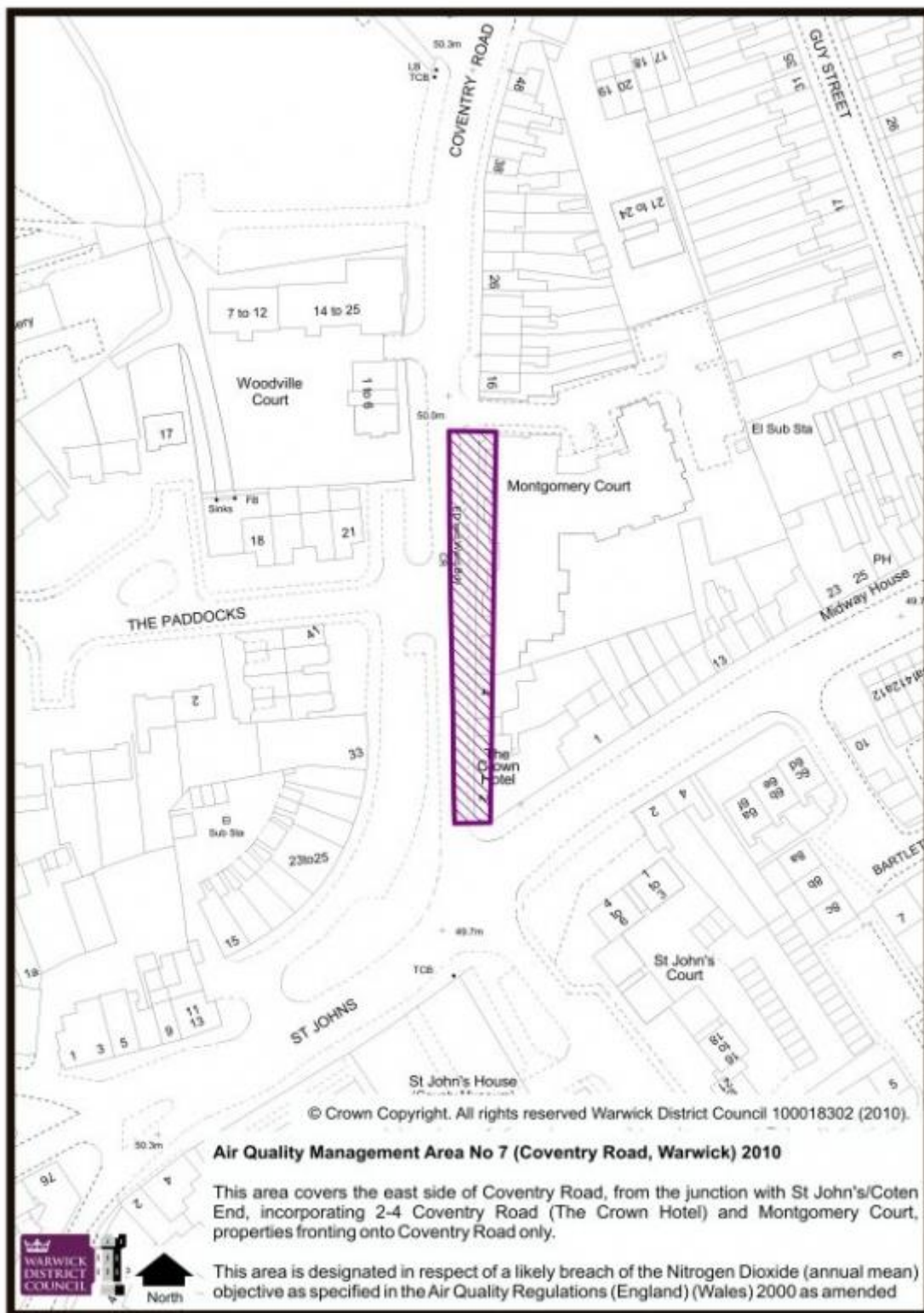
This area is designated in respect of a likely breach of the Nitrogen Dioxide (annual mean) objective as specified in the Air Quality Regulations (England) (Wales) 2000 as amended.



Air Quality Management Area No. 5 (New Street, Kenilworth) 2008

This area includes all properties fronting onto New Street from the junction of Bridge Street / Fieldgate Lane up to and including N°. 17.

This area is designated in respect of a likely breach of the Nitrogen Dioxide (annual mean) objective as specified in the Air Quality Regulations (England) (Wales) 2000 as amended.



Appendix 2

AQMA Detailed Assessment

11 Revocation of an AQMA

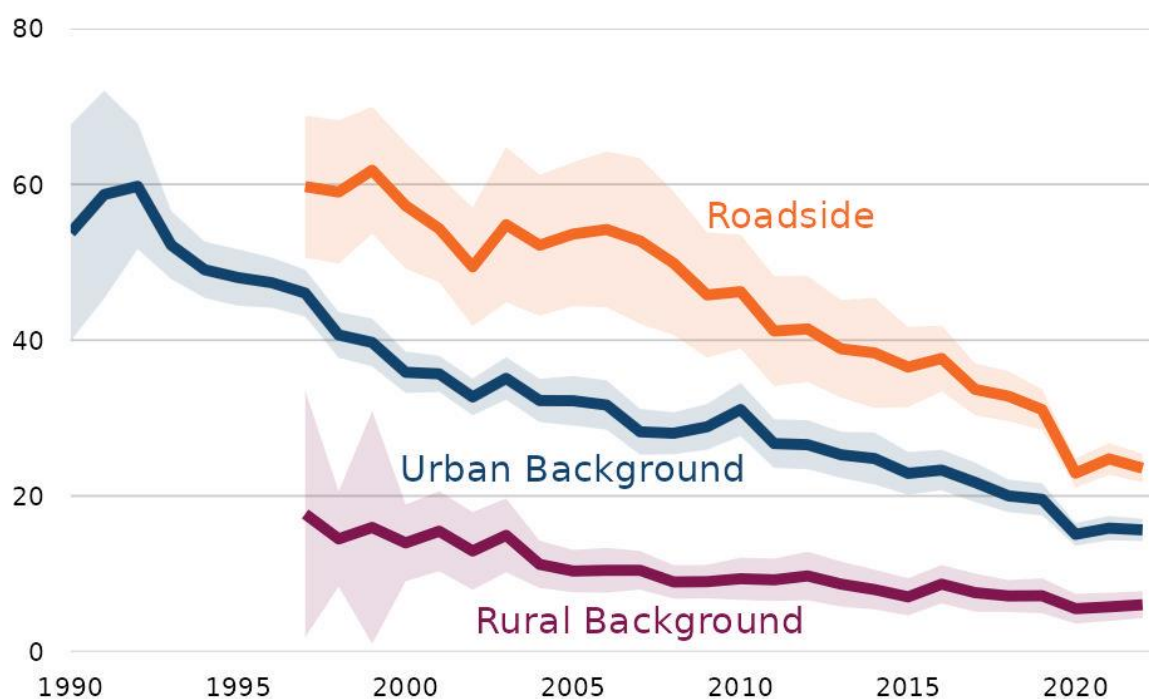
11.1 The revocation of an AQMA should be considered following three consecutive years of compliance with the relevant objective as evidenced through monitoring. Where NO₂ monitoring is completed using diffusion tubes, to account for the inherent uncertainty associated with the monitoring method, it is recommended that revocation of an AQMA should be considered following three consecutive years of annual mean NO₂ concentrations being lower than 36µg/m³ (i.e. within 10% of the annual mean NO₂ objective). There should not be any declared AQMAs for which compliance with the relevant objective has been achieved for a consecutive five-year period.

National trends in NO₂

11.2 National trends

11.3 The NO₂ index shows the annual mean, averaged over all included sites that had annual data capture greater than or equal to 75%. The shaded areas represent the 95% confidence interval for the annual mean concentration for roadside sites, urban background sites and rural background sites. The intervals narrow over time because of an increase in the number of monitoring sites and a reduction in the variation between annual means at monitoring sites for NO₂.

Annual mean concentration of NO₂(µg/m³)



11.4 Methodology of evaluation

AQMA	2016	2017	2018	2019	2020	2021	2022
Warwick Coventry Road	44	46.4	37.4	34.7	29	31.6	35.8

Warwick Road (Kenilworth) AQMA	37.5	37.3	32	28.8	23.1	21.6	24.7
New Street Kenilworth AQMA	40	34.4	31.8	29.3	22.9	23.8	25.3
Leamington Spa AQMA	50.4	55.4	46.4	45.8	36.8	37.2	42.5
Warwick AQMA	46.6	50.2	39.8	40.9	31.4	31	34.4

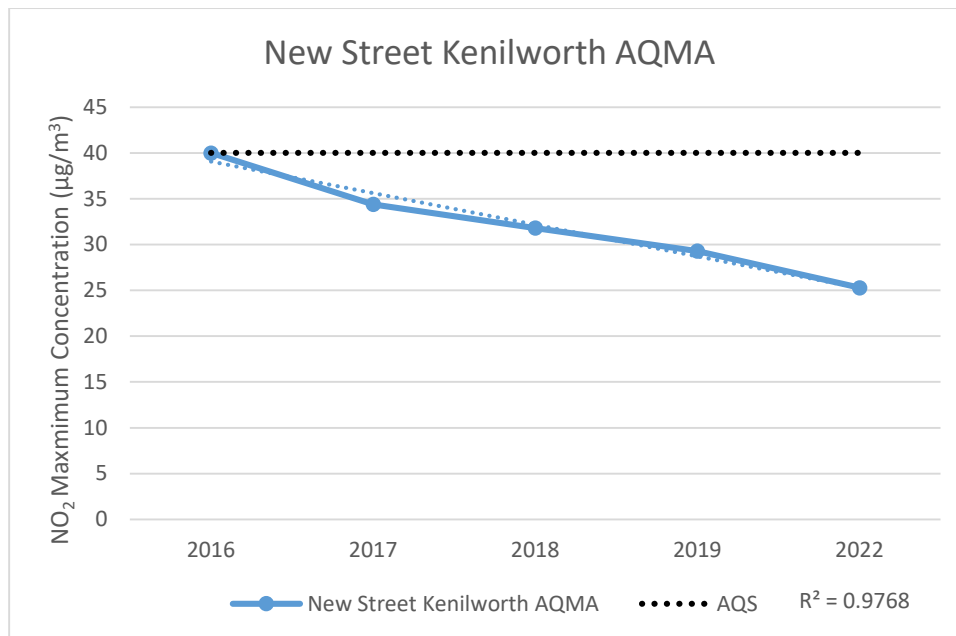
11.5 All Air Quality Management Areas (AQMA) were initially designated based on the NO₂ annual mean objective. Notably, the Warwick AQMA received additional designation based on the NO₂ 1-hour mean, and this aspect is duly integrated into the data assessment for the Warwick AQMA. The data set comprises maximum annual NO₂ measurements for all AQMA, providing a comprehensive overview of pollutant levels. To ensure the accuracy and reliability of data trends, the years 2016 and 2017 have been included for analysis. This inclusion is particularly pertinent as 2020 and 2021 exhibited anomalous air quality conditions attributed to the COVID-19 pandemic, thereby enhancing the overall quality of our data assessment.

12 New Street Kenilworth

12.1 The New Street Kenilworth Air Quality Management Area (AQMA) was officially designated in 2008. At that time, it was in compliance with the established air quality objectives, although its declaration primarily served as a precautionary measure. Since its establishment, New Street Kenilworth has consistently adhered to Air Quality objectives.

12.2 Projections indicate a robust correlation suggesting a sustained decline in the maximum concentration within this AQMA. The likelihood of future exceedances of air quality standards is minimal, given the positive trend. Consequently, there is a compelling rationale for considering the revocation of this AQMA, as it no longer presents a significant air quality concern to warrant its continued designation.

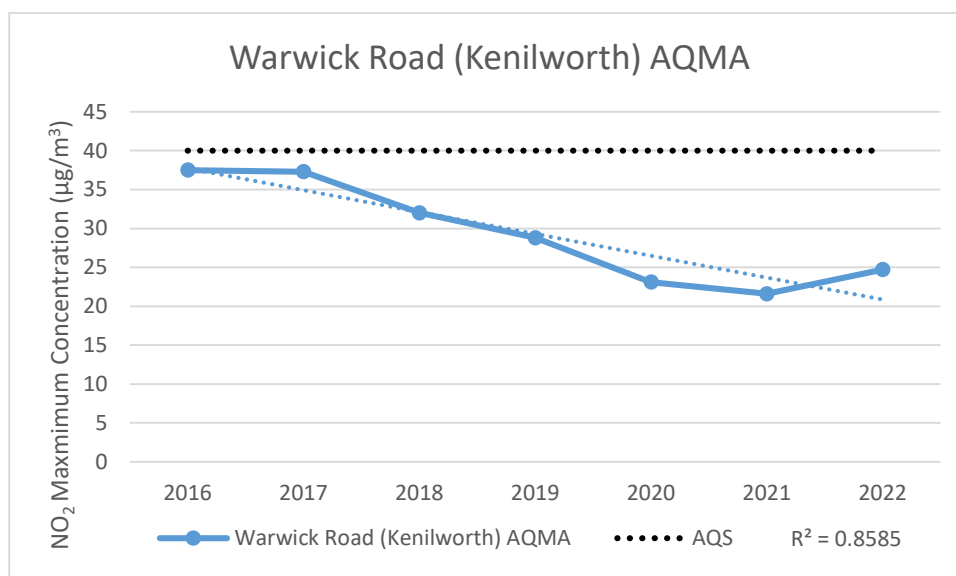
12.3 Removing the years 2020 and 2021 as outliers due to the COVID-19 Pandemic's influence on travel shows an even stronger trend in reduction.



12.4

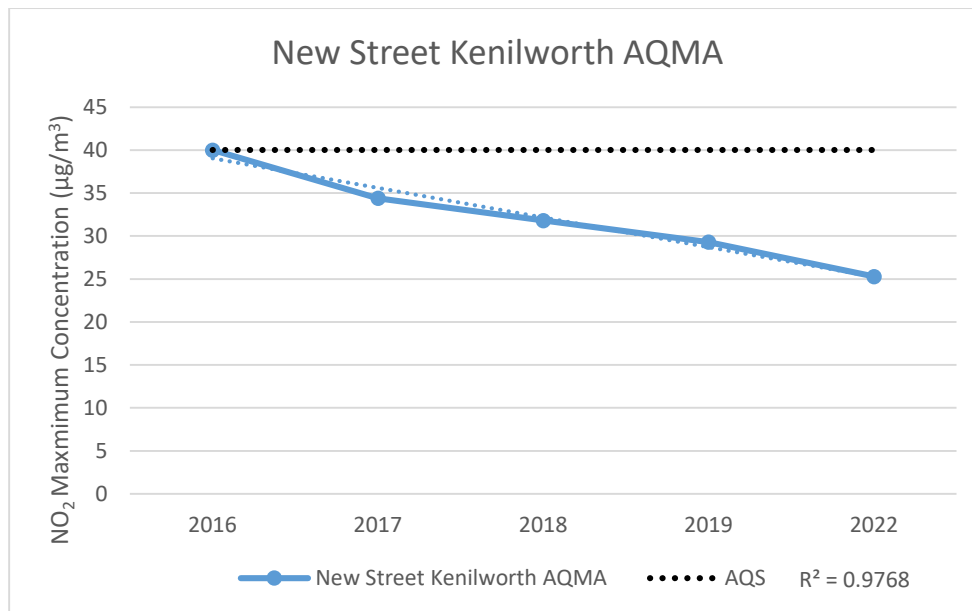
13 Warwick Road Kenilworth

13.1 Warwick Road Kenilworth has consistently maintained compliance with Air Quality objectives for a period exceeding five years. An evident and robust correlation indicates that the maximum concentration within this Air Quality Management Area (AQMA) is likely to continue its downward trend. The prospects of future exceedances of air quality standards appear highly improbable.



13.2

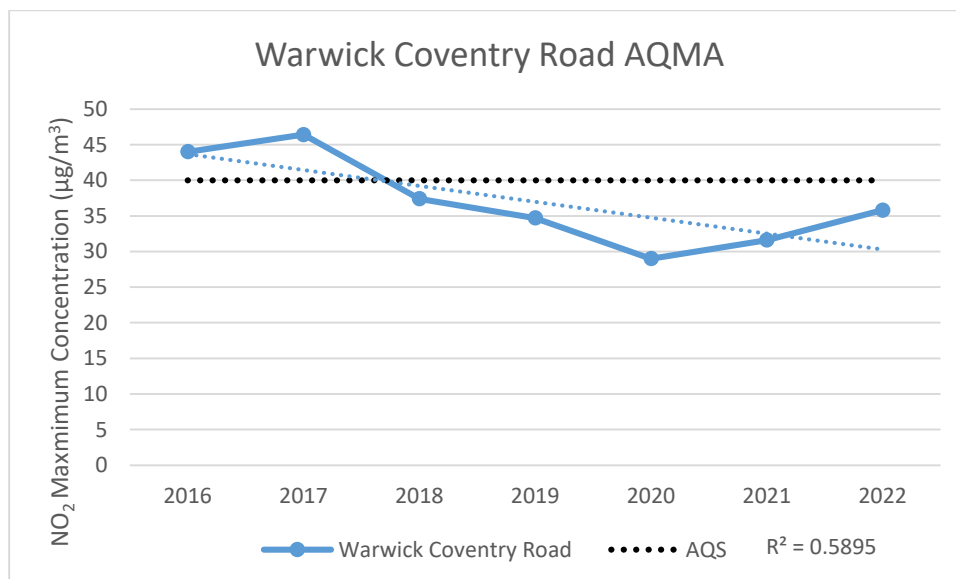
13.3 Removing the years 2020 and 2021 as outliers due to the COVID-19 Pandemic's influence on travel shows an even stronger trend in reduction.



13.4

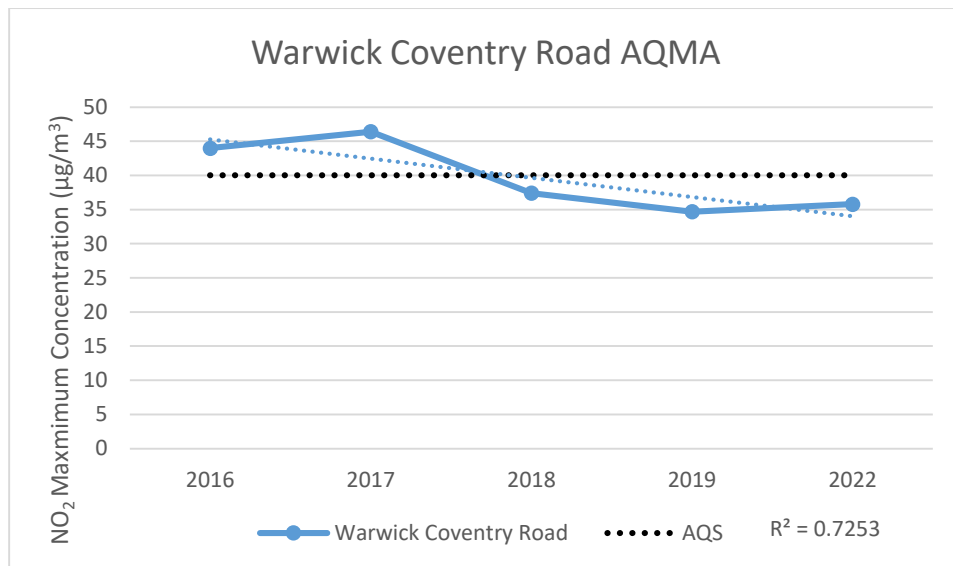
14 Warwick Coventry

- 14.1 The site under review has demonstrated consistent compliance with Air Quality objectives for a consecutive period of five years. Projections indicate a moderate correlation, suggesting a potential ongoing decrease in the maximum concentration within this Air Quality Management Area (AQMA). Forecasts indicate that exceeding air quality standards in the foreseeable future is improbable. Considering these trends, it is advisable to revoking the AQMA designation, given the sustained improvement and consistent performance below the air quality standard over the past five years.



14.2

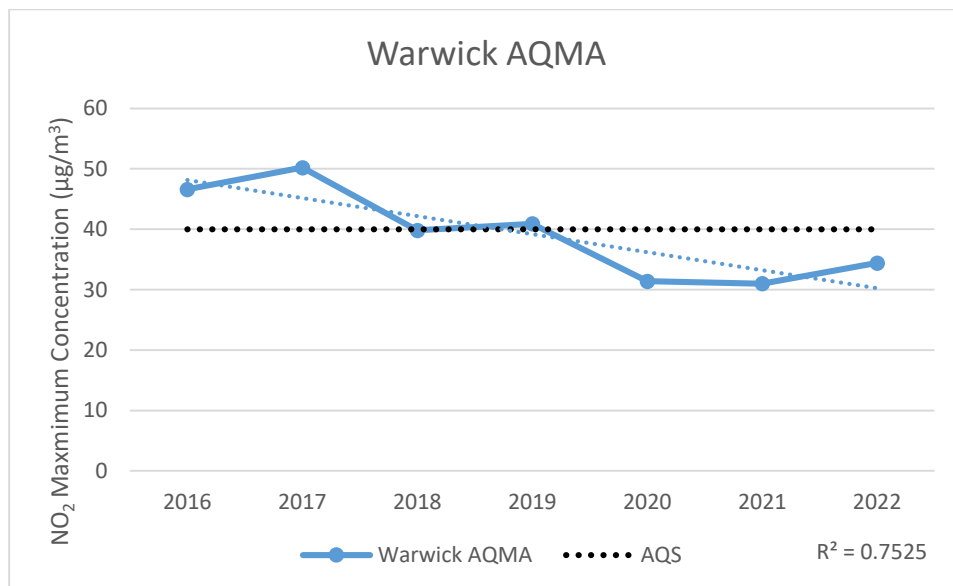
- 14.3 Removing the years 2020 and 2021 as outliers due to the COVID-19 Pandemic's influence on travel shows an even stronger trend in reduction.



14.4

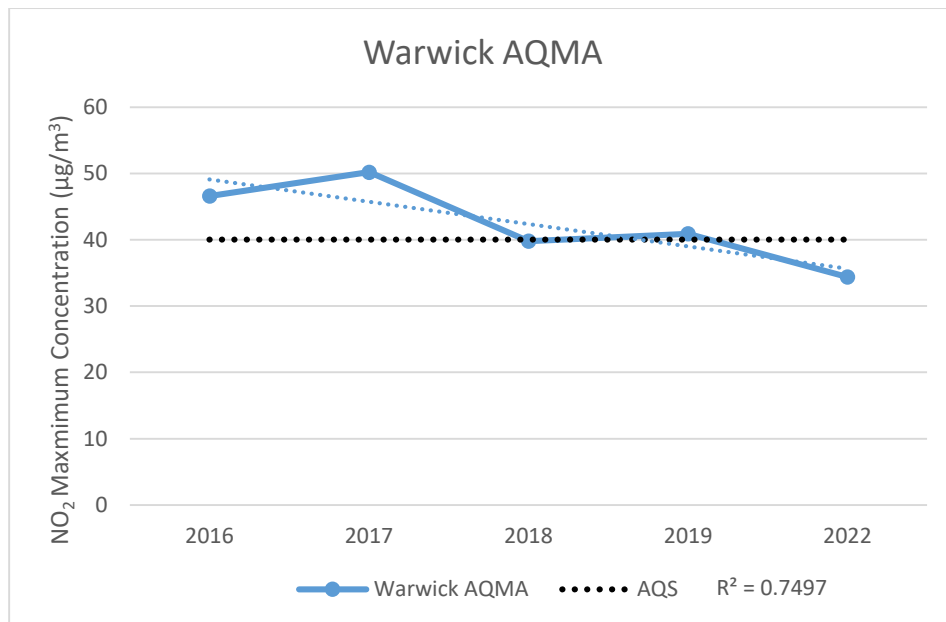
15 Warwick AQMA

- 15.1 This site has maintained compliance with Air Quality objectives for a continuous period of three years. Projections indicate a strong correlation, suggesting a persistent decline in the maximum concentration within this Air Quality Management Area (AQMA). The likelihood of future exceedances of air quality standards is notably low.
- 15.2 Considering the positive trend and to potentially streamline administrative processes, it is advisable to consider the possibility of revoking the AQMA designation, despite the relatively short compliance duration of three years. However, if revocation is not pursued, an annual reassessment will be necessary to monitor and ensure ongoing compliance.



15.3

- 15.4 Removing the years 2020 and 2021 as outliers due to the COVID-19 Pandemic's influence on travel shows negligible change in trend.

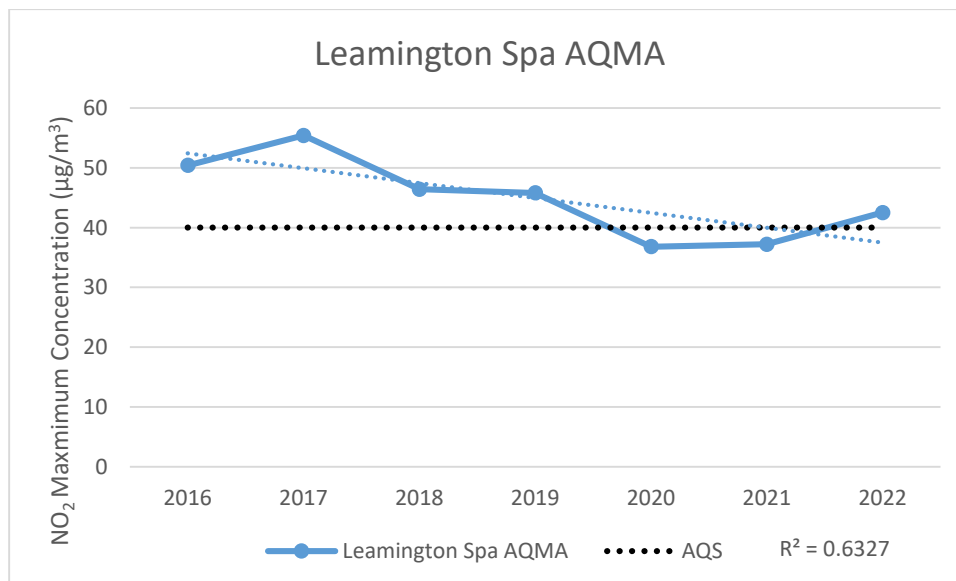


15.5

15.6 Reviewing the 1 hour mean objective in 2019 There were 25 1-hour concentrations that were greater than the hourly NO₂ limit of 200µg/m³ at the Jury Street/Pageant House continuous monitoring location. Since then, it has been compliant with the air quality standard of no more than 18 exceedances.

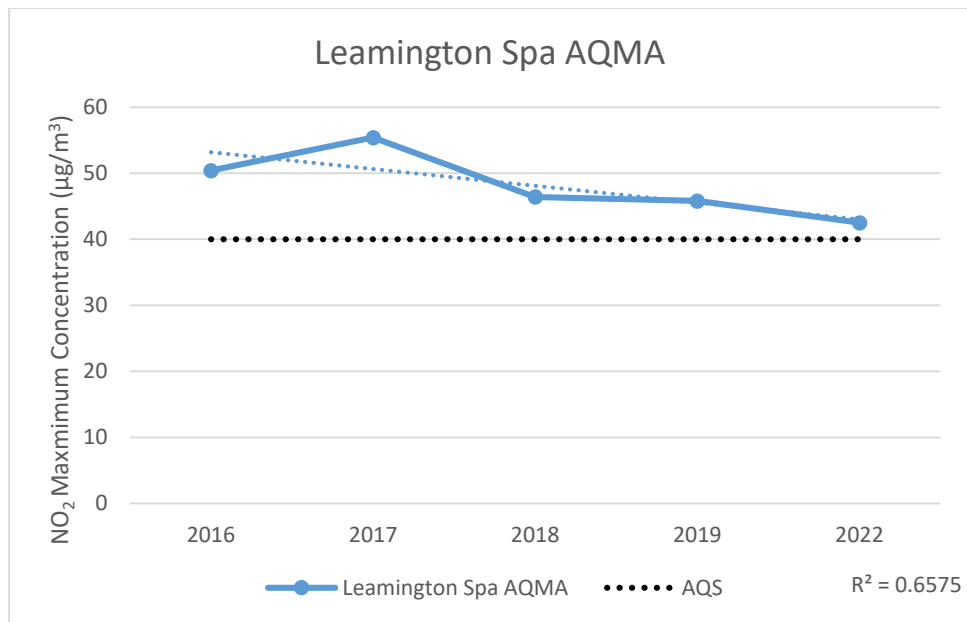
16 Leamington Spa AQMA

16.1 The status of this site reveals non-compliance with Air Quality objectives. Projections indicate a robust correlation, suggesting a promising trend of declining maximum concentration within this Air Quality Management Area (AQMA). However, it is essential to underscore that revocation should not be considered for this site at this time, given its ongoing non-compliance with air quality standards. Vigilance and remedial actions should continue until compliance is achieved and consistently maintained.



16.2

16.3 Removing the years 2020 and 2021 as outliers due to the COVID-19 Pandemic's influence on travel shows negligible change in trend.



16.4

17 Conclusion

- 17.1 Revocation of the following AQMA's: New Street Kenilworth AQMA, Warwick Road Kenilworth AQMA should be undertaken.
- 17.2 Warwick AQMA has been compliant for three years based on the annual average and 1-hour mean air quality objectives. Projections indicate continued decline in concentrations of both objectives. Another assessment is recommended for the following year.
- 17.3 Leamington Spa AQMA should remain due to non-compliance with the air quality standards.

Title: Complaints Policy

Lead Officer: Graham Leach, Head of Governance & Deputy Monitoring Officer, 01926 456114 and graham.leach@warwickdc.gov.uk

Portfolio Holder: Councillor Davison

Wards of the District directly affected: None

Approvals required	Date	Name
Portfolio Holder		Ian Davison
Finance		Alex Elston
Legal Services		
Chief Executive		Chris Elliott
Programme Director Climate Change		Dave Barber
Head of Service(s)		Graham Leach
Section 151 Officer		Andrew Rollins
Monitoring Officer		Graham Leach
Leadership Co-ordination Group		
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes Refence 1,381	
Accessibility Checked?	Yes	

Summary

The report brings forward the revised complaints Policy for Warwick District Council. .

Recommendation

- (1) That the Cabinet adopts the revised Complaints Policy for Warwick District Council, as set out at Appendix A to the report, to come into force from 1 April 2024;
 - (2) That delegated authority is given to the Head of Governance & Monitoring Officer in consultation with the Leader and Chair of Overview & Scrutiny Committee to make any revisions to the scheme as a result of the publication of a single Code of Complaint handling by the Local Government & Social Care Ombudsman and Housing Ombudsman
-

1 Reasons for the Recommendation

- 1.1 The Complaints policy was last updated in 2009 and since then the handling of complaints has remained largely consistent even with the introduction of the Housing Ombudsman.
- 1.2 The Complaints by the Council are subject, ultimately, by consideration by one of two Ombudsmen the Council needs to have consideration of this when setting its policy.
- 1.3 The Housing Ombudsman considers complaints about social housing, including councils' role as social landlords all other complaints defer to the Local Government & Social Care Ombudsman. There are some exclusion to the complaints the Ombudsmen will look at and these are detailed on their respective websites.
- 1.4 While the Council has two Ombudsmen to work it is best to provide a single approach and policy for handling of complaints to ensure consistency of approach in responding to complaints, but equally for ease of understanding by officers and customers..
- 1.5 The Policy has been developed to meet the requirements of the Housing Ombudsman Complaint Handling Policy. In addition to this it is designed to meet the ambitions set out within the recent consultation on a single complaint handling code by the Local Government & Social Care Ombudsman and the Housing Ombudsman.
- 1.6 There is an exception, within the Policy, to the proposed Code which is the further extension to stage 1 complaint investigation timeline as set out below:
"If an extension beyond this time is required to enable the Council to respond to the complaint fully, this should be agreed by both parties. In relationship to Housing Landlord complaints where agreement over an extension period cannot be reached, the Council will provide the Housing Ombudsman's contact details so the resident can challenge the plan for responding and/or the proposed timeliness of a response"

It is envisaged that within the final complaint handling ode this provision will be removed ad there will be a maximum of 10 working days plus another 10 working days. However this provision at present is allowed within Complaint Handling code.

- 1.7 The Cabinet need to be aware of the significant changes in investigation timelines for complaints. These have been set in line with the intentions of the draft complaint handling code. These will need to see prioritisation for handling of complaints by officers within the Council and additional support for those investigating complaints. Performance against this will be monitored by officers over coming months to identify both service specific and council wide performance issues or learning.
- 1.8 At present the complaints policy is owned by the Head of Governance who is also responsible for advising and supporting officers on this policy. The Cabinet have approved additional funding for a new role within the Council, as Policy, Performance and Complaints Manager. This new role is part of the response to the recommendations on the Corporate Peer Challenge of investing in the corporate core.
- 1.9 This new role will be responsible for bringing forward the procedures to deliver the new complaints policy but more importantly the performance monitoring of its effectiveness. This will also include close working with colleagues to ensure the action points from investigations are closed and monitoring of themes within complaints across the Council to share with Senior Leadership Team to act on.
- 1.10 The new role of Policy Performance and Complaints Manager will also undertake the investigation of most Stage 2 complaints. This is a change from present where these are undertaken in turn by senior officers at the Council. It is considered that this new approach will improve consistency. It is important to note their role within this is a high level review of the Stage 1 investigation and should not require detailed knowledge of each service and policy.

2 Alternative Options

- 2.1 Consideration was given to not bringing the new complaints policy forward until the complaint handling code has been finalised. However, the timeline for this was unknown at the time of writing and the review of the complaints policy was needed to bring inline with the current Housing Ombudsman Complaint Handling Code.

3 Legal Implications

- 3.1 There are no specific legal implications of the report and the proposals comply with the relevant aspects of legislation.

4 Financial

- 4.1 There are no specific financial implications of the report.

5 Corporate Strategy

- 5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation. The Policy indirectly contributes to all themes within the Corporate Strategy through ensuring good governance by bring forward learning and understanding of complaints. This should allow for issues to be resolved and processes revised to reduce the risk of a repeat.

6 Environmental/Climate Change Implications

- 6.1 There are no direct impact from the Policy on Climate Change.

7 Analysis of the effects on Equality

- 7.1 It is not considered that an equality impact assessment needs to be undertaken for these proposals.

8 Data Protection

- 8.1 There is no change in the handling of personal data as a result of these proposals.

9 Health and Wellbeing

- 9.1 There are no direct impacts on health and wellbeing as a result of these proposals.

10 Risk Assessment

- 10.1 The report presents no significant risks to the Council at this time.

Background papers: None

Supporting documents:

Housing Ombudsman Complaint Handling Code
Local Government & Social Care Ombudsman and Housing Ombudsman Complaint
Initial Proposal for Handling Code



COMPLAINTS POLICY

Version 2.0
December 2023

Warwick District Council is committed to providing the highest standards of services to its customers.

Complaints play a role in maintaining and improving standards and the quality of service provided. When the Council receives a complaint, this is a way of getting an important insight into how services are being delivered. By listening to customers, the Council can look at actions that can be taken to improve procedures and ultimately the services we provide.

This Policy details the way in which complaints are managed, investigated, and acted upon, based on the requirements of the proposed model code for handling complaints from the Local Government & Social Care Ombudsman and Housing Ombudsman.

Aim of the complaints policy

The Council recognises the need to provide a first-class public service, which is responsive to customer views, and this is reflected in our Vision: To make Warwick District a great place to live, work and visit by improving lives and our environment.

The Council is committed to making it easier to provide feedback and for the Council to use feedback to improve services. Through the Complaints Policy, the Council will try to resolve complaints speedily, effectively, and fairly.

In investigating complaints the Council will seek to ensure it has acted within relevant legislation, followed the appropriate policy and procedures and have acted in a fair and reasonable way.

When dealing with complaints, it is the aim of the Council to work with customers to understand the issues and what they would like to happen to resolve them.

The tone of our contact will be open, responsive and avoid jargon. Our written correspondence will use Plain English and will be backed up with agreed positive action to resolve the complaint.

The Council is committed to treating all customers fairly and we take equality and diversity into account in a positive way. The Council will make sure that individual needs are taken into account when applying this policy and that any reasonable adjustments are made as required.

The Council has a Policy, Performance & Complaints Manager who will be responsible for assigned to take responsibility for complaint handling, including liaison with the relevant Ombudsman and ensuring complaints are reported to the Senior Leadership Team and information on performance shared with Councillors.

All customer feedback will be treated equally whether it is by:

Website: www.warwickdc.gov.uk/complaints

Email: information@warwickdc.gov.uk

Phone: who's phone number goes here? Could be 01926 456116 as per the complaints leaflet.

Post: Warwick District Council, Town Hall, Parade, Royal Leamington Spa CV32 4AT or any other form of communication.

Where complaints are received through social media, we will encourage a complainant to provide details through direct messages to maintain confidentiality. This may then

include giving to customers a link to the online complaints reporting form so that all customers can describe the nature of their complaint and submit them

What is a complaint

The Council defines the complaint as:

"an expression of dissatisfaction, however made, about the standard of service, actions or lack of action by the organisation, its own staff, or those acting on its behalf, affecting an individual or group of individuals."

Our staff can resolve most issues of dissatisfaction as part of their job, without the need for a formal complaint to be made. However, there may be cases that require further investigation and the involvement of other officers to find out what went wrong. We will deal with these as complaints under this policy.

What cannot be dealt with under this policy

Not all complaints can be dealt with under this policy. The Council provides a wide range of services and there may be more appropriate ways for some matters to be addressed (See Appendix 1)

If a formal appeal process exists, then this will be used to address these concerns. Appeal processes exist for several areas including, benefit claims and planning applications.

Appendix 2 gives guidance on the correct route to be used for these issues.

Stages of the policy

Upon receipt of the complaint, the relevant service will look at the issues contained within the complaint. We will look at whether we need to start a full investigation or if we could resolve the issue quickly. If we think we can do so, we will contact the customer to discuss and try to resolve the issue informally.

If we cannot, the Council has a two stage complaint process and a complaint will be dealt with in the following way.

Initial investigation (Stage 1)

This is the first formal stage, and we will acknowledge receipt of a complaint within five working days. Our acknowledgement will be made in writing and include:

- confirmation that the complaint has been received and if possible, the name and contact details of the investigating officer, however this may not be possible in all cases.
- date or timeframe by which a response can be expected.

Our policy is to respond in full within 10 working days of receipt of a complaint, wherever possible with an ideal maximum of a further 10 working days to complete.

If an extension beyond this time is required to enable the Council to respond to the complaint fully, this should be agreed by both parties. In relationship to Housing Landlord complaints where agreement over an extension period cannot be reached,

the Council will provide the Housing Ombudsman's contact details so the resident can challenge the plan for responding and/or the proposed timeliness of a response.

If the Council cannot respond in full within the acknowledged timescale, it will provide regular updates every week. These will detail the reason for the delay and when a response can be expected.

The investigating officer may need to ask for further information to assist with their investigation.

The response can be provided by letter, email, face to face or by telephone. Where a response is given by telephone or in person, the Council will provide a written confirmation of the response.

As part of the response, the Council will advise on how a complaint can be taken to a further stage should the customer wish to do so.

Review (Stage 2)

If the customer remains dissatisfied following the initial investigation, they can ask for the complaint to be considered by the Policy, Performance & Complaints Manager.

This should be done within a reasonable timescale, normally within a calendar month of a Stage 1 response, however, this can be longer in exceptional circumstances.

The Policy, Performance & Complaints Manager will undertake the review (Stage 2) of the complaint. In some circumstances, they may ask another officer to undertake this role. The complaint will be acknowledged within three working days of the request being received to escalate.

In the review, at Stage 2, consideration will be given to the adequacy of the Stage 1 response, as well as any new and relevant information not previously considered. It will not be a detailed investigation of the complaint as this detailed investigation will have occurred at Stage 1.

Our policy is to respond in full within 20 working days of receipt of the complaint, wherever possible.

If we cannot respond in full within the acknowledged timescale, we will provide regular updates every week. These will detail the reason for the delay and when a response can be expected, which should be no more than a further 20 working days.

Next steps

There is no further right of appeal to the Council following completion of a review at Stage 2 of this policy.

Within the final response, Council will inform the customer of their right to take their complaint further if they remain dissatisfied. There are two ombudsman's offices: Local Government and Social Care Ombudsman and the Housing Ombudsman. The response will contain the contact details for the appropriate ombudsman's office.

Local Government and Social Care Ombudsman

The Local Government and Social Care Ombudsman look at individual complaints about councils, all adult social care providers (including care homes and home care agencies) and some other organisations providing public services.

PO Box 4771
Coventry
CV4 0EH
Phone: 0300 061 0614
Website: www.lgo.org.uk[external link](#)

Housing Ombudsman Service

The Housing Ombudsman Service look at complaints about housing organisations and looks to resolve disputes involving the tenants and leaseholders of social landlords. Residents and landlords can contact the Ombudsman at any time for support in helping to resolve a dispute

Housing Ombudsman Service
PO Box 152
Liverpool
L33 7WQ
Phone: 0300 111 3000
Website: Housing Ombudsman website[external link](#)
Email: info@housing-ombudsman.org.uk

Complaints of discrimination and harassment

The council has developed an approach for dealing with incidents of reported harassment or discrimination.

These issues will be dealt with sensitively, considering the nature of the issues raised when appointing an investigator who will liaise with the Council's Equalities, Diversity & Inclusion Business Partner. In cases of harassment, the Council will consider the characteristics of the investigating officer, and if appropriate, discuss this with the customer before appointing an investigator.

Complaints received via Councillors or Members of Parliament

When the Council receives a complaint via an elected representative, it will direct the response directly back to the customer, but will ask the customer if they wish the Council to provide a copy to the elected representative who originally passed it on.

Complaints relating to more than one council service

Where a complaint includes issues for more than one part of the council, the investigation will be led by the person who has responsibility for the major part of the complaint. We will aim to provide a single response whenever possible.

Complaints against members of staff

If an issue about a member of staff is raised (this includes people who volunteer with the Council), the Council will investigate and take appropriate action, in accordance with this Policy.

If during the investigation we find that staff have acted in a way that requires disciplinary action, then internal policies will apply. It will not be possible to share the outcome of any management actions.

Anonymous complaints

Anonymous complaints will be investigated as far as possible, and a record of the complaint kept.

Reasonable adjustments

The Council are committed to understanding the impact of a complaint on a customer, taking their individual circumstances into account. To assist in this, where reasonable adjustments are required concerning how complaints are made, considered, or responded to, it will accommodate requests where possible. In the first instance to discuss any reasonable adjustments with the Policy Performance & Complaints Manager

Dealing with unreasonable behaviour

There are a small number of customers whose behaviour in pursuing the resolution of their complaint or behaviour in general is unreasonable. A separate policy exists to deal with these instances and explains our approach. A copy of this is at Appendix 2.

This is supported by the Council's Violence and Aggression at Work Policy.

Review

To ensure that the Policy remains relevant it will be reviewed every 2 years.

This Policy will next be reviewed in April 2026 by the Head of Governance & Monitoring Officer.

Limitation of this Policy**Requests for service or information**

As an example, if a request for a repair to a council property is raised, this is alerting us to work that needs to be done.

These requests may however become a complaint if we do not deal with them appropriately.

Appeals procedures

If an appeals procedure applies to the complaint, we will refer the customer to this, and notify them of the actions at the outset.

Appeals procedures must be completed before we can investigate any other issues raised with us. If this is the case, we will let the customer know.

The following are examples of complaints where there is an appeals process and so we will not deal with them under this policy:

- issuing of penalty charges, for example parking tickets and the recovery process
- a decision on a planning application or planning enforcement matter
- a re-housing decision
- an eviction decision
- an offer of council accommodation
- entitlement to housing benefit or universal credit
- a decision about council tax support
- a ban from or restriction on entering council premises
- homelessness

Existing right of objection

This is where there is a more appropriate individual or organisation to deal with a complaint such as a tribunal, ombudsman or court.

Complaints regarding issues that occurred over 12 months ago

We would not normally investigate complaints about something that happened more than a year ago, unless there are exceptional circumstances.

Complaints about Conduct of councillors

Any complaint regarding a councillor must be submitted to the Head of Governance & Monitoring Officer

Details of how to complete this can be found on the Council's website

<https://www.warwickdc.gov.uk/standardscommittee>

Allegations of fraud, or corruption

If you have concerns about possible fraud or corruption involving Warwick District Council, details of how to raise these concerns can be found on the Council's [website](#).

Where legal proceedings are involved

When a legal challenge is being made regarding whether a decision, action (or lack of action) is lawful. This is a separate process to the ombudsman so will not be considered under the complaint policy.

Employment Issues

Complaints made by employees concerning their employment will be referred to Human Resources to be considered in line with internal HR procedures.

Complaints made by job applicants who wish to complain about the recruitment and selection process will be dealt with by the relevant recruitment manager.

Warwick District Council Managing Unreasonable Customer Behaviour Policy

Warwick District Council is committed to providing a quality service to all its customers. In return, the Council expects everyone who comes into contact with employees to treat them with respect.

Most of customers are satisfied with services provided. But the Council recognises that sometimes this isn't always the case. To carry out its work the Council need to make sure we are using our resources in the best way. To do this our decisions about are made in line with our appropriate policies and procedures. This might mean we can't respond to every issue in a way an individual may want if it means using a disproportionate amount of time and resource on a single case.

We understand that, in times of trouble or distress, people may act out of character, and, in a very small number of cases, may behave in an unacceptable way despite our best efforts to help.

This makes it difficult for us to deal with queries or complaints effectively. We also have a duty to protect the welfare and safety of our staff. They should be able to come to work without fear of violence, abuse, harassment, or discrimination.

Purpose of this policy

This policy means we can manage unacceptable customer behaviour consistently and fairly. It sets out clearly what we consider to be unacceptable and the steps we may take to deal with such behaviour. It applies to everyone who accesses our services to help us protect staff from abuse and harm.

You can expect that our employees will always:

- provide a fair, open, proportionate, and accessible service
- listen and understand
- treat everyone who contacts us with respect, empathy, and dignity
- behave in line with the Employee Code of Conduct

We expect people accessing our services to:

- be courteous
- engage with us in a way that does not hamper our ability to carry out our work effectively and efficiently for the benefit of all

Safeguarding and disclosures

If, in the course of Council work, an individual threatens to harm themselves or others, it will consider disclosing this to a relevant health professional. The Council may also contact the police if others are threatened with harm.

Definition of unacceptable behaviour

Unacceptable behaviour means acting in a way that is unreasonable, regardless of the level of someone's stress, frustration or anger. It may involve acts, words or physical gestures that could cause another person distress or discomfort.

Aggressive or abusive behaviour

Warwick District Council supports a zero-tolerance approach to abusive or aggressive behaviour towards its staff. Staff have a right to assist clients without fear of being attacked or abused. Any incidents of this nature will be considered under the Council's Violence and Aggression at Work Policy.

Unreasonable demands and vexatious complaints

Customers might make requests that we cannot reasonably accommodate. This may include but is not limited to:

- the amount of information they seek
- the nature and scale of service they expect
- the volume of correspondence they generate
- a remedy or outcome that cannot be achieved

The Council accepts that someone who is persistent is not necessarily guilty of unacceptable behaviour. What is seen as an unreasonable demand will depend on the circumstances of each case. The Council will always consider each complaint on its own merits.

However, the behaviour of someone who persistently contacts the Council about the same issue, when that issue has been dealt with in line with the Council's usual processes, can, in some circumstances, amount to unreasonable demand.

Such behaviour takes up a disproportionate amount of our time and resources and can affect our ability to provide a service to others.

Examples of behaviour which we consider as unreasonable demands and vexatious complaints include but are not limited to:

- refusing to follow our complaints procedure
- persistently pursuing a complaint where the Commission's complaints procedure has been fully and properly implemented and exhausted, but no appeal has been made to either the Housing Ombudsman or Local Government & Social Care Ombudsman.
- after the Ombudsman has considered and concluded the case, making a further complaint on the same issue
- contacting us repeatedly and frequently without giving us enough time to respond to previous correspondence
- insisting on seeing or speaking to a particular member of staff when a suitable alternative has been offered
- visiting our offices without an appointment *and insisting on meeting an individual*
- focusing disproportionately on a matter in relation to its significance and continuing to focus on this point despite receiving proportionate responses addressing the matter
- adopting a 'scatter gun' approach: pursuing parallel complaints about the same issue with different members of staff
- threatening or using actual physical violence towards staff or their associates
- being personally abusive or verbally aggressive towards staff dealing with their issue or their associates
- recording meetings or conversations (whether face-to-face or on the telephone) without the prior knowledge or consent of other people involved

How we will respond to incidents of unacceptable behaviour

The Council does not expect its employees to tolerate unacceptable behaviour when communicating with its customers. When this happens, its employees have the right to:

- place callers on hold
- end the call
- not reply to an abusive email or letter - we will only review these communications to ensure no new issues have been raised

Before taking such action, officers will always warn customers that they are behaving in an unacceptable way to give them the chance to change their behaviour.

However, a warning will not be given in extreme cases to protect our staff, for example, when a physical threat is made.

Where these circumstances arise, we will take the following steps:

- we will ask customers to modify their behaviour and explain why
- if the behaviour continues to be unacceptable, our employees will remove themselves from the situation. If the communication is by telephone, the caller will be told that the call will be ended
- the employee will inform their manager who will keep a record of the incident. In all cases a manager will investigate the situation and decide what action to take. This could include limiting a customer's contact with us
- we will refer the matter to the police where a criminal offence has been threatened or committed

Communication restrictions

If customers continue to behave unacceptably, a Head of Services after consultation with the Policy Performance and Complaints Manager can put in place restriction on a customer. If the Council decides to do this, it will tell the customer that it is doing, setting out:

- why it consider their behaviour unacceptable
- what action it is taking and the time limit on the restrictions

If it decides to limit communication, will make a note of the limitation and inform relevant officers, Ward Councillors and Portfolio Holders.

Communication might be:

- limited to being conducted in writing
- limited to a specific individual
- removed from Council's social media and be blocked from our accounts
- limited to a specific email address or telephone number
- placed on file without a further response if the issued raised in the correspondence has previously been considered
- limited in other ways which we consider appropriate in the circumstances, in line with this policy

In addition, we reserve the right to:

- limit telephone contact to set times on set days
- restrict contact to a nominated employee who will deal with all future calls or correspondence
- restrict the issues on which we will correspond
- block emails or telephone numbers if the number and length of communications sent is excessive

- refuse to consider a complaint or any further contact in exceptional circumstances
- take any other action which we consider necessary or appropriate to make this policy effective.

Where circumstances are serious enough to warrant further restrictions, the Council may take legal action to prevent further contact/unacceptable behaviour.

In making any decision to take legal action in such cases, we may consider:

- how legal action may affect our staff
- how legal action may affect the individual (including their personal circumstances and any reasonable adjustments)
- the extent to which we can engage or assist
- the extent to which the process or subject matter has been exhausted

Equality Act 2010

The Council will make sure that it meets the requirements of the Equality Act 2010 and the Public Sector Equality Duty. This includes making sure we consider adjustments for people with protected characteristics.

Some people may have difficulty expressing themselves or communicating clearly and/or appropriately. We will always consider the needs and circumstances that we have been made aware of, before deciding how best to manage the situation. This will include making reasonable adjustments.

However, this does not mean we will tolerate abusive language, shouting, or other unacceptable behaviour or actions.

If an individual with a protected characteristic becomes the subject of a restriction under this policy, we will consider whether the restriction may affect them more than someone without that characteristic. If this is the case, we may make different arrangements so they can still access the service.

Review

Any decision to restrict communications will include a time period for review and when appropriate we may lift some or all restrictions.

Title; Refurbishment and Improvement to Existing Paddling Pools

Lead Officer: Sally Watts

Portfolio Holder: Councillor Will Roberts

Wards of the District directly affected: Leamington Clarendon Ward (Victoria Park) and Warwick Saltisford Ward (St. Nicholas Park).

Approvals required	Date	Name
Portfolio Holder	16.02.24	Councillor Will Roberts
Finance	16.02.24	Andrew Rollins
Legal Services	16.02.24	Kathryn Tebbey
Chief Executive	16.02.24	Chris Elliott
Director of Climate Change	16.02.24	Dave Barber
Head of Service(s)	16.02.24	Marianne Rolfe
Section 151 Officer	16.02.24	Andrew Rollins
Monitoring Officer	16.02.24	Graham Leach
Leadership Co-ordination Group		
Final decision by this Committee or rec to another Cttee / Council?	Yes Recommendation to: Cabinet	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	Yes, Appendix item 4 and 5	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes, Forward Plan item – scheduled for 08/02/2024	
Accessibility Checked?	Yes	

Summary

The existing paddling pools in Victoria Park and St Nicholas Park are needing significant annual repair due to problems with the sub-base which has led to unplanned closures and higher than normal costs to maintain. This is projected to continue and likelihood of costs increasing as the pools deteriorate further.

The report outlines a recommended option to members regarding the future of the paddling pools and the impact of this option and its alternatives on the park and park user.

Recommendation(s)

1. That the Cabinet notes the condition of the existing paddling pools in Victoria Park, and St Nicholas Park and the need for extensive repairs;
 2. The Cabinet agree that Victoria Paddling Pool is closed this summer and St. Nicholas Park will open (subject to the completion of the necessary safety works further health and safety evaluation, should this necessitate the decision to close the paddling pool the decision will be undertaken by the Head of Service in consultation with the Portfolio Holder for Neighbourhood and Green Spaces)
 3. That Cabinet agree
 - (a) an additional £10,000 for temporary repair of the paddling pool at St Nicholas Park, funded through the budget core settlement (as set out within the budget report to Cabinet);
 - (b) the reallocation of savings made by the closure of Victoria Park paddling pool for staffing of St Nicholas Park Paddling Pool for 2024; and
 - (c) any underspend from these be reported as part of the quarterly budget updates.
 4. That Cabinet agree for officers to progress a project for the renovations of the existing paddling pool provision in Victoria Park and St Nicholas Park including refurbished and upgraded with improvements to the paddling pool area.
 5. That the Cabinet agree to the renovation of Victoria Park Paddling, starting in September 2024, pool not exceeding the value set out in Confidential Appendix 5, that includes a 15% contingency funded from the Corporate Assets Reserve.
 6. That the Cabinet ask officers to seek external funding to help fund the renovations required at St Nicholas Park Warwick and bring forward a proposal for this to a future meeting.
-

1 Reasons for the Recommendation

- 1.1 The paddling pools are located in Victoria Park, Leamington Spa and St. Nicholas Park, Warwick providing water play for toddlers and young children within a fenced area adjacent to the play area at the centre of both parks. The pool area is 79m² at Victoria Park and 62m² at St. Nicholas Park.
- 1.2 Both pools are maintained by a local firm, Poolcare, who specialise in installation, maintenance and refurbishment of swimming pools and spas nationwide. They undertake twice daily visits and water checks to ensure ongoing water quality. They also check the area has no hazards -including glass, within the pool area.
- 1.3 They are both free to use and are open usually from May half-term, through the summer until mid- September. Poolcare estimate that the level of use is approximately 140,000 visits to the paddling pools per annum over the 17-week opening period, with St Nicholas Park being generally busier than Victoria Park. This figure accounts for lower use during term time and poor weather as well as significantly higher use during good weather.
- 1.4 In Victoria Park, the history of the pool and maintenance is incomplete, but the original pool was installed in 1933 and the re-surfacing of the pool in Victoria Park was undertaken in 2018. The pool in St Nicholas Park was installed around the 1930's and remains a popular attraction. It has not been resurfaced since the changes to make it more accessible were undertaken at least 10 years ago.
- 1.5 The paddling pools are a significant cost to the Council on an annual basis and the cost of the additional repairs on top of the annual maintenance cost is increasingly prohibitive.

Year	Description	Cost (£)	Total
2021	Annual Maintenance	£48,016	
	Additional repairs/ equipment	£5,241	£53,257
2022	Annual Maintenance	£49,860	
	Additional repairs/ equipment	£4,061	£53,921
2023	Annual Maintenance	£55,993	
	Additional repairs/ equipment	£34,824	£90,817

- 1.6 Every year since 2021, surface repairs have been needed to the pool in Victoria Park. These are caused by a failure in the substructure of the pool plus cracks and leaks due to the age of the pool, as set out in Appendix 1.
- 1.7 This year, St. Nicholas Park paddling pool was closed at the start of the year due to pipes bursting the day before it was due to open. Victoria Park Paddling Pool had to close part way through the year as the original surface repairs failed and it had to be repaired.
- 1.8 Inspection of the facility and a report providing feedback from the pool maintenance service provider (Poolcare) leads officers to conclude that the pools can no longer be sustained with short term repair but requires wholesale replacement including a new subbase, pump, and filtration equipment replacement. This is provided in Appendix 2.
- 1.9 To run the paddling pool in spring/summer 2024, the contractors have advised that there is a high likelihood of closures during the season and that frosts from

the winter could cause cracking in the concrete of the pool, to the point the pools are unable to open unless significant repairs are undertaken delaying opening.

- 1.10 For the opening of the pool an extra estimated £10,000 is needed, in addition to the increasing annual maintenance costs to undertake preventative repair works to the cracks and failures in the pool surfacing before the pools can open. Whilst this repair work will allow the operation of the pools for the summer season, users will need to wear shoes in the pool to prevent scrapes and cuts from the surfacing.
- 1.11 To enable an assessment of the anticipated costs and an understanding of the implications of the recommendations, the existing provider Poolcare were approached to provide indicative figures for various options for the paddling pools. The costs for the recommended option are in confidential Appendix 4, they include a contingency of 15% added to allow for variation and unexpected additions during the planning and procurement process.
- 1.12 The current level of usage off water and electricity is unclear due to single billing of both water and electricity for the whole park. However, one of the criteria of assessment will be the energy efficiency and water in the procurement process to ensure it meets the goals of the Council's corporate strategy.
- 1.13 It is proposed for both parks that the area of the paddling pools are refurbished and upgraded to continue to provide a free family activity in the parks. The timing of the refurbishment is discussed within the report.
- 1.14 All prices quoted within this report are based on works being completed in Spring 2024, however given that the repairs would take several months to complete and there would be a need to go through procurement processes and gain planning permission, it is likely that the earliest the works would be undertaken in late September 2024.
- 1.15 Following an evaluation of the risks, usage and condition Victoria Park Paddling pool renovation has been prioritised over St Nicholas Park due to concerns of water loss and further closures from surfaces failures. The water loss cannot be mitigated by remedial works as the failure is inherent to the pool structure. Alongside the media team, this will be conveyed to the public by a communications plan to support the recommendations and improvement work as it progresses and mitigate negative public relations.

Timescales

- 1.16 The contractual timescales require a significant lead time to book in the services of companies that undertake this type of specialist work. In addition to our procurement processes and the need for planning permission, it is unlikely that this would be able to be accommodated prior to Autumn 2024.
- 1.17 Accordingly, for Summer 2024 it would be necessary to do the additional limited repairs (estimated £10,000 above the existing maintenance budget) or remain closed until after the renovations (Spring 2025).
- 1.18 There is an option of not undertaking any further repairs to either of the pools, leaving them inactive until they are fully repaired. This would mean no paddling pool provision for 2024/25. This would result in saving of the cost of the maintenance contract for both pools plus the additional maintenance and required staffing costs for the year of 2024/5. There is the risk of reputational

harm if the paddling pools are not operational in 2024 however there could be increased Health, Safety and Insurance risks if the pools are opened.

- 1.19 Once the procurement exercise has been undertaken, officers will seek a contract or who can undertake the work over two financial years. The costs for St. Nicholas Park are currently unfunded and at this time procurement exercise for the works cannot be procured.
- 1.20 Officers have explored four alternative options for the future of the paddling pools (which are set out in Appendix 3) to the preferred recommended option to refurbish and upgrade the existing paddling pools. These are:
- Refurbishment of the existing paddling pool provision only
 - Removal of the existing paddling pool and replacement with water play only.
 - No paddling pool provision within the park setting and change the area into different features for the park. I.e., a sensory garden in Victoria Park and a toddler play area in St. Nicholas Park
 - Ongoing repair of the existing pools (costs unknown)

Information relating to the costings and a cost comparison with the recommendation option of repair and improvement are set out in confidential Appendix item 4.

Information on the existing pools

- 1.21 Appendix 2 provides a report from Poolcare on the current issues at each location and advice on the action needed for the pools to remain active.

Victoria Park

- 1.22 The paddling pool is a stark area which is visually discordant with the surrounding park setting. The irregularly shaped paddling pool is inset and surrounded by hardstanding around the pool area which is enclosed by fencing with access from the park side (not the riverside path). There is no access from the adjacent play area directly to the pool area.
- 1.23 The pool has a large filtration system and pump, however, the sandy subbase beneath the pool is failing. Each year the pool loses more water and requires it to be constantly topped up throughout the season. The pool requires additional large volumes of water to be added beyond this, which the contractor's action on their daily visits.
- 1.24 In 2022, repairs were required before the pool opened in the spring, but movement from the substructure meant there was a repeated failure within 1-2 weeks. In 2023, a problem was identified with the pipework, which during pressure treatment was shown to be leaking.





St Nicholas Park

- 1.25 The paddling pool in St Nicholas Park has been regraded to be more accessible using a fibre glass base. The edges are sloped, and the surfacing uses a slip resistant paint. This surface has caused cuts and scratches especially when slips happen due to the sloped edges.
- 1.26 It has previously had two fountains added for additional play value and they are how treated water is added to the pool area. There are no other means of adding water to the water body. The pool area is surrounded by hardstanding, and the pump equipment room is located between the adjacent play area and the paddling pool.
- 1.27 The body of water in the pool is small for the level of use it receives. This impacts on the water quality. The contractor must maintain a careful balance between water cleanliness and chemical concentration added to the water. Currently the maintenance of water quality is a significant concern.
- 1.28 The pump and filter are domestic sized and are not considered to be fit for commercial purpose. The pump fails repeatedly on busy days, and this has significant impact on water quality. Failures of water quality leads to paddling pool closures at peak usage and when demand is highest.





Park users view of the paddling pools.

- 1.29 The park user survey in Victoria Park was undertaken in Summer 2023 as part of the ongoing management of the parks, as well as to understand the impact of the Commonwealth Games and the associated investment which had occurred. This has allowed a clear understanding of the value given to all the facilities in the park and where further improvements could be made.
- 1.30 There has been no equivalent park user survey undertaken in St. Nicholas Park to date.
- 1.31 Visiting the play area/paddling pool was the highest reason for visiting the park along with going for a walk/stroll and getting fresh air. 59% of people rated the paddling pool as good or excellent which give the condition of the pool and the recent closures indicates how favourably the facility is considered by the park user, however this is compared to 94% for the play area and 95% for the bowling greens.
- 1.32 The water play provision within the park is a special offer which differs from the play equipment which can be found on a smaller scale locally. It provides an opportunity for water play in an imaginative and social way, as well as learning the early basics of water safety.
- 1.33 The facilities are available for park users free of charge. This is a significant benefit for families seeking a no-cost activity.
- 1.34 During the open season of summer of 2023, the paddling pool in Victoria Park and St Nicholas Park needed to be closed for repairs and led to criticism of the Council on social media platforms for the Councils management of the asset and the facilities not being available for families to use during the school holidays.

2 The Proposed Option.

- 2.1 To refurbish and upgrade both existing paddling pool provision and improve the paddling pool area.
- 2.2 This option renovates the paddling pools and the proposal includes a new pool shell, non-slip surfacing, installing a new pool surround, improving the pipework and filter vessel, and replacement of the control panel.
- 2.3 The option would also include further improvements to enhance the facility based on the feedback received. It is recommended that the area around both paddling pools are improved as well as the pool structure itself in a way that responds to the needs of families in the following ways as part of the ongoing improvements to parks and park facilities.
- Jets and fountains
 - Benches around the external fenced area for parents
 - Provision of shade with removable sails or free-standing shade structures
 - Improvement in the surfacing around the exterior of the pool area
- 2.4 The estimated costs of these are set out in confidential Appendix 4.
- 2.5 Within the Victoria Park survey, a specific question was asked to gauge what kind of improvements would be supported. The results stated that jets and fountains added to the existing area to improve play value received 61% support, provision of shade (59% support) and more benches for parents to use whilst supervising children in the pool area (57% support).

2023 Victoria Park Survey Results	Yes	No	No opinion
More benches		5%	37%
Provision of shade	59%	5%	35%
Changing screen	33%	17%	50%
Adding other water play features - e.g., jets, fountains	61%	11%	28%
Change of design from a pool to a splash pad	23%	32%	45%

- 2.6 A changing screen was not well received (33% support). Comments regarding the roughness of the non-slip surfacing applied were raised in the feedback comments, with incidents of scrapes and the surface being abrasive to children. The proposal includes changing to a non-slip tiled surface.
- 2.7 Within the indicative quotations obtained an improvement in the surfacing around the pool area have been included with a stone resin or rubber resin quoted as an alternative to tarmac to improve the aesthetic value of the spaces. Initial indications advise that a cannon style water feature controlled independently of filtration and can be operated by a timing system(based on works to be completed in spring 2023).

- 2.8 This option will require planning permission to implement. Should this option be agreed a formal procurement process and planning process will need to be implemented.
- 2.9 A contract would still be required for water testing and quality as well as checks for any glass or trip hazards. The ongoing contract cost is estimated to be more equivalent to cost incurred in 2021 with reduced need to visit the site as frequently to top up water levels and equipment checks.
- Provision of staffing and income opportunities at the paddling Pool.
- 2.10 To supervise the paddling pools over the summer season (20th May -15th September between 10am and 6pm), an exercise has been undertaken to get an idea of the approximate cost for staffing. This is estimated at approximately £20,000.
- 2.11 The staff would undertake checks that children are wearing shoes to limit cuts and abrasions, water quality checks and hazard checks, further reducing the costs of the maintenance contract as well as monitoring capacity.
- 2.12 With staffing in place, there is potential for charging for paddling pool usage. The potential level of income from this is difficult to gauge as there is no clear usage data for the paddling pools. It is estimated that there are 140,000 users, a figure provided by Poolcare, additionally in the survey no data was collected on whether a pay per user scheme would be accepted.

3 Legal Implications

- 3.1 The Council will ensure legal advice is obtained throughout the delivery of the plan including anything applicable to procurement laws, planning, legal agreements, and consents.
- 3.2 The information contained within the confidential appendices to the report falls within the scope of Section 100A of the Local Government Act 1972 within paragraph 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, by virtue of the information relating to the financial or business affairs of any particular person (including the authority holding that information). In disclosing this information in the public domain it will put the Council at a potential disadvantage when seeking to procure works and achieving best value in the wider public interest. The information also contains confidential information from

4 Financial Services

- 4.1 The total cost of the proposal is not finalised as the Council must undertake a procurement process to identify a contractor to the selected option to be delivered. All costs given are indicative; however, it cannot be met out of the existing Green Space budget and would require a one-off capital expenditure to invest in the improvement of the paddling pools. Access to S106 funding and grant opportunities have been considered for both sites.

Existing S106 funds

- 4.2 In line with the Public Open Space SPD, off site contributions must identify specific local existing or planned off site spaces. For St Nicholas Park the available S106 monies totals £106,000 for the area including the park, however these monies have been earmarked already for significant projects such as a new play area in St Nicholas Park which is identified in the play area improvement program as requiring replacement, providing a BMX/ Skate Park and riverside improvements on Myton Fields riverbank.
- 4.3 In Victoria Park, the previously available S106 monies within the ward and area were utilised in the new play area and other improvements in the park for the Commonwealth Games.
- 4.4 For Victoria Park there is one available S106 contribution at £34,902 however this is resource already dedicated elsewhere.

Future S106 funds

- 4.5 Green Spaces is set to include St Nicholas Park is due to receive significant funds (£660,000) in the next couple of years through Section 106 agreements relating to Green Space contributions as set out in the local development framework. This would come from large development at Montague Road which could be used to meet these costs. However, this would be to the detriment of several sites that it has also been allocated to (Priory Park Riverside Walk, Railway allotments or Millbank allotments). This payment is due at the time of occupation of the 60th dwelling.
- 4.6 The construction of the development is nearing a point at which payment would be made; however, sales are slowing due to the housing market and the point at which payment is due has not been reached and is anticipated to be likely later in the year. An option could be to forward fund the paddling pools as the receipt of the S106 monies has not yet been received.
- 4.7 There are no identified future S106 funds that relate to Victoria Park currently.
- 4.8 The cost of the recommended option for Victoria Park will be funded from the Corporate Assets Reserve, which has as apart of the Core Finance Settlement been allocated the amount in 2024/25 to support this request.

5 Corporate Strategy

- 5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation.

Delivering valued, sustainable services

- 5.2 In order that the Council can continue to focus its efforts and activities on the needs of its residents, communities and businesses, this priority will be underpinned by ensuring continued demonstration of financial sustainability through the medium term. The existing programme of annual repair does not represent good value for money in either the short or medium term and is becoming an expensive way of maintaining the asset. To replace and make good the asset would ensure longevity and reduced maintenance costs.
- 5.3 The paddling pools are key contributors in the success and vibrancy of the parks and meeting the public needs and aspirations within the park setting. Currently the paddling pools are well supported but the survey shows that there is a desire to improve the paddling pool to meet customer needs. The paddling pools form a key part of the offer for families as reflected in the Victoria Park survey and contribute toward ensuring all communities have access to decent

open space and the area has well looked after public spaces with additional elements to ensure improvement.

Low cost, low carbon energy across the district

- 5.4 The Council is committed to find ways to reduce energy consumption and bills for Council assets. The plant equipment in the pools is not working effectively at either site is needed to be used extensively to manage the deficiencies in the pool design. The plant equipment on both sites is not fit for purpose and is in use for more than should be designed for.
- 5.5 Part of ensuring low cost and low energy use is ensuring that the functionality of the equipment installed meets the requirements of the purpose. The proposed replacement would be designed to meet the requirements of the site which would improve functionality.

Creating vibrant, safe, and healthy communities of the future

- 5.6 The paddling pools are a key factor in the experience of families using parks in the district. They afford the opportunity for water play in a safe controlled environment, they allow for social interaction within the district as well as opportunity to become stronger, fitter, and healthier community through play.
- 5.7 There is evidence that the social value of swimming in the UK is £2.4 billion. However only 1 in 2 persons from a low socio-economic group or are from ethnically diverse communities know how to swim.
- 5.8 The link from water confidence, water safety and swimming are a critical area where the paddling pools provide a link from water play to water safety. Research in water safety shows that and early understanding of the risks are key.
- 5.9 To understand the risks associated with water and to be able to play in a safe environment allows children to have confidence regarding water and become versed in water safety from an early age.
- 5.10 That the pools are a free to use facility allows an equity to this approach which given the cost barriers to swimming with entry fees and the cost of lessons can be a barrier.

6 Environmental/Climate Change Implications

- 6.1 The only climate change implication has been the inclusion of shade within the pool area to allow parents and children shade whilst using the pool area. Feedback from the survey demonstrates that this is an area that the public felt was more of a priority within the park in general, but particularly in play area feedback.
- 6.2 On both sites, the existing equipment is not fit for purpose which leads to inefficiencies. Currently the pumps and filters are working at capacity in St Nicholas and being overworked in busy times. The new equipment associated with the recommended improvements will lead to greater efficiencies and energy savings.
- 6.3 In Victoria Park, the level of water usage is significantly higher than it ought to be for the volume capacity of the pool and the water top up is significant in times of use as the water is not being retained in the pool due to structural defects. The recommended option (along with option 1 and 2 would result in significant reduction of water usage at the paddling pool).

6.4

7 Analysis of the effects on Equality

- 7.1 The paddling pools provide an opportunity for all families to use a free facility with no barrier to entry in a public place. This is important in times of financial hardship to provide an activity free to access in an equitable way.

8 Data Protection

- 8.1 There are no data protection implications of the plan.

9 Health and Wellbeing

- 9.1 Parks and green spaces are supported by Warwick District Council as being a key contributor in ensuring health and wellbeing for their residents. The facilities in the park impact the frequency and duration of visit to the open space. There are wider benefits in terms of children learning and enhancing key skills including social, emotional, cognitive, and physical skills within play settings.
- 9.2 There are links between the quality of open space and active lifestyles and sports participation which link to the core tenets of wellbeing and living a healthy life which underpin the value in the variety and quality of the facilities in the park.

10 Risk Assessment

- 10.1 The parks, and in turn the facilities within the park including the paddling pools represent WDC supporting the wellbeing and quality of life for residents. The loss of paddling pools from under investment could spread a perception that there is a lack of support for public facilities despite recent investment in sport and activities in the district. The paddling pools offer of play is different to swimming pools and other leisure facilities given the lack of user cost and it therefore provides a different type of provision in the district for leisure.
- 10.2 There is a considerable resource implication by not just replacing as is but improvement, however, there is a general drive to improve parks and invest in the health and wellbeing of communities, the replacement only option could be viewed as missing an opportunity to improve local facilities in the park.
- 10.3 Continuing with both pools open would be a considerable risk given the clear advice from the contractor that the substructure of the pools and the pipework is failing due to age, and they require investment to continue. If this is not resolved, then it is highly likely that the pools will fail and remain unopened. This could be mitigated in the short term by undertaking repairs but will not resolve the issue in the medium to longer term.
- 10.4 There is a considerable risk that the Council would incur considerable criticism if the timing of the repair's mis-aligned with the most active use of the paddling pools. Whilst this is partly out of control of the authority with weather being a key driver in the use of the paddling pools, there is a clear expectation from the public in terms of the opening/availability of the paddling pools and there can be criticism if not met as experienced in 2023, and each time the pool is closed.

- 10.5 On agreeing the procurement route and programme delivery, the Green Space Team would need to be clear in terms of delivery. If there were issues, officers would need to communicate this effectively to members of the public to avoid or mitigate criticism.
- 10.6 There is a significant risk of increased insurance claims and health and safety risks resulting from opening the paddling pools following temporary repairs. Whilst the wearing of shoes will mitigate this risk, officers propose that there is a full health and safety evaluation of risks prior to opening to ensure that all risks are mitigated.
- 10.7 The enforcement of the wearing of water shoes also brings a risk of criticism to the council as there is a clear expectation of a free to use facility. Officers would try to mitigate this risk through a planned communication programmes.
- 10.8 There is the likely risk of the displacement of paddling pool users to St Nicholas Park which will exceed the already oversubscribed usage of the facility as earlier explained. The increase in usage could lead to more regular closures due to poor water quality from the increased demand. This will be mitigated by the onsite supervision.
- 10.9 Given these concerns we will need to undertake recruitment to fill this role for the summer. Failure to do so will necessitate in the closure of St Nicholas Park given the implications of failure to do so. Subject to agreement of this report, officers will begin this process immediately.

11 Consultation

There has not been any consultation, however the Victoria Park questionnaire is a recent expression of opinion. The consultation period for this was through July 2023 and the results recently given to the Friends of Victoria Park.

Background papers:

The results and feedback on the Victoria Pak survey can be found at:

[Feedback report on results of the 2023 user survey for Victoria Park - Download - Warwick District Council \(warwickdc.gov.uk\)](#)

Appendix 1. List of costs from 2021- 2023

Year	Description	Cost
2021	Annual Maintenance	£ 48,016
	Chlorine Probe (SNP)	£ 541
	New Pump (SNP)	£ 615
	Surface Repairs (SNP)	£ 1,685
	Surface Repairs (VP)	£ 1,785
	Replacement Pump (SNP)	£ 615
	Total cost for 2021	£ 53,257
2022	Annual Maintenance	£ 49,860
	Dosing Pump (SNP)	£ 740
	Surface Repairs (SNP)	£ 1,800
	Surface Repairs (VP)	£ 950
	Replacement Probes (VP)	£ 571
	Total cost for 2022	£ 53,921
2023	Annual Maintenance	£ 55,993
	Surface Repairs (VP & SNP) plus pressure testing	£ 20,725
	Pool Cleaning Equipment	£ 725
	New Pipework and renovations to fountains (SNP)	£ 10,842
	Replacement Pump (SNP)	£ 650
	Replacement Pump & Starter (VP)	£ 1,882
	Total cost for 2023	£ 90,817

Appendix 2: Report from Poolcare on the current condition of the paddling pools and advice on future action.



22nd December 2023

St Nicholas Park and Victoria Park paddling pools Report 2023

We have had involvement with both paddling pools for many years now, but for the most recent 5/6yrs we have been responsible for the daily operation of these facilities.

Over the last 2-3 years, even just keeping the pools open has become increasingly difficult and in our professional opinion, both of these facilities have reached the end of their usable life. The last couple of seasons, many additional visits have been required during busy times at additional cost, obviously increasing the running costs.

Please see below a list of the current issues on each location.

St Nicholas Park

Pool Design

Fundamentally, the volume of water is too little. This is mainly due to the sloped sides which significantly reduces the amount of water in the pool, therefore it is very different to keep a safe residual level of Chlorine especially due to the extremely high bather loads that can often occur.

Pool Filtration system

Overall the filtration system is much too small for both the pool and the application.

Pipework between the pool and plant is small and limited, and the equipment itself is undersized meaning the filter and strainers clog up very quickly, cutting off the filtration; this of course compounds the issue.

The only pipes which return water to the pool, is via the high level cannons which means when Chlorine is dosed into the return water, it comes out of the outlets via these fittings. This means the Chlorine level in this water is higher than the rest of the pool. This type of feature should be on a separate loop.

Due to high bather loads and poor filtration the chemical levels and clarity are significantly impacted very quickly.

Pool Filling

There is no automatic top up feature on this pool, therefore topping up or re-filling the pool after a drain or even just a backwash, must be done manually. This requires attendance on site during this process.

Pool Shell

The integrity of the pool itself is extremely poor; every year remedial works are carried out pre-season which involve patching of render, and re-painting, however, due to the deterioration of the sub-base, further repairs are



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always required throughout the season, sometimes within a matter of weeks of re-opening, as occurred this year. It is then necessary to close the facility for a number of days whilst the necessary repairs are made.

The pool is of a painted finish which can be extremely slippery especially on the sloped sides. An aggregate can be added to the paint during the application, however, this can leave an abrasive finish which in the past, has also resulted in complaints (it appears we can't win).

Pool Surround

The pool surround is finished with Tarmac which is now very old and broken down. It is not ideal for users with bare feet and also, results in much contamination to the pool.

Victoria Park

Pool Design

The design of this pool is better; there is a larger volume of water which makes it easier to maintain adequate sanitation levels.

Pool Filtration system

The filtration system is much larger and more suitable for a pool of this type.

The electrical control equipment needs upgrading, however, on the whole the plant equipment is adequate.

Pool Filling

There is no automatic top up feature on this pool, although there is a feature where water can be added to the running filtration system, although this does not automatically isolate.

Pool Shell

The pool shell is in extremely poor condition, again, minor refurbishment is carried out at the start of every season, and due to the poor condition of the shell, further repairs are always required throughout the season. The damage always looks unsightly and the sharp edges prove a Health and Safety issue.

Pool Surround

As per St Nicholas Park, this is degraded tarmac which needs to be renewed for the same reasons.

Water Loss

For the last couple of years, the pool has been losing a considerable amount of water. This has become gradually worse and for most of the time, this season, fresh water has been running in to the pool constantly (day and night), in order to maintain any form of water level which would allow the pool to operate. Associated with a leak of this size, is of course the cost and amount of chemical being dosed and also, consideration as to where the chlorinated water is going.

Pressure testing of the pipework has been carried out which has shown failures; additionally some water is being lost through the shell itself.

Conclusion

To conclude, both pools are in need of an urgent overhaul; we would recommend both be excavated and re-built. With St Nicholas Park being constructed in a similar way currently as Victoria Park.

New pipework installed to both with any additional features being installed on a separate pipework loop and perhaps timer or button operated.

Plant equipment at St Nicholas Park be completely replaced (there are some issues regarding access).

Poolside's to be re-surfaced with a suitable finish.



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Appendix 3: Exploration of Alternative Options.

There are four alternative routes to the preferred recommend option to refurbish and upgrade the existing paddling pools which have been explored by officers.

Given the extended time frame and contingency and additional 15% has been added to allow for these factors for all options within the report.

Alternative option 1: Refurbishment of the existing paddling pool provision only

As the recommended option, this option, would include a new pool shell, non-slip surfacing, installing a new pool surround, improve pipework and filter vessel, and replace control panel.

This would not include improvements to the area around the pool and would replace the pools like for like. This would be a lost opportunity to enhance the pool area and functionality of the pool area in terms of the sustained improvement in the quality of the park environment. Therefore, this option has not been put forward as the recommended option.

Confidential Appendix 4 outlines the cost associated with this option.

A contract would still be required for water testing and quality as well as checks for any glass or trip hazards. The ongoing contract cost is estimated to be more equivalent to cost incurred in 2021.

Alternative option 2: To remove the existing paddling pool and replace.

A splash pad is also known as interactive fountains, spray pads, spray parks, or wet decks, are aquatic venues that spray or jet water on users. Splash pads are designed so that standing water does not collect in the water play area.

When the Victoria Park users were asked their thoughts on changing from a pool to a splashpad provision, there was limited enthusiasm for the proposal with 32% of respondents stating they didn't want this change, and 23% saying yes and 45% having no opinion showing a high level of ambivalence, especially in comparison to adding other water features to the existing pool which was more warmly received.

The costs relating to a water play/ splashpad have been difficult to directly compare as they significantly relate to the number of water play features within the splashpad area. The area would not be a conversion of the existing pool area but require the existing pool area and equipment to be removed and the installation of a closed water system including below ground tanks and pumps. There are schemes of similar scale that are £750,000 through to £150,000. Research supports a reasonable estimate would be £300,000 to £400,000 per site given their size and level of usage to include the water features, surfacing etc.

A contract would still be required for water testing and quality as well as checks for any glass or trip hazards. This is difficult to estimate at this time as it would depend on the features. There are significant anecdotal discussions on the inherent difficulties with splash pads and the ongoing maintenance issues they present and the additional cost burden they can represent when compared with paddling pools.

There are significant anecdotal discussions on the inherent difficulties with splash pads and the ongoing maintenance issues they present and the additional cost burden they

can represent when compared with paddling pools.

When the officers have attended regional meetings and training, park facilities have been discussed. Given the high cost of water play and the prominence in any parks team budget, the issue of water play provision and the inherent costs are often raised.

For this reason, along with no significantly expressed desire by the park user in Victoria Park to have this type of facility, it is not being recommended as a preferred option.

Alternative option 3: No paddling pool provision with the park settings

This option involves is the complete removal of the paddling pools which would remove this type of play provision within the district. This option would require the removal of the substructure and concrete, removal of the pump house and making good. These costs are not insignificant.

Given that the areas are located at the centre of the park it is considered necessary to ensure the area vacated by the existing paddling pools would need to be addressed rather than purely grassed over.

For Victoria Park, the area is extensive (114m²) and is within the play and fitness area of the park. Due consideration would need to be given to the best uses of this space. E.g., a sensory wildlife area.

An initial estimate cost (set out in confidential Appendix 6) for a proposal like that in Jephson Gardens (including a fenced area, a looping sensory path, trees, bee friendly planting and wildflowers, possibly with musical equipment and a swing to help those in need of a quiet space. Part of the area could also be used for shading with some sail shades and some benches to allow families to picnic in the park and near the play area. There would be scope to add a water fountain using the mains water from the existing pipework to serve the paddling pool and signage). These are all ideas identified within the Victoria Park survey as lacking in the park and could be included in a reimagined area.

Within St Nicholas Park, the area (110m²) is directly adjacent to the play area which needs improvement as the play equipment is approximately 20 years old and at the end of the life cycle of the equipment. The replacement of St Nicholas Park play equipment is part of the medium-term work forecasting in the park.

The area of the existing paddling pool could be utilised as part of the play area and the area integrated into the play provision on the site.

The approximate cost to turn it into a toddler area play area, with new play equipment and surfacing after the cost of removing the existing pool is set out in confidential Appendix 4.

This option would allow for an enhancement of the existing spaces, however the enduring popularity of the paddling pools and the social value in providing free water play in the park setting is a significant factor in this not being the preferred option.

Alternative option 4: Ongoing repair of the existing pools

The final option considered is the continuation of patch up repairs to the existing pools. However as detailed above, they are leaking water into the ground and the substructure is known to be failing.

This year the cost was an additional £37,231 which indicates that this is not a sustainable approach to take and our contractors have advised that the high annual

total costs are likely to continue to grow exponentially unless the foundations of the pools are remedied. This is not considered a viable option in the longer term and is not a prudent use of resources.

As outlined in the reasons for recommendations an estimated repair cost of £10,000 on top of the high annual costs of running and maintaining the pool for the summer is required to ensure that it is possible to open the pool for summer 2024. However, even with this repair children will need to wear shoes into the pool area. This would be difficult to monitor or enforce without supervision.

Title: Packmores Community Centre Update

Lead Officer: Bernadette Allen

Portfolio Holder: Councillor Sinnott

Wards of the District directly affected: Warwick Saltisford

Approvals required	Date	Name
Portfolio Holder		Councillor Jim Sinnott
Finance		Shebi Chowdry
Legal Services		Kathryn Tebbey
Chief Executive		Chris Elliott
Director of Climate Change		Dave Barber
Head of Service(s)		Lisa Barker
Section 151 Officer		Andrew Rollins
Monitoring Officer		Graham Leach
Leadership Co-ordination Group		Cllrs Wightman; Davison; Boad; Falp; Day.
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	No	
Accessibility Checked?	Yes	

Summary

This report is seeking to confirm the agreement in principle to:

- The use the land within or adjacent to Priory Pools Park, Warwick as shown at (Appendix 1 building options) as the agreed location for a new centre for the Packmores area of Warwick and that a lease for 199 years be provided accordingly at a peppercorn.
- support the creation of a Charitable Incorporated Organisation (CIO) which will work in partnership with The Gap to run the proposed new centre.
- extend the current Grant/Service Level Agreement with the Gap for an additional 3 years.
- release funds to the Gap to help progress the scheme to Royal Institute of British Architects (RIBA) stage 3.
- note the proposed draft timetable for delivery of the scheme.

Recommendation(s)

- (1) That Cabinet confirms agreement for the general location for a new centre for the Packmores area of Warwick as shown at plan 1 (see appendix 1).
- (2) That Cabinet supports the creation of Charitable Incorporated Organisation (CIO) and that in principle a lease is provided on a peppercorn basis for a period of 199 years for the site illustrated on plan 1, (see appendix 1) subject to the submission of, and, agreement to a full business case and plan. Appendix 2 is the Governance options paper and Appendix 3 outlines the preferred option C from the governance options paper.
- (3) That Cabinet agrees in principle to extend the existing Service Level Agreement with the Gap from July 2026 until June 2029 subject to the submission and agreement to a full business case and plan.
- (4) That Cabinet agrees that £48,344 (+VAT) is provided as a grant for the Gap, funded from the Council's New Homes Bonus Allocation to progress the proposed Scheme to Royal Institute of British Architects (RIBA) stage 3.
- (5) That Cabinet note the high-level draft timetable at Appendix 4, for progressing the scheme.

1 Reasons for the Recommendation

- 1.1 In 2007, a repurposed space in the basement of Sussex Court flats owned by Warwick District Council (WDC) was opened to provide residents with access to community support services. This was initially supported by the Council's Community Development team. However, in 2015, the Council Commissioned Warwick Percy Estate Community Projects Ltd (known as The Gap) to deliver support services for residents living in the Packmores and Cape area of Warwick. The target groups were primarily older people, young people not in education, employment or training (NEETs) and disadvantaged families.
- 1.2 The Gap has been responsible for delivering services within the Warwick West Area (including the Packmores) for the last eight years and the long-term purpose for the community hub is to develop a sustainable facility that supports the local community whilst also having the capacity to support those living further afield. This approach includes providing access to local services, facilitating social connections, reducing isolation, and promoting wellbeing.

- 1.3 The existing centre is much, much smaller than other Community Centres elsewhere in the district. However, despite the current size limitations, it has and continues to provide essential support services for the local community. There is, however, a need to develop new provision due to the following challenges:
- Issues re: space and capacity
 - Building is no longer fit for purposes due to increased demand for local community support.
 - A need for outdoor space (particularly in post pandemic world and relevance of how use of green space improves wellbeing)
 - Facilities do not align with level of need in the area, particularly in comparison to newer services in other new local communities.
 - Covid recovery has the potential to increase demand for local services and adapt to new and emerging needs.
- 1.4 At its September 2023 meeting the Cabinet agreed the following:
- 1 That Cabinet supports in principle the Packmores Project and agrees that a business case is produced for further consideration by Cabinet.
 - 2 That Cabinet supports, as part of the production of the Business Case, the work to identify match funding for the project.
 - 3 That Cabinet approves the proposed partnership and governance arrangements for the project outlined in Appendix 2.
 - 4 That Cabinet agrees to undertake exploration work including technical surveys to assess the suitability of a site identified within or adjacent to Priory Pools Park (shown on Appendix 1) as a potential location for a new Centre for the Packmores area in Warwick.
 - 5 That Cabinet agrees up to £25,000 by way of a grant to The Gap, funded from the Councils New Homes Bonus Allocations, to carry out exploratory survey work including: Geointegrity, CCTV, drainage & condition, arboriculture, ecological appraisal, Landscape Architect, topographical, site infrastructure and utilities and tree surveys.
- 1.5 That report also set out the next steps for the projects as being:
- Completion of the surveys.
 - Completion of the Business Case.
 - Agreement to a funding strategy.
 - Agreement to how the facility would be managed going forward.

All of the above steps, plus public consultation, would need to be undertaken before an application for planning permission could be made and before WDC was able to give formal consent as a landlord and to drawdown the rest of the allotted funds for this scheme. However, to achieve these next steps a number of issues need a steer for and support from this Council.

- 1.6 Since September 2023, a Project Delivery Group (PDG) has been established to provide practical and operational support to progress the Business Case, complete the specific site surveys to clarify where the building exactly should be located, taking account of a lot of site-specific issues bearing in mind the sensitivity of the area. The PDG has also taken responsibility for coming up with proposals for the structure to run the centre, the identification of funding and most importantly the communication and involvement of residents in the development of the centre.
- 1.7 The Project Board has also been established and met for the first time on 9th November. The Board involves, representatives of residents, local Councillors from all 3 Local Authorities, and officer representatives from WDC Housing and Green Spaces teams as well as representatives from the Gap and King Henry VIII Endowed Trust. The Board meeting was followed up with a site visit on 29th November to the Priory Pools Parks to view the potential locations in person. Plan 1 (Appendix 1) illustrates the proposed general location of the new community centre given the information available to date and as assessed by the site visit. The precise location will need more survey work to be confirmed and the steps to be taken to design it to RIBA stage 3. During that process it would involve local community consultation to help inform the specific design. It will of course require planning permission.
- 1.8 The Project Board is aware of WDC's emerging Net Zero Carbon Planning Policy and will ensure this is the minimum standard applied to the design and performance of the building. However, subject to an assessment of cost, it is intended to go beyond this to deliver a scheme that will not only minimise operational carbon but will also minimise operational costs for the building's operators. In preparing the RIBA Stage 3 report, the designers will be expected to take account the Council's aspirational building standards currently being prepared and therefore liaison with the Programme Director for Climate Change during the RIBA stage 3 work, will be necessary.
- 1.9 Regarding biodiversity, there are opportunities using adjoining land owned by WDC to offset and enhance biodiversity and this will form part of the proposals as will opportunities to enhance access to other areas nearby e.g allotments. The land identified is WDC General Fund though the parking would require the existing Housing Revenue Account (HRA) garages to be demolished. The cost of taking the plans to RIBA stage 3 is £48,344 (+VAT) and it is proposed to be financed from the £225k allocated for 2024/25 by way of a grant to the Gap.
- 1.10 At that meeting, a paper on the proposed options for a new governance structure for the new centre was also discussed (see appendix 2) and it was agreed to progress option C by creating a new Charitable Incorporated Organisation (CIO) to work in partnership with The Gap (see appendix 3). WDC would also need to be prepared to agree to lease the land proposed to be used at a peppercorn to the proposed CIO to enable the organization to raise the funds from other entities. If supported, work will be undertaken to formally register the CIO. There will need to be a Memorandum of Understanding between the CIO and the Gap.
- 1.11 However, there is a complication in this approach in that it relies upon the Gap as a partner organisation to effectively run the facility (at least initially) and when bidding for funds to be the community organization with a track record. However, the Gap's current contract with WDC runs out in June 2026 and at this stage it won't be known who the successful re tenderer would be. That could be addressed by the Council being willing to extend the Gap's contract by another 3 years at the current budget allocation (so no more money than is

currently budgeted). That would require the Council to waive the procurement code of practice to enable this to occur.

- 1.12 The proposed draft timetable for the project to the point of delivery is set out at Appendix 4, to be noted as it requires further discussion and agreement by the Project Board.

2 Alternative Options

- 2.1 The Cabinet could decide against any or, all the recommendations. To do so would hinder the progression of the community facility for the Packmores Community who have been waiting for many years.
- 2.2 Appendix 2 does set out other options that were considered for the future governance of the community centre. The Project Board unanimously supported the option proposed in this paper.
- 2.3 Other funding would be required if the Council choose not to enable the drawdown to take the project onto the next step. There is none immediately available from other sources. Experience of other community projects does demonstrate that an initial investment to get the "ball" rolling does lead to other bodies investing in such schemes.
- 2.4 The Council has already agreed in principle to the general location though the terms need to be agreed in detail.
- 2.5 The extension of the Gaps' SLA could be refused but this would create a very difficult situation for the future running of and the bidding for funds, for the proposed new community centre.

3 Legal Implications

- 3.1 The procurement of contractors and consultants to carry out these works and surveys will need to accord with the Council's Code of Procurement Practice, in addition to any other statutory obligations. Appropriate contractual arrangements will need to drawn up. Future reports and decisions may give rise to additional legal implications, but these will be addressed at that time.
- 3.2 A small part of the site is held within the HRA. The Centre would be for wider community use and not provided primarily for the benefit of the Council's own tenants. If the garages are genuinely surplus and not required to meet housing purposes, it will be necessary to pass a formal resolution appropriating this parcel to the General Fund. This could, perhaps, be part of the process to approve the business case. Following appropriation, the General Fund would need to compensate the HRA for the value of the land transferred. A valuation will therefore be required.
- 3.3 In relation to the proposed lease, the Heads of Terms must be prepared. The value of the asset is important in assessing whether there is a transaction at an undervalue, given the duty on local authorities to secure best value. Such transactions must be specifically approved citing the relevant provisions in the General Disposal Consent 2003 i.e. whether the disposal at less than market value is in the interest of the economic, social or environmental well-being of the whole or any part of its area, or any or all persons resident or present in its area. Further, the amount of undervalue must be assessed with evidence i.e. a valuation. Provided the undervalue is £2 million or less, the Council has authority to make the decision. Above that, it has to be referred to the Secretary of State.

- 3.4 In addition, the proposed terms of the lease must be assessed against subsidy control principles – to determine whether there is a subsidy and, if so, whether it is a permitted subsidy.
- 3.5 If the intention is that The Gap or future provider occupies part of the centre under a lease, the Council may wish to consider including a form of approved sub-lease as part of the head-lease to the CIO.
- 3.6 The objects, establishment and constitution of the CIO may benefit from legal advice.

4 Financial Implications

- 4.1 £25k has been allocated in the 2023/24 budget to enable the development of the Packmores Community Scheme. Provision has been made in the Community Projects Reserve for another £225k in 24/25. The £25k for this year has already been drawn down and it is proposed that another £48,344 (+VAT) is needed to finance the immediate next stages of the scheme. This should be fundable from the £225k allocated for 2024/25.
- 4.2 It is likely that a new community centre will cost in the region of £1.5 to £2m. Funds will need to be raised from a range of sources including Warwickshire County Council who have indicated that such a scheme may attract funding from their Social Fabric scheme. However, in order to raise funding, there needs to be a clear proposition in terms of a business case and in terms of a proposed facility. This needs a site to be identified and the early stages of a RIBA scheme to illustrate what can be provided. Without this there is no scheme for which to seek funding.
- 4.3 The Gap's current Service Level Agreement runs to and costs £30k per annum. It is proposed to extend this by 3 years at the same annual cost which is budgeted for until June 2026 to provide evidence of sustainable funding to support funding bid.

5 Corporate Strategy

- 5.1 This proposal fits well with Strategic Priority 2, linked to low cost, low carbon energy across the district. It is proposed that the new build design will find new ways to reduce energy consumption and that renewable energy generation capacity will be introduced.
- 5.2 The proposal also supports Strategic Priority 3, linked to, creating vibrant, safe and healthy communities of the future. A diverse range of community interventions, models and methods can be used to improve health and wellbeing or address the social determinants of health. Community Centres play a key role in improving the quality of community life, social support and social networks that are major influences on individual and population health, both physically and mentally.

6 Environmental/Climate Change Implications

- 6.1 The proposal helps to maintain biodiversity and remove carbon dioxide emissions from the atmosphere. The scheme will be designed to be Net Zero Carbon drawing on low carbon energy. And as part of the survey work on the site it is proposed to look at renewable electricity and heating for the new build.
- 6.2 The Biodiversity Net Gain provisions will also be addressed as part of the scheme given that it will involve the Priory Pools Park.
- 6.3 It is also anticipated that active travel to the site will be supported by

examining the opportunities to improve the linkages to other open spaces and to the wider footpath and cycling network.

7 Analysis of the effects on Equality

- 7.1 An Equality Impact Assessment is not required; there are no new or significant policy changes proposed in respect of Equalities arising as a result of this report at this stage.

8 Data Protection

- 8.1 There are no data protection implications.

9 Health and Wellbeing

- 9.1 The provision of a new Community Centre for the Packmores will provide multiple health and wellbeing benefits to the local community. Associated improvements to the Priory Pools Park open space will also support the local community to access free, active lifestyle opportunities.

10 Risk Assessment

- 10.1 There would be a direct risk to the Council should Cabinet decide not to support the development of a new centre at the Packmores; it will adversely impact on the delivery of a more comprehensive service offer to one of the more deprived Local Super output Areas in Warwick District.
- 10.2 There could be risks that if funding is not raised to the degree that may be needed to build a new facility, the onus may fall on the Council to fill any funding gap. This is, however, a risk that the Council takes with all its support for community schemes. In other examples, the Council has either decided that it is appropriate to fill the funding gap or to make it clear that it will contribute a specific sum and no more depending on the circumstances. The mitigation point to this risk is that the Council is not exposed to incurring further expenditure by accident.
- 10.3 There is a risk that the money expended or proposed to be expended does not lead to a successful community centre project. This is impossible to avoid at this early stage, but the mitigation is that via the project governance to constantly check that the scheme designed is purposeful, fundable and achievable.
- 10.4 The Business case when complete will have a full risk register.

Background papers: Cabinet Report on Packmores Centre – 20th September 2023

Supporting documents: None

Priory Pools Community Centre

Site Land Take

161-TAA-XX-ZZ-DR-A-0802

P01



Notes:
This drawing is to be read in conjunction with all other consultants and specialist sub-contractors' drawings, throughout design, tender & construction. All structural and MEP information shown on these drawings is based on structural & MEP philosophy & is to be fully designed, detailed & dimensioned by others.
All specified manufacturers are 'or equal & approved' whether stated or not. Any equivalent product or manufacture must be approved in writing by the Contract Administrator and Principal Designer before use. All drawings are to be read in conjunction with project specific National Building Specification
The main contractor is responsible for checking all dimensions prior to commencement of work. Any discrepancies discovered must be reported to the Contract Administrator as soon as they become apparent.


S2 - Suitable for Information
Preliminary

KEY

- Site Boundary Line
- Approximate land take for Community Centre and associated landscaping
- Area for future parking and access to Community Centre and parkland

P01 15/01/24 Initial Issue SS

Rev	Date	Revision Details	Author
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TIM ADAMS ARCHITECTS

Client	The Gap
Job	Priory Pools Community Centre
Title	Site Land Take

Drawn	Date	Checked	Date
SS	Jan 2024	TA	Jan 2024
Scale	Size	A3	
Drawing Number	Revision		
161-TAA-XX-ZZ-DR-A-0802	P01		

Purpose for Issue	Status
S2 - Suitable for Information	Preliminary

WESTWOOD STUDIOS
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All contractors and / or specialists must visit the site and be responsible for taking and checking all dimensions relative to this work.

Governance Options Structure – Packmores Community Centre

1 - Introduction

A key aspect of a successful building operations is to define clear roles and responsibilities, such as ownership and operations responsibilities. This document describes the current arrangement and propose a new Governance Model for the new centre – this proposal has been designed after consultation with stakeholders, WCAVA and represents the best option for future success.

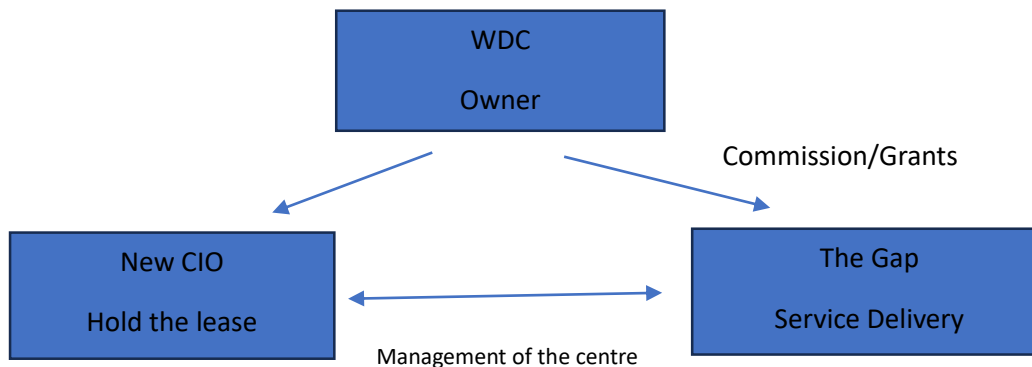
2- Current arrangements

The Gap has held a contract with Warwick District Council (WDC) to deliver services at Packmores since 2015, which includes the lease of the building from WDC (owner). The current contract is in place until June 2026.

WDC ---Commission/Grant-----> Service Provider (The Gap/other) who leases the building.

3 – Proposal

To ensure that residents’ group have decision power on how services are operated in the new community centre and how it is run as well as benefitting from The Gap’s experience of delivery community services in the area for the past 8 years (20+ in Warwick the proposed structure is to create a newly created organisation (CIO) working in partnership with the Gap, as illustrated below with a SWOT analysis shown in Section 4 (Option c):



A – Ownership – Warwick District Council will own the land and building.

B – Lease – peppercorn lease of 199 years to be held by new CIO.

C- Service Delivery – extension of the current contract for an extra 3 years until 2029 (currently until 2026) to The Gap to deliver services in Packmores. This will ensure that the new community centre will have continuity of services and benefit from The Gap’s experience. After this period the agreement will be reviewed.

D- Management of the centre – partnership between new CIO and The Gap.

4- Options considered

Option A – Continue same arrangement

<p><u>Strengths</u> <i>(Assuming The Gap will secure further contracts with WDC in the future)</i></p> <ul style="list-style-type: none"> - The Gap has been running services since 2015 with relative success despite the lack of appropriate facilities. A bigger facility will enable The Gap to expand its services in the area using existing resources and community development know-how. - Good and established relationship with local residents - Long established relationship with WDC - No need for transition and change management 	<p><u>Weakness</u></p> <ul style="list-style-type: none"> - Local residents may feel that they don't have enough decision-making power. - The nature of a mid-term contract means that The Gap may not get the next run of contracts. - If a new provider wins a contract, it can take time until it establishes relationship with the local community.
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> - Provides continuation of services and potential development with bigger facilities. - Provides further volunteering opportunities through established relationships with volunteers 	<p><u>Threats</u> <i>(if The Gap/other holds a long lease)</i></p> <ul style="list-style-type: none"> - No guarantee of revenue funds from WDC can cause challenges for the sustainability of the new centre. - The new centre can become a liability to The Gap, causing financial challenges to the organisation

Summary:

This option appears to be the easiest in terms of practicality, however, it poses concerns for the future such as:

- Mid-term contract with WDC and uncertainty of funding in the future leads to concern about sustainability of services – without funding who will be delivering services.
- Local residents may feel that they do not have enough decision making power and local engagement in the sustainability of the new centre is crucial.

Option B– A new created organisation (CIO) working independently

<p><u>Strengths</u></p> <ul style="list-style-type: none"> - Local residents can be part of the new organisation and consequently have decision-making power. - The new organisation can decide what services they want in the area and who to run it. - The new organisation can grow and provide further opportunities in the area. 	<p><u>Weakness</u></p> <ul style="list-style-type: none"> - Potential lack of service delivery experience - May not be able to apply for commissioned work or grants that require a history of service delivery - Will take time to get established
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> - Local residents can take real ownership of a local asset. - Local residents are more likely to get involved if run by a group of influential residents. - Local residents will work closely to the organisation that wins WDC service delivery contract 	<p><u>Threats</u></p> <ul style="list-style-type: none"> - No guarantee of revenue funds from WDC in the future can cause challenges for the sustainability of the new centre. - The new centre can become a liability to the new created organisation, causing financial challenges to the organisation.

Summary:

This option gives the most decision-making power to local residents, however, concerns are:

- Lack of experience in delivering community services
- Challenges in getting funding due to the lack of service delivery history.

Option C – A new created organisation (CIO) working in partnership with The Gap

<p><u>Strengths</u></p> <ul style="list-style-type: none"> - Local residents can be part of the new organisation and consequently have decision-making power. - The new organisation can decide what services they want in the area and work with The Gap to deliver those services -This arrangement will allow applying for commissioned work and grants - The new organisation can grow and provide further opportunities in the area with the support of The Gap. 	<p><u>Weakness</u></p> <ul style="list-style-type: none"> - Potential conflict of interest between the organisations
<p><u>Opportunities</u></p> <ul style="list-style-type: none"> - The new organisation can benefit from The Gap's experience. - Partnership funding opportunities - The Gap will work closely with the new organisation to win WDC service delivery contract. 	<p><u>Threats</u></p> <ul style="list-style-type: none"> - No guarantee of revenue funds from WDC can cause challenges for the sustainability of the new centre. - The new centre can become a liability causing financial challenges to both organisations.

Summary:

Option C is the preferred and most sensible option because:

- It gives the residents decision making power and ownership of the new centre, this will lead to more engagement and support sustainability.
- The lack of experience will be mitigated by establishing a partnership with The Gap (initially for 5 years), giving continuity to the services which are currently delivered.
- Option to extend the partnership with The Gap in the future or develop their own capacity and services.
- Funding can be attained by using The Gap's track record of service delivery.

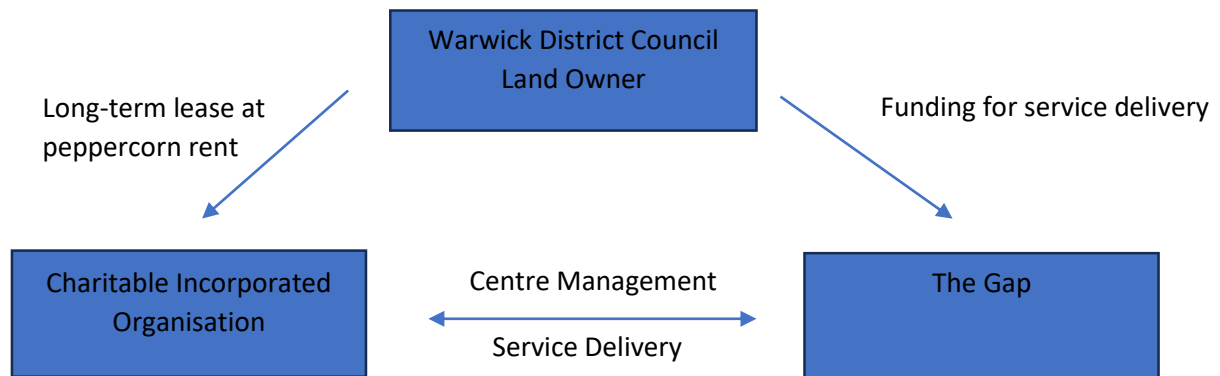
Appendix 1

Establishing a new organisation:

- **Company type** – the proposal is to create a CIO (Charity Incorporated Organisation) using a template from Charity Commission for a quick approval process.
- **Constitution** – a constitution needs to be written to define objects and parameters of the new organisation.
- **Trustees** – the trustee board will consist with local residents and other stakeholders.

Option C: Priory Pools Community Centre – Structure and Working Relationships

It is proposed to establish a new Charitable Incorporated Organisation (CIO) which will carry out the fundraising for the new Priory Pools Community Centre, and subsequently be responsible for the running of the centre. The CIO will be governed by a Trustee Board, which will include a number of local residents. It is important to understand how this new CIO will interact with both Warwick District Council and The Gap, and where the roles and responsibilities will lie between the three parties. This paper outlines the key responsibilities of each party.



1. Warwick District Council

a. Land

WDC will retain ownership of the land where the building is situated, and will provide a long term lease (199 years) at a peppercorn rent to the Priory Pools Community Centre CIO.

b. Fundraising phase

WDC has already agreed to fund £250k towards the build - £25k upfront to fund surveys and design work, with a further £225k towards further design and build costs.

c. Service Contract

WDC will provide funding for the provision of a Community Development Worker (CDW) and some services. The current service delivery contract with the Gap will be extended until 2030 to allow continuity and track record to be demonstrated to potential funders. The current £30k contract allows/enables The Gap to employ a part time CDW and some services in the Packmores area. The proposal is to maintain this level of funding (inflated) until the centre is open, but move to the funding of a full time CDW at this time, to allow enable longer centre opening hours and more services to be provided. This will increase the contract to £40k (inflated) once the centre is open.

2. Priory Pools Community Centre Charitable Incorporated Organisation

a. Lease

The CIO will hold the lease for the Community Centre from WDC.

b. **Fundraising phase**

The CIO will hold the capital funds raised. Grant applications will be made by the CIO, which allows fundraising from organisations who would not fund public body applicants and want to see an already established independent body. It will also ensure separation from The Gap's fundraising activities, and ensure that their activities are not compromised. Any issues around the CIO not having a track record are mitigated by the ongoing contract with The Gap for service delivery.

c. **Building responsibilities**

The CIO will be responsible for the payment of rent, rates and utilities, along with cleaning and caretaking.

d. **Centre Management**

The CIO will aim to employ a part time centre manager to deal with bookings, bookkeeping and maintenance. A key part of this role will be to generate income for the centre to provide sustainability. In the initial years some revenue fundraising will be required to help to cover the costs of the centre, and this will be included in the fundraising plan. The CDW will assist with some aspects of centre management, such as opening the centre to users at times that the centre manager is not present. It is envisioned that volunteer residents will also be involved in the running of the centre.

e. **Community Café**

The CIO will have the facility to operate a community café which will be open at set times depending on what activities and services are on offer. During the summer holidays it is the aspiration to open this for more hours to allow those using the play area and park to come in for refreshments, giving them the opportunity to experience the centre.

3. **The Gap**

a. **Service Delivery Contract**

The Gap's contract with WDC to provide services in the Packmores area will be extended until 2030 as outlined under 1c above. Until the new centre is open, The Gap will continue to provide services from the current Packmores Community Centre, as per the current contract.

Once the new centre is open The Gap will work closely with the CIO to provide additional services to ensure the new facilities are utilised effectively local needs are met. This will include Youth and Older Adult services, and bringing in other service providers, such as Citizens Advice, mental health services, and addiction services.

The Community Development Worker will assist the part time Centre Manager in the running of the new centre.

b. **Support and Expertise**

The Gap will be able to advise the new CIO on the running of the Community Centre, and support where appropriate with administration.

PROGRAM

Business case		
	Start	Finish
Site Analysis	02/10/23	10/11/23
Scheme Review	13/11/23	01/12/23
Outline design	04/12/23	22/12/23
Public consultation	08/01/24	26/01/24
Prepare Business case	29/01/24	16/02/24
Business case approval	19/02/24	29/03/24
Funding Campaign	29/03/24	16/08/24
Site Legal	29/03/24	16/08/24
Approval To proceed detail design	01/04/24	01/04/24
Pre- construction		
Scheme Design	01/04/24	26/04/24
Prepare planning application	29/04/24	10/05/24
Planning consultation	13/05/24	28/06/24
Planning approval	01/07/24	12/07/24
Tender Design Information	15/07/24	23/08/24
Prepare tender Documentation	26/08/24	06/09/23
PTE	09/09/24	20/09/24
Approval to Proceed	23/09/24	04/10/24
Tender Period	07/10/24	15/11/24
Tender Approval	18/11/24	29/11/24
Construction		
Approval to proceed	02/12/24	06/12/24
Place Order	09/12/24	13/12/24
Mobilisation	16/12/24	03/01/25
Construction Period	06/01/25	19/12/25
Commissioning Period	22/12/25	23/01/26
Facility open	26/01/26	26/01/26
Proposed Project board meetings		

ESTIMATED PROJECT CAPITAL COSTS

Building Works	Area(m2)	Rate £/m2	Sub Total
Sub structure	340.00	552.00	187,680.00
Super structure	340.00	1,455.00	494,700.00
Building services	340.00	953.00	324,020.00
Cost Element 4			-
Cost Element 5			-
Cost Element 6			-
Sub Total			1006,400.00

Project Size Adjustment	At	0.98	986,272.00
Location Adjustments	At	0.95	927,095.68
External Works	At	15%	139,064.35
Risk Allowance	At	25%	231,773.92
Fee Allowance	At	12%	111,251.48
Indicative Project Total			£1,409,185.43

RISK REGISTER

Risk	Level	Mitigation
Construction costs exceed estimate	Medium	Budget for the Business Plan has been prepared based on Q4 2024 construction costs (£ per m ²). In addition, a contingency of 25% has been included in the calculations. Once the building plans are prepared by an appointed architect, a detailed cost plan will be prepared and the project budget managed by value engineering, for example reduce the area of new build and retain the existing Sussex Court facility for support accommodation.
Inability to obtain grants timed to fund construction	High	Several grant funding streams have been identified for the new Community Centre. Now that more detail has been provided on the nature and cost of the building to be procured more detail discussions can now be undertaken and firm commitments of funding secured.
Locate and procure site	Medium	Site analysis study has been commissioned to determine optimum location for new building on the adjacent park land.
Planning Permission for the new building	Medium	Pre-application advice will need to be sought from Warwick DC during the detailed design stage of the planning process and LPA advice will be included within the final application.
Insufficient income from new Community Centre to cover costs	High	The Business Plan includes a forecast of the likely income for the new Community Centre to reach the same level as similar centres in the area within 3 years. The plan also includes sensitivity models for a -10% and a +20% income levels. The new Community Hub was a key component of the Neighbourhood Plan and well supported in the Referendum. A marketing and promotional campaign will be carried out.
Replace existing garage spaces	Low	The former site proposal was occupied by several garages that are still used by residents. This area will now be used for parking only. Expanded site gives greater flexibility to address car parking issues.
Proposed Facility does not meet community need	Low	Following extensive community consultation, the project team will be confident proposed schedule of accommodation meets community requirement. Further consultation will be undertaken as the project develops.
Project Program exceeded	Low	Rigorous project management protocols will be followed. Client Variations will be minimised by adherence to clear project objectives. Careful consideration of procurement options will be considered to ensure the correct choice is made to deliver best value, including consideration of new methods of construction and off site manufacture.
New Administration at WDC	Medium	Creation of a project board to including representation from WDC.

ISSUES LOG

Project: Parkmore's Community Centre						Date	March 2023
Issue	Description	Priority	Category	Responsibility	Status	Date Received	Resolution/Comments
001	Business plan Approval	High	Governance	GAP/WDC	Open		GAP Business Plan to be redrafted. WDC to Consider
002	Revenue Funding needs to be secured and confirmed from WDC	High	Funding	WDC	Open		GAP/WDC to discuss
003	Capital Funding needs to be secured and confirmed from WDC	High	Funding	GAP/WDC	Open		GAP/WDC/Charitable Trusts to agree access to possible funds and amount available
004	Access to initial capital fund to support pre-tender project development	High	Funding	GAP/WDC	Open		GAP/WDC/Charitable Trusts to agree access to possible funds and amount available
005	Client Detail Brief of new building to be issued	Medium	Design	GAP/WDC	Open		GAP/WDC to sign off on results of public conversation
006	Public consultation event to be arranged	Medium	Promotion and Marketing	GAP/WDC	Open		Concept drawings required
007	Site Availability to be confirmed	High	Funding	GAP/WDC	Open		GAP/WDC to discuss availability or location of alternative site following site analysis
008	Project Team to be appointed	Low	Governance	GAP/WDC	Closed		Membership agreed.
009	Ownership & Legal treatment of Asset to be agreed	Medium	Governance	GAP/WDC/Charitable trusts	Open		GAP/WDC/Charitable Trusts have a proposal for the Legal treatment of built asset. Proposal to be formally agreed, and set up.

Title: Protection of Ground Nesting Birds, St Mary's Lands, Warwick

Lead Officer: Chris Elliott

Portfolio Holder: Councillor Roberts

Wards of the District directly affected: Warwick Aylesford

Approvals required	Date	Name
Portfolio Holder		Councillor Will Roberts
Finance		
Legal Services		Kathryn Tebbey
Chief Executive		Chris Elliott
Director of Climate Change		Dave Barber
Head of Service(s)		Marianne Rolfe
Section 151 Officer		Andrew Rollins
Monitoring Officer		Graham Leach
Leadership Co-ordination Group		Cllrs Wightman; Davison; Boad; Falp; Day.
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	No	
Accessibility Checked?	Yes	

Summary

This report reports back on a 2 year trial on measures to protect ground nesting birds on St Mary's Lands Warwick and proposes options for the future. This report seeks approval for the next steps.

Recommendation(s)

- (1) That Cabinet notes the ecologists report and recommendations and agrees to continue with the protection measures for another two years but amends the area as shown on Plan 1 (Appendix 2) attached.
 - (2) That Cabinet requires officers to commission a follow up ecologist's study on the proposed further 2 year trial; to undertake a consultation with appropriate bodies and the local community; and, to report back to Cabinet on the outcome of those measures and the consultation before February 2026.
 - (3) That Cabinet approves the cost of £2,000 for the fencing per annum from the existing budget, and £3,000 for the ecologist work.
-

1 Reasons for the Recommendation

- 1.1 Part of the St Mary's Lands open space in Warwick has been used by protected ground nesting birds but given the continuing decline in those species e.g. skylarks, it was agreed that measures should be introduced to help protect them from disturbance during their breeding and nesting season. This took the form of temporary barriers to prevent people and dogs from entering over the breeding season – February to August each year. This had caused some controversy but also support. In February 2022, the then Cabinet agreed the following resolution:
1. The ecologist's report commissioned by the Council, the comments of the Friends of St Mary's Lands (FoSML) and those of other groups (Appendices 2, 3, 3a and 4 to the report) be noted;
 2. The continuation of the protection measures as set out in Plan 1 be agreed, and be implemented and be continued for a further two years, then subject to a full evaluation and review;
 3. Authority be delegated to the Chief Executive and the Leisure Culture and Tourism Portfolio Holder to agree the revised terms of reference for the St Mary's Lands Working Party attached at Appendix 5 to the report, subject to a prior meeting of the working party;
 4. A detailed report be brought to the Cabinet regarding the position where in a Working Party's or Partnership's agreed terms of reference, all organisations participating or working with the Council on projects or partnerships, for example, such as the St Mary's Lands Working Party (SMLWP) are asked to disclose their governance arrangements to ensure that they are open and transparent, and that non-disclosure of such arrangements will mean that such groups may therefore be excluded from participation; and,

5. A further report on how the SMLWP engages with the wider community be brought forward for consideration.
- 1.2 Since then the measures have been carried out for the period February to August in 2022 and in 2023. An ecologist's study was commissioned to evaluate the impact of the measures and that is attached at Appendix 1. In summary the study concludes that:
- Skylark numbers are improving, showing a steady gain.
 - The area north of the Public Right of Way was not a popular location and the fencing should consider the area to the south instead – see plan 1 (appendix 2).
- 1.3 The ecologist's view is that unless there are other wildlife / management gains of installing permanent fencing, it seems too early to commit to that cost. She would prefer to continue with the temporary fencing in the alternative location and re-visit in a further two years.
- 1.4 The options to be considered include:
- o Do nothing / end the trial
 - o Continue with a modified area of fencing for a further two years
 - o Continue with a fenced area and include the larger area with roping off and signage only (so we can test how effective 'good behaviour' approaches might be alongside a fenced area
 - o Move to a permanently fenced off area that is seasonally open with permanent signage and bird watching spots along a 'Skylark Trail'.
- 1.5 As arrangements need to be put in place this month for the season to August, and as work priority has lain elsewhere meaning there has, as yet, been no opportunity to undertake any wider consultation on the next steps it is proposed that the Council continues with a modified area as shown on Plan 1 (Appendix 2) for a further two years and then undertake a wider consultation.
- 1.6 The consultation process could involve the following approaches:
- o An online survey setting out the improvements in breeding bird populations and what the problems are with a range of measures, including permanent fencing with seasonal access and the creation of the skylark trail with look out points and wildlife interpretation. The danger here is that the FoSML may just canvass negative responses to skewer the outcome and demand the results via a FoIR;
 - o A second option would be to an event on the Common during the trial period with some play value attached to it (wildlife colouring books, mini-beast trail etc) to try and attract a broader demographic);
 - o A third option might be more of a 'meet the expert' nature walk and talk with an opportunity to learn more about the local wildlife from 2 or 3 wildlife experts such as the RSPB and Warwickshire Wildlife Trust. The walk and talk could be promoted in the local press but runs the risk of being high-jacked but at least its more informally recorded than a survey.

- 1.7 Of course it could involve elements of all 3 approaches. Members feedback on these approaches would be welcome.

2 Alternative Options

- 2.1 The options are set out in paragraph 1.4 above and the reasons for selection the proposed option are explained in paragraph 1.5. In respect of the rejected options, the reasons are as follows:
- Do nothing / end the trial – this would involve a return to the previous operational arrangements which had been by dint of the declining numbers of protected species been proven not to be a successful approach.
 - Continue with a modified area of fencing for a further two years – see paragraph 5.1 above – recommended.
 - Continue with a fenced area and include the larger area with roping off and signage only (so we can test how effective 'good behaviour' approaches might be alongside a fenced area – this is a variation on what has previously been used and so there is significant doubt of its effectiveness. Prevention of dogs roaming requires barriers they cannot cross.
 - Move to a permanently fenced off area that is seasonally open with permanent signage and bird watching spots along a 'Skylark Trail' – it is felt that as this would be a significant change it would require public consultation before introducing such a measure but could be considered at the end of the proposed 2 year trial and could be put forward as an option as part of the planned public consultation.

3 Legal Implications

- 3.1 Local authorities have a statutory duty to consider what action they can take – consistent with their other functions – to further the general biodiversity objective in section 40 of the Natural Environment and Rural Communities Act 2006. The Environment Act 2021 introduced a strengthened biodiversity duty to conserve and enhance biodiversity.
- 3.2 The Government has published guidance on complying with the biodiversity duty and some more specific guidance on the provision and protection of habitats for wild birds. The latter emphasises the identification of habitats, the species using those habitats (or which could do in the future) and then taking appropriate steps to preserve, maintain, enhance existing habitats and/or to create new ones.
- 3.3 All wild birds and their nests are protected under the Wildlife and Countryside Act 1981.
- 3.4 Public rights of way would need to be left open for people to use, unless subject to formal diversion orders. Informal desire lines could be affected without the requirement for legal process.

4 Financial Implications

- 4.1 The cost of the proposed temporary barrier measures and signage being undertaken for the next two years will be ? per annum and the cost of a further ecologist report is likely to be ? This can be funded from ?

5 Corporate Strategy

- 5.1 The proposal also supports Strategic Priority 3, linked to, creating vibrant, safe

and healthy communities of the future. In particular it fits with the Council's commitment to prepare and deliver a Biodiversity Action Plan.

6 Environmental/Climate Change Implications

- 6.1 The proposal helps to maintain and improve biodiversity and especially that of protected species in one of the most significant open space in Warwick town.

7 Analysis of the effects on Equality

- 7.1 An Equality Impact Assessment is not required. Public Rights of way will not be impinged though an informal desire line may be if the additional area is included.

8 Data Protection

- 8.1 There are no data protection implications.

9 Health and Wellbeing

- 9.1 The maintenance of an open space can contribute to the health of the local community both physical and mental. There is objective evidence to support this assertion. As part of this benefit local people can enjoy the retention of protected species as it adds to the experience of enjoying this particular open space, especially the sounds of skylarks.

10 Risk Assessment

- 10.1 The risks revolve around reputation and potential legal action. Reputationally, this has been something of a local controversy as those who have been impacted by the measures object though the impact if only for part of the year and largely affects dog walkers as the measures prohibit dogs from free roaming over the nesting sites. However, there is also a reputational impact if the Council did not take measures since it has been identified that the free roaming of dogs in this area did have an impact and this is upon protected species. The experience of the past two years has not materialized in any significant adverse public response, but the measure does require continued publicity.
- 10.2 In the earlier stages of the implementation of this scheme one of the public rights of way had been impinged as officers had introduced the measure on the actual line of the path as opposed to the statutory line. This was addressed after one season and ironically lead to a larger area being included. This approach had been agreed with Warwickshire County Council (WCC) as the Right of Way Authority to avoid any possibility of legal action.
- 10.3 If members choose to stop the trial or choose a lesser means of protection then they need to consider the risk that the Council may be challenged over the impact on protected species.

Background papers: Cabinet Report in February 2022.

Supporting documents: Ecologists report 2023.

**St Mary's Lands
Warwick**

Monitoring of Ground Nesting Birds

October 2023

Final

Produced by
*Ecology and Land Management and
ASW Ecology Ltd.*
**For Plincke Landscape on behalf of
Warwick District Council**



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Summary

- 1 Overall, a total of 14 occupied skylark territories were proven to be present during the 2023 breeding season at St Mary's Lands, along with 1 meadow pipit breeding territories.
- 2 9 of the 14 skylark breeding territories were observed within the fenced off ground nesting bird protection enclosure and the meadow pipit breeding territory was also observed within the fenced off enclosure.
- 3 During this survey, it was clear that ground nesting birds at Lammas Field, were being disturbed by dog walkers when present outside of the fenced off breeding bird enclosure due to dogs being off the lead as well as dog owners walking through grass of unfenced areas and not staying on paths thus allowing dogs both on and off the lead to flush birds off their nesting sites.
- 4 Following three monitoring sessions (2019, 2021 and 2023) there is evidence to suggest that the fencing has benefitted skylark numbers and the recommendation is that the fencing should be adjusted and expanded to cover the main area as well as the area to the southwest. Although the skylark numbers have increased it is likely that they would increase further if the fenced off areas were increased to the southwest as one territory was observed in the southwest area.
- 5 Long term increase in the population of ground nesting birds would be invaluable at St Mary's Lands, given the significant historic decline in skylark number over the decades at this site. Bird monitoring is recommended for future years since to continue to investigate measures used to protect the ground nesting birds and their success or otherwise.

Introduction

- 1.1 Ecology and Land Management were commissioned by Plincke Landscape on behalf of Warwick District Council to undertake monitoring of ground nesting birds at St Mary's Lands as part of a three monitoring year programme.
- 1.2 This report is part of a monitoring programme of ground nesting birds at Lammas Field, Warwick Racecourse, which commenced in 2019 with surveys every other year. This updated bird survey is required due to the need to formally assess the new fenced off enclosure erected to protect ground nesting birds, mainly the skylark and meadow pipit population, at Lammas Field. The findings of this study have assessed the continued usage of the site by ground nesting birds in particular skylark (*Alauda arvensis*) and meadow pipit (*Anthus pratensis*).
- 1.3 The aims of the study are: Assess the impact of fencing on breeding ground nesting birds

Legal Protection of Birds in England and Wales

- 2.1 All birds have the following legal protection (although there are exceptions for game birds, some waterfowl and designated pest species). This is listed below. All birds, their eggs and nests are protected by law under the Wildlife and Countryside Act 1981 (as amended). It is an offence to kill, injure or take any wild bird, or to take or destroy their eggs. It is also illegal to take, damage or destroy the nest of any wild bird while it is in use or being built (RSPB, 2001). No provisions can be made for the

destruction of occupied bird nests, eggs, or young for development purposes, and no licences are available for this purpose. Certain rare and/or vulnerable bird species such as red kite, hobby, peregrine falcon, barn owl, kingfisher and black redstart are specially protected under Schedule 1, and have the following additional legal protection: It is an offence to intentionally (or recklessly, in England and Wales only) disturb any wild bird listed on Schedule 1 whilst it is nest building or is at (or near) a nest with eggs or young; or disturb the dependent young of such a bird.

- 2.2 Ground nesting birds at St Mary's Lands include two species of conservation concern. Skylark, which is on the Red list of Species of Conservation Concern. This means that the bird is globally threatened and has suffered severe UK breeding decline (at least 50%) over the past 25 years. The meadow pipit, which is on the Amber list has unfavourable conservation status in Europe. This has suffered moderate UK breeding decline (25-50%) in over the past 25 Years.

Methodology

- 3.1 The surveys were undertaken by Mr Andrew S. Waller MSc BSc (Hons) MCIEEM, Director of ASW Ecology Ltd who has been a Consultant Ecologist since 1997 and has very extensive experience of wildlife and knowledge of protected wildlife species. He has been studying wildlife in general for 40 years and is a Full Member of the Chartered Institute of Ecology and Environmental Management (CIEEM) and meets the requirements of being a Suitably Qualified Ecologist.
- 3.2 During March, April and June 2023, a total of three morning-based bird monitoring survey visits were undertaken at Lammas Field at St Mary's Lands, with all bird species identified by sight or sound, by Andrew Waller.
- 3.3 The bird survey visits were undertaken on the following dates (with the weather conditions stated): 22.3.2023 (dry, patchy cloud, mild and light wind), 23.04.23 (cloudy, dry, light wind and mild) and 24.6.2023 (mainly cloudy, warm, dry and with a light wind).
- 3.4 A slow standard walk of the stated site was undertaken, with all fenced boundaries and adjacent land walked, so that the total number of ground nesting birds could be detected on each survey visit.
- 3.5 The presence of singing male skylarks and meadow pipits plus where they were located in their occupied territories were noted carefully, and follows the method outlined for territory mapping in Bibby et al, 2005.
- 3.6 Evidence of bird nests and/or breeding pairs for the target species including bird contacts and singing males were plotted on maps for each visit.
- 3.7 The bird survey has recorded existing data on bird presence as well as mapping bird territories in accordance with BTO/CBS (British Trust for Ornithology/Common Bird Census) methodology.
- 3.8 The number of territories was determined from the mapped distribution of registrations for each species using standard rules for analysis as recommended by the British Trust for Ornithology. This method was used to look for differences in numbers of territories in relation to where the fencing is located. Results of the census on that part of the site where there is no fencing can be used as a control for comparing with that part where there is fencing. Direct observations on the location

of birds on site were made. Incidental observations were also made relating to the presence of walkers and dog presence.

Constraints

- 4.1 The main constraint to the monitoring survey is that this follow-up monitoring survey was not undertaken over the total Spring/Summer period. However, visits were conducted to ensure the most suitable time of year for breeding ground nesting birds were observed. For comparative reasons the monitoring visits were carried out at similar times to previous years.
- 4.2 This survey was though undertaken to determine breeding bird status and the number of active territories at the application site, especially in regards to the skylarks and to meadow pipits. The survey was indeed conducted when birds were most active and all breeding territories would have been encountered during the appropriate visits at this peak time.

Survey Data

- 5.1 Skylark Results are shown in table 1 below:

Table 1 - Bird Observations

Species Code	Visit 1 (22.03.23)	Visit 2 (23.04.23)	Visit 3 (24.06.23)
Skylark (S)	<u>Inside fencing:</u> 5 singing males <u>Outside fencing:</u> 6 singing males. The singing males were close to paths so are very vulnerable to off the lead dogs as well as walkers.	<u>Inside fencing:</u> 9 singing males within protected fenced off area. <u>Outside fencing:</u> 2 singing males in unfenced area, with 2 other birds noted	<u>Inside fencing:</u> 8 singing males heard and seen within the protected fenced area <u>Outside fencing:</u> 4 singing males in unfenced area, including near to reedbed/wet grassland area
Meadow pipit (MP)	<u>Inside fencing:</u> 1 singing male in fenced area. <u>Outside fencing:</u> None	<u>Inside fencing:</u> None <u>Outside fencing:</u> 1 bird seen feeding only in unfenced area.	<u>Inside fencing:</u> 1 adult noted in protected fenced area, with food in beak. It flew into the protected fenced area grassland carrying food to a nest, to feed chicks. <u>Outside fencing:</u> None

Species Code	Visit 1 (22.03.23)	Visit 2 (23.04.23)	Visit 3 (24.06.23)
Comment	Observations on dog walkers on this morning visit: 1 male dog walker seen on this visit walking clearly through the unfenced grassland with their dog. Walked through occupied skylark territories	Observations on dog walkers on this morning visit: 2 labradors seen, running with no lead through unfenced area with occupied skylark territories. Dogs were allowed to run around with skylark nests are present.	Observations on dog walkers on this morning visit: A dog walker with 3x labradors walked straight through the unfenced grassland, with dogs off the leads. They traversed through much of the unfenced grassland near the model aircraft area and through occupied skylark territories, with chicks no doubt present at the time. This shows how vulnerable nests are to dogs in unfenced area.

Table 2 - Breeding territories during 2023 survey

Species	Breeding territories within fenced off area	Breeding territories outside fenced off area
Skylark	9	5
Meadow pipit	1	none

Table 3 - Comparative breeding territories during 3 surveys

Species	1961	2011	2019	2021	2023
Skylark	60-70	8+	8	11	14
Meadow pipit	Not known	2-4	3	2	1

Conclusions

- 6.1 In conclusion, there are signs that the skylark breeding population has increased over the past monitoring survey visits. This is likely to mean that the bird population is adapting to the new conditions. It is therefore recommended that as a minimum the fencing trial continues for a further 2 years. Following the further 2 years it can then be decided if the area can be expanded and permanent fencing introduced with gates and improved signage.
- 6.2 A total of 14 occupied skylark territories were proven to be present during the 2023 breeding season at St Mary's Lands, along with 1 meadow pipit breeding territory compared to a total of 8 occupied skylark territories were observed to be present during the 2019 breeding season at Lammas Field, along with 3 meadow pipit occupied territories. This shows a positive trend in the numbers of skylark territories. It was noted that the population of meadow pipit has decreased since 2019 as it has nationally and the causes of this are unclear.
- 6.3 9 of the 14 skylark breeding territories were within the fenced off ground nesting bird protection enclosure as was the meadow pipit breeding territory was within the enclosure. Territories were observed within the previously fenced off area and not the smaller fenced off area to the north. The reason for this is unclear, but may relate to the smaller size of that area.
- 6.4 During this survey, it was clear that ground nesting birds at Lammas Field, were still being disturbed by dog walkers, where present outside of the fenced off breeding bird enclosure.
- 6.5 In summary, the number of skylark territories within the fenced off enclosure has increased since 2019 and this trend has continued with 14 pairs in 2023 (see Appendix I for mapping).

Recommendations

Expanded protection of ground nesting birds at Lammas Field

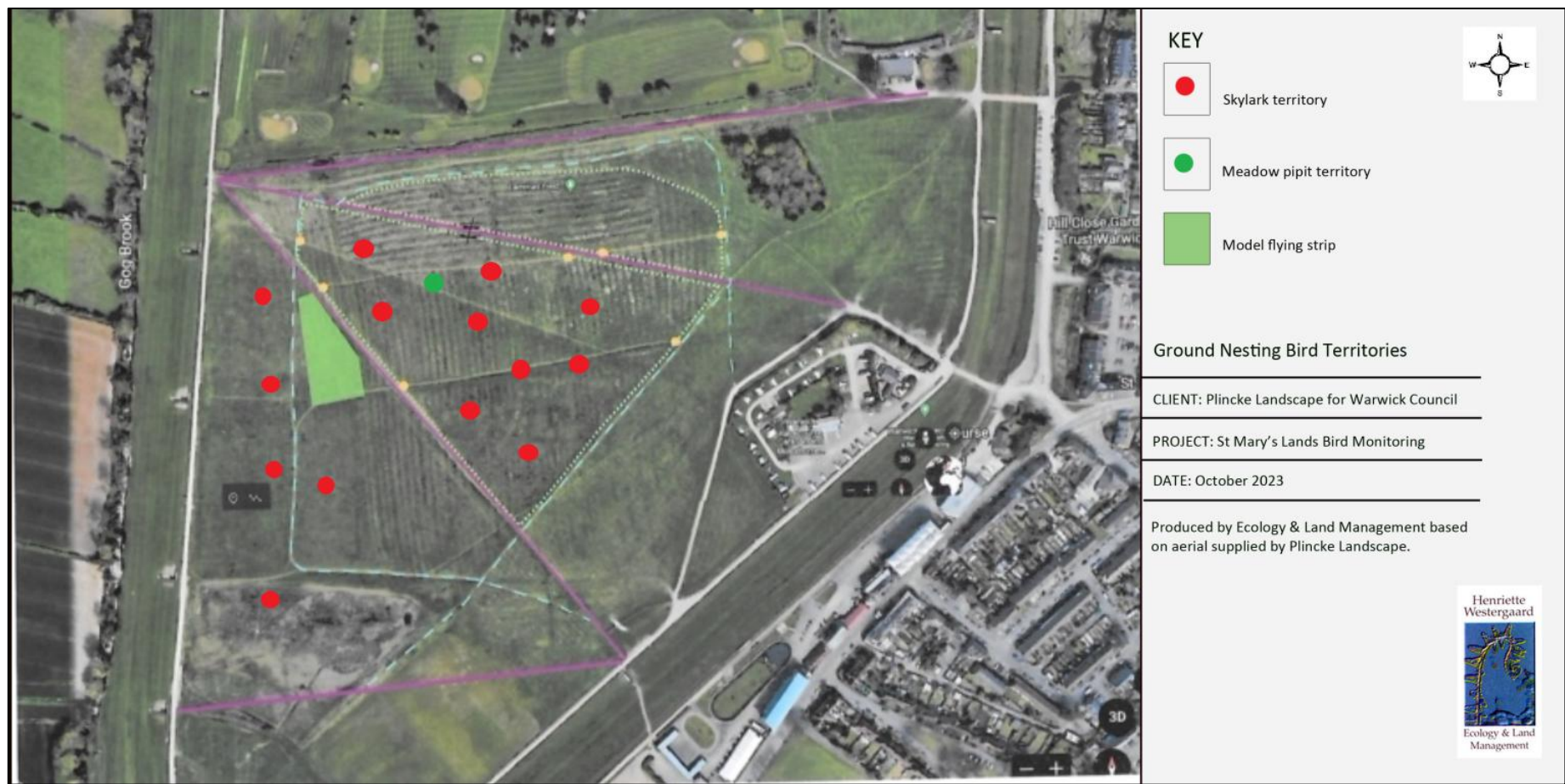
- 7.1 It is again strongly recommended that during the entire skylark breeding season period e.g. March to late August, the key part of Lammas Field, where the skylarks and meadow pipits are nesting, is fenced off completely with appropriate temporary fencing.
- 7.2 Visitors should be encouraged to stay on designated routes that avoid sensitive areas. These routes should be clearly defined so that it is easy to follow and signage should inform people about the importance of staying on marked routes. Well established desire lines should where possible be kept open to avoid other routes becoming established, creating more disturbance.
- 7.3 It is recommended that the protected fenced off area is altered to allow for breeding skylark territories to be protected in the breeding season, to the west and southwest of the existing protected area, where skylarks were also observed setting up territories (see Appendix IV for proposed additional area). The area north of the main fencing does not seem to be used so could be unfenced.
- 7.4 This may mean that new public consultation is needed due to the change in fencing due to the alteration area to be protected. The altered fencing will allow further skylarks' pairs to be protected from dog walkers during the breeding season.
- 7.5 The exact date for this fencing to be carefully removed after the end of the nesting season for skylarks will depend on when the final broods are considered to be fully

- fledged. The fencing will allow skylarks to rear two to three broods at the site, which are required to maintain population levels.
- 7.4 Fenced off protected zones will allow ground nesting bird species such as skylark and meadow pipit to breed normally within Lammas Field, with no disturbance from dogs.
- 7.5 There must be high quality signage at regular intervals around the fencing perimeter, explaining to the general public, why such fencing is needed, which bird species are being protected and that all dog walkers must keep out of the fenced area at all times.
- 7.6 It will be vital that such fences are maintained at all times by Warwick District Council, that any damage to fencing is repaired promptly and that targeted monitoring is allowed to ensure that dog walkers are keeping out of the fenced protection zone for birds.
- 7.7 It is important to establish effective communication between dog owners and the management team to ensure everyone feels engaged and welcome. This would encourage understanding and co-operation to support aims of the site and desired behaviours.
- 7.8 Further bird monitoring should be permitted in future years of the protected enclosure to allow for the long term assessment of trends in the skylark and meadow pipits

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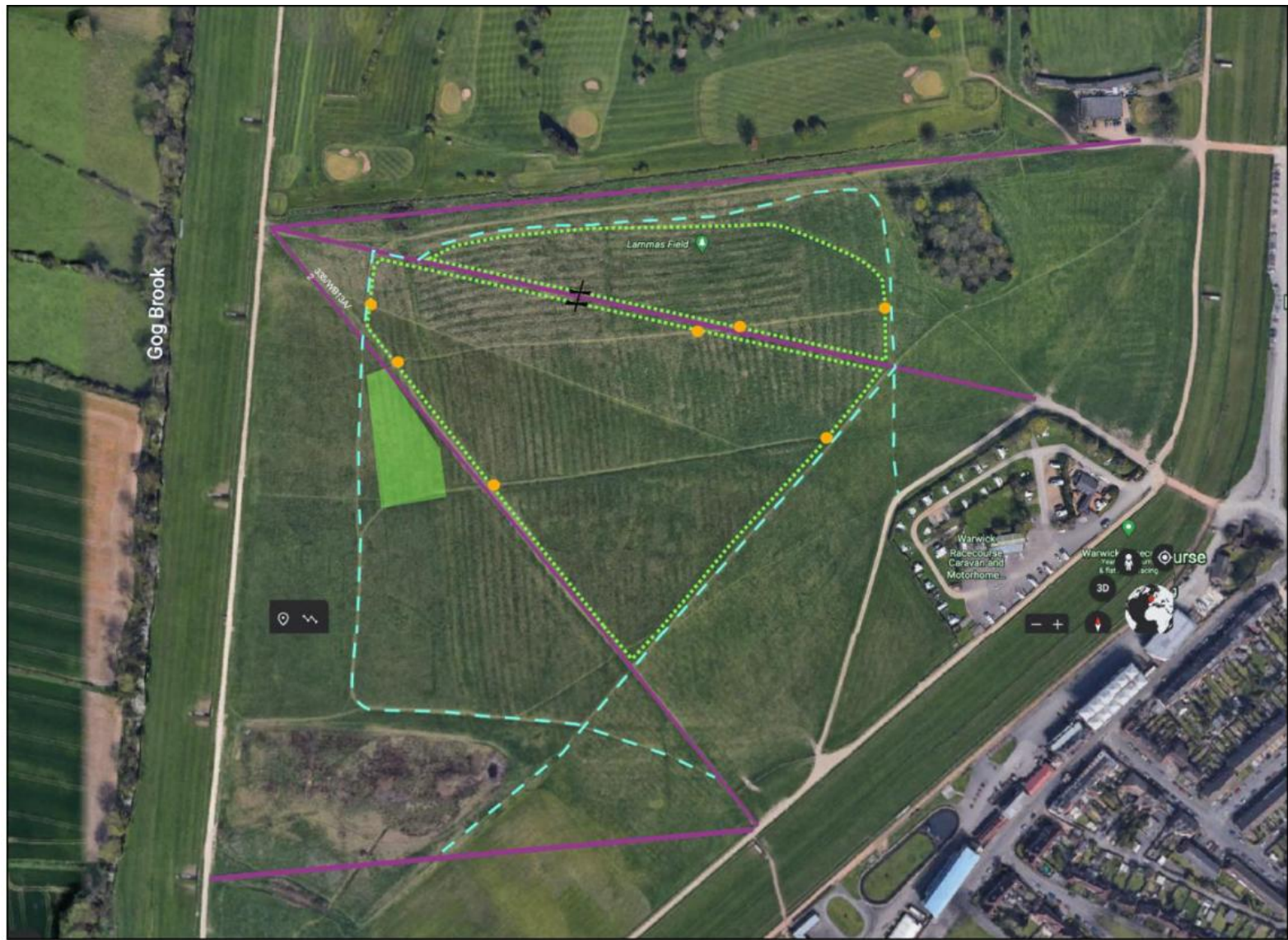
Appendix I – Map of breeding bird territories



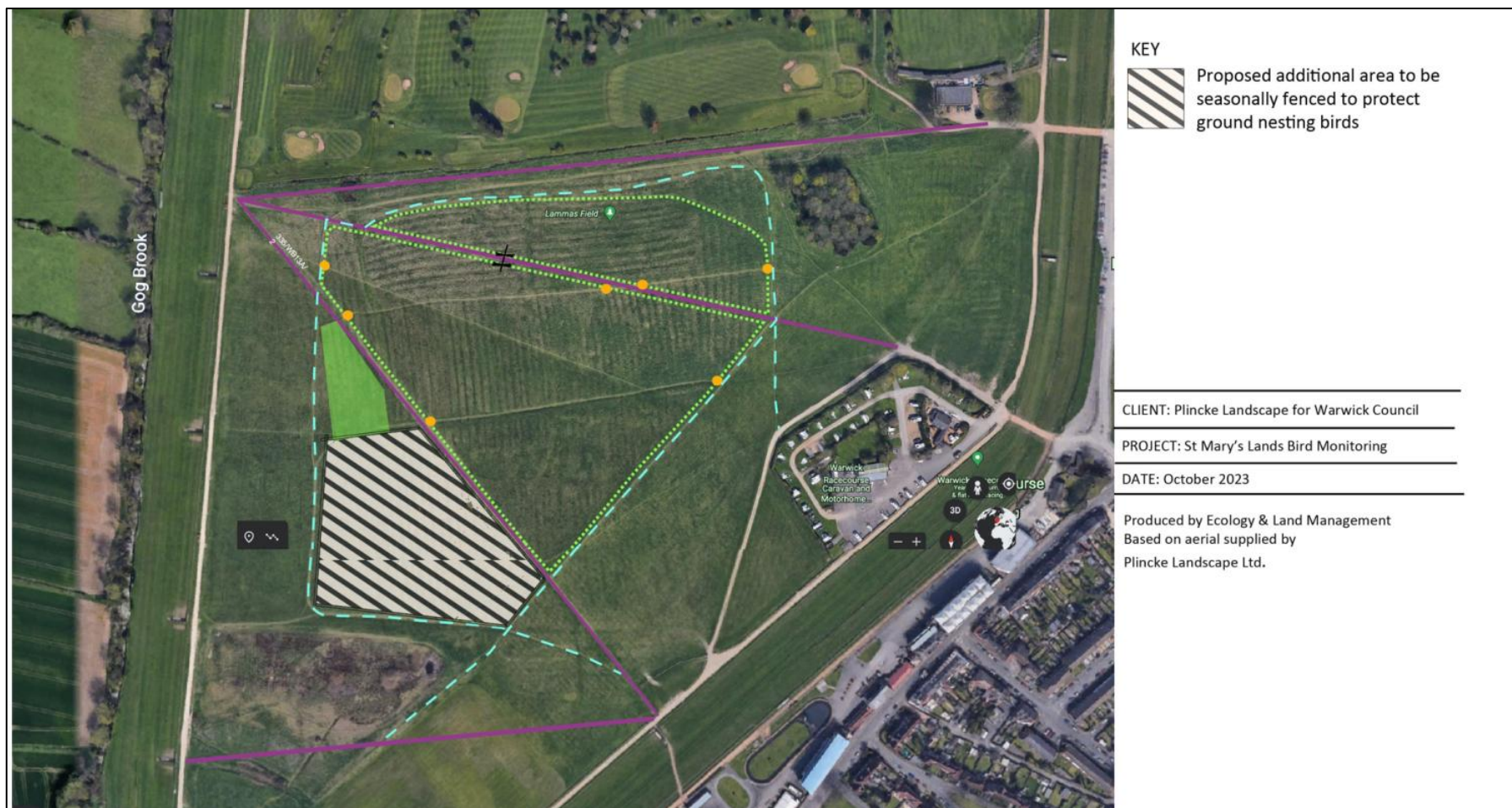
Appendix II - Photos of survey area

		<p>Photographs Taken during ground nesting bird monitoring Survey 2023.</p> <p>Looking across areas of fenced off grassland.</p>
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Appendix III – Plan of existing seasonally fenced off area



Appendix IV – Plan of Proposed additional seasonally fenced off area



Appendix V - Skylark Habitat and Behaviour

Habitat and Breeding

- i The centre of Lammas Fields provide suitable habitat within which skylarks can hide their nests and raise their young. Skylarks lay 2-6 eggs (usually 3 or 4) and incubate them for about 10-13 days. Chicks leave the nest after about 8 days but the parents continue to feed them until they are about 20 days old at which point they can fly.

Breeding

- ii Male and female skylark raise their young in a season. The nest is a simple lined scrape on the ground within tall grassland. The eggs are incubated for 11 days and the young leave the nest sometimes after only 8 days. They are looked after for approximately 25 days after hatching, after which they are sent out, with juvenile plumage, into the wild to fend for themselves.

Feeding

- iii Skylarks have been observed to make approximately 30 feeding trips per day each lasting between 10 and 12 minutes.

Territory

Skylarks are known to use scrapes to defend territories.

Display Sung/Flight

- iv It is usually sung in a display-flight. The sound starts just after the bird lifts off at a steep angle to the ground, continues on its rise to 50 m or more, is maintained for a period of hovering (at 10-12 wing-beats per second), and accompanies the display's slow, spiralling descent. Only for the final plummet to earth does the Skylark's song fall silent, so that the bird can reach the ground with a degree of privacy.
- v Research has shown that the average display flight lasts for 2½ minutes up to a maximum of 5 minutes. The reason, for hearing continuous skylark song at the end of a summer afternoon is that Skylarks often hold contiguous territories, and one male may simply follow another into the sky, without any interval. The males, who mainly sing, are under pressure to keep singing to maintain their territorial boundaries. If a dangerous predator such as a Merlin attacks, the boldest males carry on singing regardless of the risk, and it is shown these suffer fewer casualties as a result.

Appendix VI - Example Dog Walking Information

Example from Hampshire County Council, Countryside Service

Dogs disturbing, chasing or injuring wildlife (ground nesting birds)

- improve your signage
- identify where off-lead is not a problem
- signpost alternative or better routes
- speak with visitors
- reroute the path
- fence off the path
- involve a dog warden

Improve your signage

Good signage that's tailored to your specific situation can reduce conflict. However, getting signage right is not easy and needs thought, as poorly worded or badly installed signs are of limited use. Your signage will be most effective when it: say precisely what behaviours you do want, eg "keep dogs on the path", avoid using imprecise terms like "close control" or "be responsible", give explanations to backup what you are asking for. Indicate where sensitive areas start and finish, say where off-lead is not a problem

Signpost alternative routes with paw routes

Signage should include wording such as:

- 1 Dogs harm ground nesting birds
- 2 Help your dog help wildlife
- 3 Skylarks nest here – please keep your dog on a lead
- 4 Do not feed the birds

Speak with visitors

Public communication should be:

- 1 Realistic, fair and proportionate
- 2 Confined to specific locations where they are required
- 3 Clearly state the reason for the request

Creating access

Different types of access routes can be created to allow for all activities. For example:

- 1 Routes for dogs on lead
- 2 Routes for dogs off lead
- 3 Routes for no dogs

These routes should be accompanied by clear codes of practice whereby the restrictions are defined e.g. if dogs are required to be on a short lead and under 'close control', specify what this means (e.g. less than two metres lead length and meaning that a dog responds immediately to commands and is kept close at heel). Where possible, provide alternative areas nearby where dogs may be exercised safely off-lead without threat to wildlife when closing areas off completely to dog walkers.

Disclaimer

This report does not provide legal advice. Natural England is responsible for enforcing laws that protect wildlife and the natural environment. Any queries relating to interpretation of the law should be directed to Natural England. By receiving the report and acting on it, the client - or any third party relying on it - accepts that no individual is personally liable in contract, tort or breach of statutory duty (including negligence).

Ecology and Land Management works towards the policy of 'best practice' advocated by the Chartered Institute of Ecology and Environmental Management (CIEEM), the Chartered Landscape Institute, the Chartered Institute for the Environment as well as a number of specialist organisations working towards the conservation of protected species.

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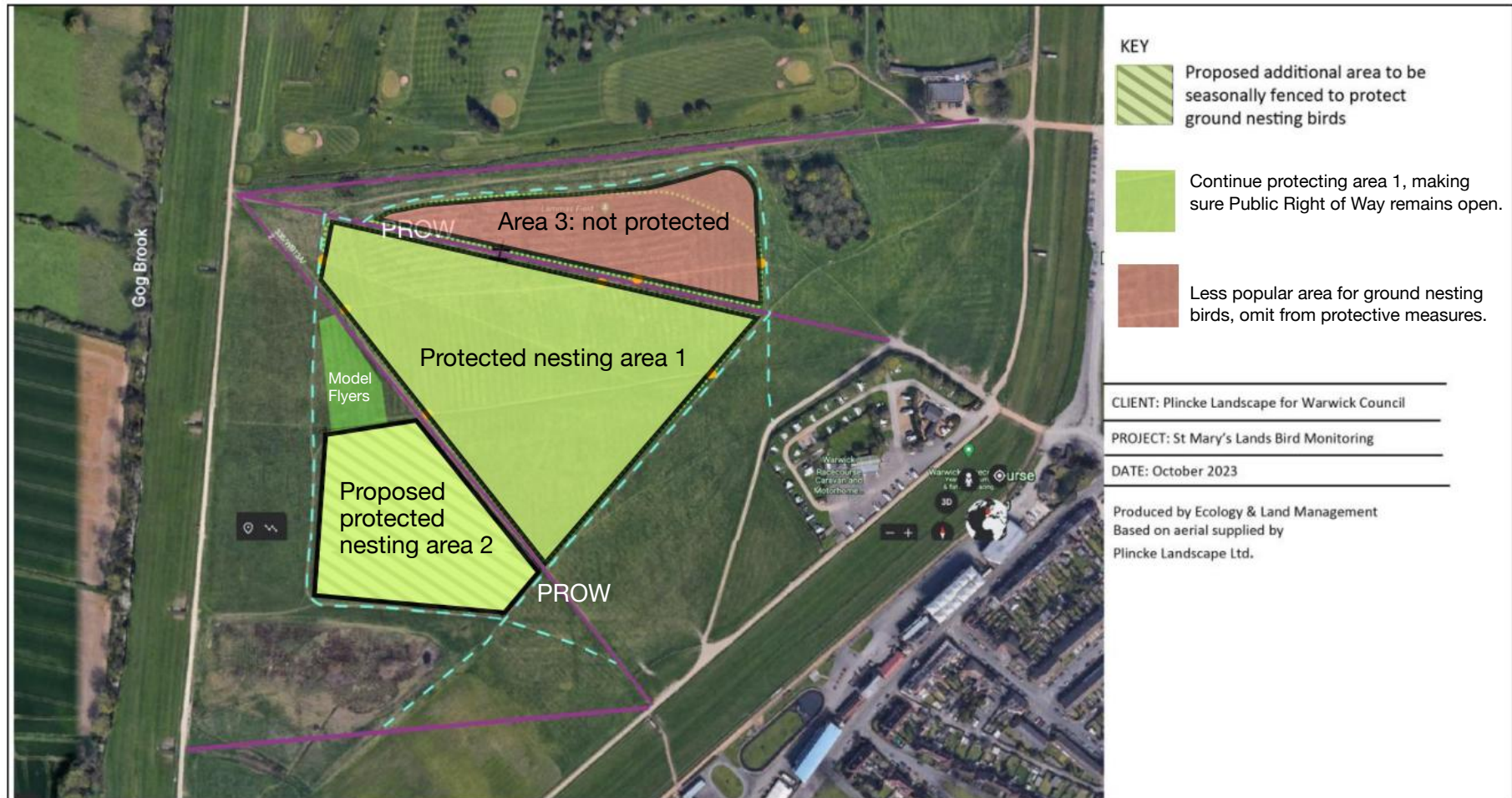
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Appendix IV – Plan of Proposed additional seasonally fenced off area



Title: BetterPoints 'Choose How You Move' Sustainable Travel Incentive-
Contract Extension

Lead Officer: Graham Folkes-Skinner Ex 6337 & Chloe Wiltshire Ex 6324

Portfolio Holder: Councillor Ian Davison

Wards of the District directly affected: All

Approvals required	Date	Name
Portfolio Holder	04/01/24	Cllr Ian Davison
Finance	04/01/24	Andrew Rollins
Legal Services		
Chief Executive	04/01/24	Chris Elliot
Director of Climate Change	04/01/24	Dave Barber
Head of Service(s)	04/01/24	Dave Barber
Section 151 Officer		
Monitoring Officer		
Leadership Co-ordination Group		
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes, Forward Plan item No. 1,402 scheduled for 8 February 2024	
Accessibility Checked?	Yes	

Summary

The report seeks approval to extend the current contract with BetterPoints from 8th May 2024 to 8th November 2024, with a total cost for extending the contract being £17375 + VAT and will be funded by the Climate Change Action Fund.

Recommendation(s)

It is recommended that the Cabinet:

- (1) Approves a 6-month extension to the contract with BetterPoints, after which a further report will be brought to Cabinet to consider the most effective means to utilise spending on Active Travel, as suggested in Section 2 of this report.
- (2) Agrees an exemption from the code of procurement practice to enable the extension of the contract for a further six months between May and November 2024, making the total contract value £17375+VAT.
- (3) Delegates to the Programme Director for Climate Change to approve and sign the Service Level Agreement between Warwick District Council and BetterPoints in line with Council policy.

1 Reasons for the Recommendation

- 1.1 BetterPoints is a sustainable travel initiative that aims to encourage residents of Warwick District to travel in a sustainable fashion (e.g., walking, cycling, public transport). Users of the smartphone app track their sustainable journeys and receive BetterPoints in return, which can be exchanged for rewards. These include money-off vouchers for local businesses and gift cards for national businesses. Points can also be donated to local charities.
- 1.2 The platform also runs partnerships with various local events and businesses at different times of the year to offer limited-time rewards and prizes. Users who travel sustainably to a partnered event usually receive 1000 extra BetterPoints, and partnered businesses will usually give a sponsored prize, to be won by any user who completes a sustainable journey in a certain time window.
- 1.3 Warwick District Council's contract with BetterPoints is currently in a period of extension (August 2023- May 2024). It is funded by the Climate Change Action Plan Budget. This proposed recommended extension between May and November 2024 will continue the relationship with Better Points within the permitted financial exemption parameters and provide the opportunity to consider the longer-term options for the initiative. A further report will be brought to WDC's Cabinet Committee in Q3 of 2024/25 that will recommend that WDC build on the work undertaken over the last 4 years and procure through open competition a similar contract lasting an appropriate number of years to provide value for money and stability. The extension time between May and November 2024 will be used to plan what sort of contract would be optimal going forward.
- 1.4 Warwick District Council has used BetterPoints to engage with Warwick District residents and encourage them to travel in a sustainable fashion. The work

focuses both on sustainable travel to meet the Council's Climate Change ambitions, and on the Council's Health and Well-Being agenda. The scheme aims to mitigate the climate emergency by reducing traffic congestion in key areas around the district (including high-volume areas like town centres), to improve the air quality of the area by reducing the emissions released each day, and to engage local businesses. Equally by engaging with local health prescribers both internally and externally the initiative can drive forward the Council's Health and Wellbeing agenda.

- 1.5 A Year 2 Evaluation Report for August 2022- August 2023 can be found in Appendix 1. A summary of the statistics can be found in Section 1.6 below alongside the promotions run throughout the past year in Section 1.7.
- 1.6 Statistics for Warwick District from 1 July-18 December 2023 include: 221 users that had downloaded the app, bringing the total number of participants that have downloaded the app since the beginning of WDC's contractual relationship with BetterPoints to 1842 (approximately a 60% increase on Year 1); 66785kg CO2 avoided; 293597 miles travelled sustainably and a 31% engagement rate on average (from August-December 2023), which is well above the industry average of 5.7% after 30 days. Any user who is active (records at least one trip per month) is said to be engaged and therefore becomes part of the engagement rate - so 31% of all registered users record at least one trip per month. In the "Choose How You Move" Warwick District (CHYMW) Exit Survey for 2023, 130 of 226 participants either agreed or strongly agreed that they were less likely to use a car because of using the BetterPoints app.
- 1.7 Seven local businesses were available on the app from August 2022- August 2023. Four major events (including EcoFest) have partnered with the scheme and ten app-based promotions, nine of which included prizes, have been offered.
- 1.8 Following on from the evaluation report referenced in Section 1.5, this report therefore suggests that we build on the recommendations and extend the contract with BetterPoints until November 2024. This will be achieved via a procurement exemption (please see Section 4.2).
- 1.9 If the permission for the extension between May and November 2024 is granted, there will be Key Performance Indicators (KPI's) agreed for the contract and these will be used to facilitate a review of the relationship that WDC have had with BetterPoints over the last 4 or so years. This review can then help with a decision as to whether we should continue with another contract post November 2024.
- 1.10 A more detailed summary of what the app does can be found in Appendix 2.
- 1.11 As part of the ongoing promotion of Better Points we engage with schools. As an example, we worked with Simon Storey that runs the Whitnash Bicycle Bus and the Head Teachers of three Whitnash Primary Schools to promote cycling to school and offered up book vouchers as prizes to the school that recorded the most cycling miles over the prescribed period. We have worked with Myton School to produce incentive schemes for sustainable travel and alongside Clean Air Warwick and WDC's Air Quality Officer partnered with Coton End School to promote sustainable travel using quizzes.

- 1.12 We are currently working with Warwickshire County Council's Road Safety Education and Safe and Active Travel teams, as well as Kenilworth Town Council (KTC) to promote BetterPoints through a Clean Air Day event in June 2024. Alongside the author of this report, WDC's Air Quality Officer and representatives of KTC, colleagues from WCC have been invited to be involved in a Working Group that is organising the event and it will involve approaching local schools, using BetterPoints as an incentive to think about sustainable travel in a similar way potentially to the way we have engaged with the Whitnash Schools mentioned above.
- 1.13 We have also been engaging with the Leamington Primary Care Network (PCN) social prescribing and lifestyle clinic lead, to provide Better Points promotional material within GP Surgeries and Health Centres within the area.

2 Alternative Options

- 2.1 The alternative to granting an exemption to the procurement code of practice in relation to the contract with Better Points would be for Cabinet to recommend that officers do not extend this contract and instead pause the relationship that we have with BetterPoints. Granting the exemption allows for continuation and development of the initiative.
- 2.2 As of January 2024, Warwick District Council, has a Bicycle Mayor, recognised by the global Bicycle Mayor Network (BYCS). Consideration could be given to provide funding to this initiative as a one-off cost to promote active travel in collaboration with the Bicycle Mayor, rather than the extension to the Better Points scheme. However, providing permission and hence the funding to extend the current initiative with BetterPoints will provide the time to look at all the options available for funding of active travel.

3 Legal Implications

- 3.1 There are no legal implications for the proposal.

4 Financial Services

- 4.1 The total cost would be £17375+VAT. The funds for this can come from the Climate Change Action Fund. The suggested further extension of the contract between May and November 2024, has in principle been agreed with Procurement colleagues as it financially falls under the permitted financial ceiling. Any further potential involvement with BetterPoints or similar app based active travel incentive schemes after November 2024 will have to follow a fresh procurement process such as a competitive tender or a call off from a compliant Procurement Framework Agreement.
- 4.2 This final contract extension requires a further exemption from the Code of Procurement Practice, and a Procurement Exemption Form has already been completed. The total aggregated spend with BetterPoints since 2020 will be less than £170,000 which is below the current Public Contracts Regulations threshold for Goods & Services of £179,087 (£214,904 including VAT).

- 4.3 A contract was initially awarded in August 2020 for a period of 2 years under an exemption from the Code of Procurement Practice. It was then extended again on two separate occasions under the procurement exemption between August 2022 and August 2023 and then between August 2023 and May 2024.

5 Corporate Strategy

- 5.1 **Delivering valued, sustainable services:** The proposal will have a positive impact on the health and wellbeing of Warwick District residents, as well as increase the feeling of community in the area. The proposal seeks to increase the health and wellbeing of residents by encouraging active travel such as walking, wheeling, or cycling.
- 5.2 **Low cost, low carbon energy across the district:** The proposal will help Warwick District Council to use modes of transport that emit less carbon and use clean energy sources, such as electricity. The current user base saves between 280 and 550 kg of CO₂ per day through their sustainable journeys, and we would aim to increase this daily figure before November 2024. This links to the Climate Change Action Plan and Warwick District Council's own Corporate Strategy, both of which aim to "[implement] Green Travel Incentives – e.g Better Points" (CCAP Cabinet Report Page 3) and "[p]romote and implement active travel choices as a priority – public transport, walking and cycling" (WDC Corporate Strategy Page 4). Using BetterPoints therefore aids in the fulfilment of this aim, as it is a sustainable transport project.
- 5.3 **Creating vibrant, safe, and healthy communities of the future:** This proposal would continue to create and strengthen ties between the community and local businesses by signing them up to the app. The scheme aims to encourage users to visit businesses in town centres.

6 Environmental/Climate Change Implications

- 6.1 Extending the contract with BetterPoints from May-November 2024 will contribute to Warwick District Council's Climate Change Action Programme. The two outcomes it will positively affect are:
- Ambition 1: to be a net zero carbon organisation by 2025 and that services provided through contractors include carbon reduction targets to deliver net zero by 2030.
 - Ambition 2: to reduce net carbon emissions from across the District by a minimum of 55% by 2030 and alongside this, plan how to further reduce carbon emissions to net zero by 2050. (both from CCAP Cabinet Report)

7 Analysis of the effects on Equality

- 7.1 An EIA is not applicable for this proposal.

8 Data Protection

- 8.1 BetterPoints is the data controller on the "Choose How You Move" programme, with all users of the app registering with BetterPoints rather than Warwick District Council. BetterPoints control and manage the servers upon which all user data is stored and will only provide Warwick District Council with aggregated and anonymized data. BetterPoints use strict procedures and security features to ensure the confidentiality and security of each user's personal information. This includes using third party hosting services that meet the highest international security and resilience standards. Data is kept by BetterPoints for up to seven years after a user deactivates their account.

9 Health and Wellbeing

The proposal has the potential to increase the health and wellbeing of Warwick District residents as we will aim to encourage sustainable travel from a health perspective. We are currently speaking with the Health and Wellbeing team at WDC and have successfully secured a partnership between BetterPoints and South Warwickshire NHS Trust for a bespoke offering on the app specifically aimed at their staff.

10 Risk Assessment

The relationship between WDC and BetterPoints is greatly enhanced through the employment of a Project Management Apprentice since June 2023, which solely concentrates on the BetterPoints contract. This post is funded through to 2025 and therefore will be a resource throughout this proposed contract extension. There is ongoing support from WDC's Media Team.

11 Consultation

N/A

Background papers:

None

Supporting documents:

None

Choose How You Move

in Warwick District



Year 2 Evaluation Report
August 2022 – August 2023

**‘The app has made me realise what
I’m capable of achieving.**

I absolutely love it.

**Now I am walking into work
pretty much every day.’**

Eleonora

Contents

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7	Programme Delivery
8	Communication and promotion
12	Results
18	Local business story
19	User Stories
22	Summary and Recommendations

Executive Summary

Choose How You Move in Warwick District was commissioned by Warwick District Council. The campaign launched in January 2021 and has since been extended until May 2024.

It is designed to move residents and workers in Warwick District away from a reliance on private motor vehicles to more active and sustainable modes of travel. It rewards physical activity, such as walking, wheeling, running, and cycling, as well as bus and train journeys within the District boundary.

This report demonstrates the outcomes from Year 2 of the challenge, which ran between 9 August 2022 and 6 August 2023. The challenge was delivered via the BetterPoints app with supporting marketing and promotions.

- More than 402,300 active and sustainable journeys recorded.
- Approximately 201,200 active and sustainable journeys have directly replaced single occupancy car journeys. This equates to approximately 80,500kg of CO₂ avoided.
- There was a 10% reduction in weekly car journeys of less than two miles during targeted campaign for regular car drivers.
- 76% of respondents 'Strongly agreed' or 'Agreed' that they are more likely to walk or cycle as a result of the challenge.



400,000

active and sustainable
journeys



10%

fewer short car
journeys during
targeting campaign



80,000 kg

of CO₂ avoided



76%

of participants
now more likely
to walk or cycle

Programme Background

The Choose How You Move in Warwick District programme was delivered by BetterPoints for Warwick District Council.

It was an app-based, incentivised behaviour change programme. Everyone who lives or works in Warwick District was eligible to take part.

Programme Aims and Objectives

The Choose How You Move in Warwick District programme set out to help Warwick District residents and employees to adopt more active and sustainable travel habits, when moving around the District for work or leisure.

The programme complements the Council's wider objectives to improve air quality and reduce congestion across the District, increase physical activity among local residents to improve health and wellbeing in the community, and support local businesses and charities.

The programme rewards active travel, including walking, running, wheeling, and cycling, as well as use of public transport.

Travel behaviour change in the form of mode shift from car to more active and sustainable modes was evaluated using Baseline and Evaluation Surveys, as well as ecological momentary assessment (EMA) questions which were pushed to the user in the app at the time of the activity.

About the Choose How You Move in Warwick District challenge

Residents and employees were invited to download the BetterPoints app and record their active and sustainable journeys to earn BetterPoints. For the core rewards, participants could earn one BetterPoint per minute for walking, wheeling, cycling and running, capped at 50 BetterPoints a day, and 15 BetterPoints per bus or train journey, up to two times a day.

In addition, there was a daily prize draw for 1,000 BetterPoints, a change from the former weekly prize draw. This was designed to encourage greater participant engagement through an increase in prize winners.

In response to user feedback, a partnership was established in July with local leisure centre operator Everyone Active to add swim, gym and exercise class activities to the core rewards. Twenty BetterPoints could be earned for each activity, up to ten per month, at Newbold Comyn and St Nicholas Park Leisure Centres.

These core rewards were augmented by a rolling schedule of local and national campaigns and events with boosted points and/or BetterTicket prize draw entries. These are detailed below.

BetterPoints were also offered for completing various surveys, including the Baseline and Evaluation Surveys. BetterPoints prizes were offered as rewards for the Evaluation Survey to encourage a high response rate. 189 users took the Evaluation Survey.

Regular meetings between BetterPoints and Warwick District Council were used to plan and schedule new and amended rewards and coordinate marketing content, so it was aligned and up to date. This ensured that the challenge remained a relevant and attractive opportunity for new participants and engaged those already taking part. These meetings also ensured the points budget was managed against the original forecast.

As well as earning points for recording their activities, participants were invited to share their story as a Ditch the Car Star. Star winners each received 10,000 BetterPoints and were asked for a quote and photo to add to their story. These stories were then shared via the app to inspire existing participants to change, and on social media to encourage new participants. Some of the Ditch the Car Star winners can be found in the 'User Stories' section of this report.

Programme Delivery

The Choose How You Move in Warwick District challenge was delivered via the free-to-download user-facing BetterPoints app. In April, the challenge migrated to the new version of the BetterPoints app, which was designed to offer a clearer and easier user experience.

Similarly, the custom website chym.betterpoints.uk was migrated to a new and improved framework, allowing residents and employees based in

Warwick District to learn more about the challenge and upcoming promotions.

The main call to action was to download and register with the free BetterPoints app.

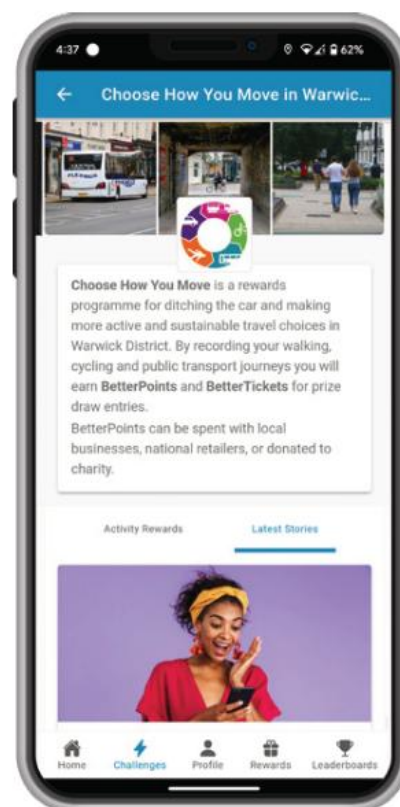
The homepage of the website and the challenge page of the app can be seen in Figures 1 and 2.

Once registered, participants could record their walking, wheeling, running, cycling, bus and train journeys using the app and earn rewards, prize draw tickets and medals.

Figure 1
Choose How You Move in Warwick District website



Figure 2
Choose How You Move In Warwick District challenge In the app



Communication and promotion

Reach

To promote the Year 2 challenge, the Council designed new marketing materials including a poster and social media image. A version was created with an alternative headline to that used in Year 1, placing greater emphasis on the financial incentive to participating in the challenge owing to the cost of living crisis.

Variants on these core designs were produced for specific promotions and partnerships, such as with Chiltern Railways, Everyone Active and the Ramblers.

Warwick District Council printed posters for use at events, for display at locations across the District such as St Peter's car park, and for distribution to partners and participating traders.

Print marketing was supplemented by social media promotion. The Council and

BetterPoints regularly shared content on social media, including both organic and paid for posts, to drive signups. This was reflected in the Evaluation Survey, where the most common way in which respondents discovered the challenge was through social media (36%). This compares similarly to Year 1 (38%). Word of mouth also featured highly (28%).

To further increase participation, a weekly 'Ambassador' prize draw was introduced, which could only be unlocked by using the 'Refer a Friend' function in the app. Once a participant had successfully referred a friend, family member or colleague, they could earn BetterTickets for the draw and have the chance to win a further 1,000 BetterPoints. 94 users became Ambassadors and collectively recruited 120 new users.



Figure 3
Marketing assets



Campaigns

In-app reward promotions were run throughout the year and based around local and seasonal events and national awareness campaigns.

The promotions supplemented the core rewards in order to keep Choose How You Move in Warwick District in constant launch mode, attracting new participants and keeping existing ones engaged.

Fifteen promotions ran in total, including:

TravelWise Week, 16–22 September

All BetterPoints users in the UK were invited to earn entries into daily prize draws for walking, wheeling, cycling and taking the bus or train to mark the national campaign run by Modeshift/ACT TravelWise to coincide with European Mobility Week.

Everyone who recorded three car-free journeys earned an entry into the draw for a European city break (£500 Eurostar travel and accommodation voucher, plus £300 spending money).

There were also two 50,000 BetterPoints prizes for users who recorded car-free journeys on World Car Free Day (Thursday 22 September).

Gearing Up for Winter, 24 October – 27 November

With the clocks going back and the weather getting colder, this campaign aimed to keep users active throughout the winter months. Participants were encouraged to travel half a mile per day, either actively or on public transport, for the chance to win reflective gear and Beryl Pixel lights each week. A Proviz backpack could also be won for referring a friend. A variety of medals, including a hi-vis jacket design, were available for completing a certain number of activities.

Christmas Countdown Prize Draw, 1–24 December

During the festive season participants could earn entry into a daily prize draw by walking, wheeling, cycling or taking public transport. 20,000 BetterPoints worth of prizes were awarded each day, including a £10 Warwick District Market voucher.

Laura from Leamington Spa

Winner of the European city break.

'My partner Steve and I took the Eurostar to Brussels, then onto Bruges. The journey there and back was very smooth; clean, efficient and good value. Bruges is beautiful.

'It was a great trip, and I was over the moon to have won. I love the BetterPoints app – getting points for doing "the right thing" without even having to think about it.

'What's not to like?'



Twenty...Twenty...Three, 3–31 January

This national campaign aimed to encourage users to meet their New Year's resolutions by travelling actively for 20 minutes each day to enter a weekly prize draw for a total of 99,900 BetterPoints. Users who did 20 minutes three times in a week were entered into a prize draw at the end of the month for three prizes of 100,000 BetterPoints. To keep users motivated, there was also a range of medals with a cold weather theme for each hour spent active.

Frienduary, 1–28 February

This national campaign encouraged BetterPoints users to invite their friends and colleagues to join in. Choose How You Move in Warwick District participants avoided an average of 138kg of carbon emissions in 2022 and Frienduary was framed as an opportunity to multiply their impact by recruiting new users to the challenge. 10 new users joined the Challenge during Frienduary.

All Aboard, 1–31 March

To celebrate a new partnership with Chiltern Railways, participants could win train tickets, points and medals by choosing rail travel throughout the month. A daily prize draw awarded 5,000 BetterPoints, whilst a pair of weekend return tickets on any route were won on a weekly basis. 12 train-themed medals were available for completing up to 30 train journeys in Warwick District. March saw a peak in train journeys recorded for the entire Year 2 challenge at 1,087. The campaign also raised the average train journeys per engaged user by 19% compared to the previous month.

Big Walk and Wheel, 20 March – 28 April

This campaign was available exclusively to three local schools: St Margaret's C of E Junior School, St Joseph's Catholic Primary School and Briar Hill Infant School. Staff, parents and children competed individually and collectively to travel actively to school as much as possible over four weeks with a two week break for the Easter holidays.

Individuals could win BetterPoints bundles totalling £15 each week and earn 150

BetterPoints for joining the Bicycle Bus, a community initiative designed to encourage more children to cycle to school.

The schools could earn up to £50 in National Book Tokens by achieving shared activity goals. St Joseph's Catholic Primary School engaged the highest proportion of staff and parents in the campaign, thereby winning a bonus £50 in Tokens.

Collectively, 278 activities, totalling 123 hours and covering 436 miles, were recorded.

Bike Builder, 3–30 April

Participants were incentivised to travel by bike with the prospect of winning one of five £10 Warwick District Market vouchers each week or points bundles of 2,500 and 1,000 BetterPoints. The more days the user recorded a cycle journey of at least one mile, the more BetterTickets were earned, thereby increasing their chances of winning. The campaign kick-started a sustained period of high cycling activity, with a monthly average of nine cycle journeys per engaged user for the remainder of the challenge, compared to seven for the previous eight months.

National Walking Month, 1–31 May

To mark the annual National Walking Month campaign, participants were tasked with incrementally increasing their walking activity throughout the month. For the first 10 days users could earn entry into a daily draw for 10,000 BetterPoints by recording 10 minutes of walking. For the next 10 days, 20,000 BetterPoints could be won for 20 minutes and for the final 11 days, 30,000 BetterPoints for 30 minutes. Additionally, a 50,000 BetterPoints weekly prize for referring a friend was available, as well as a virtual 87 mile 'Walk The Ridgeway' challenge. National Walking Month raised the average walking trips per engaged user by 15% (from 43 to 49) versus the previous month.

Bike Week 5–11 June

All BetterPoints users in the UK were invited to take a survey asking them to share some information about their cycling activity. Users could then opt into a prize draw for a folding

electric Dart 3 bike worth £1,299 from our partners Batribike or two 50,000 BetterPoints bundles. Choose How You Move participants could also earn up to 100 BetterPoints a day for cycling. Bike Week saw the number of cycling journeys increase by 55% (n=394) on the previous week and the 2.8 cycle journeys per engaged user was the highest weekly average of the entire Year 2 challenge.

Clean Air Day, 15 June

In the week leading up to Clean Air Day, participants were invited to make a pledge to leave the car at home and travel actively or sustainably instead. By delivering on this commitment, entry into a draw for a top prize of 30,000 BetterPoints was achieved, along with a Clean Air Day medal. Participants could also take part in a daily air quality quiz from Monday 12 June, earning 10 BetterPoints

for each question. Of the 418 Choose How You Move in Warwick District users to travel by car within the previous four weeks, 56% (n=235) didn't travel by car on Clean Air Day, of which 44% (n=103) also recorded a walk, cycle or public transport journey.

In addition, daily or weekend rewards were offered in association with local events. These rewards incentivised use of 'park and stride' car parks or sustainable travel alternatives, as well as general event attendance. The most successful of these was Art in the Park, where 125 participants walked, wheeled or cycled to the festival. All rewarded events are listed below:

- Leamington Rail Trail, 23 May;
- Two Castles Run, 11 June;
- Kenilworth Food Festival, 30 July;
- Art in the Park, 5–6 August.

Results

The following section details the number and demographics of participants, activities recorded, calories burned, and CO₂ mitigated due to increased active and sustainable travel.

Reach

A total of 1,632 participants downloaded the BetterPoints app and joined the Choose How You Move in Warwick District challenge by 6 August 2023. This represents a 63% (n=631) increase on downloads from Year 1.

Engagement is measured by activity registered on the app and times the app is opened. 91% (n=1,478) of participants across both years have recorded at least one activity.

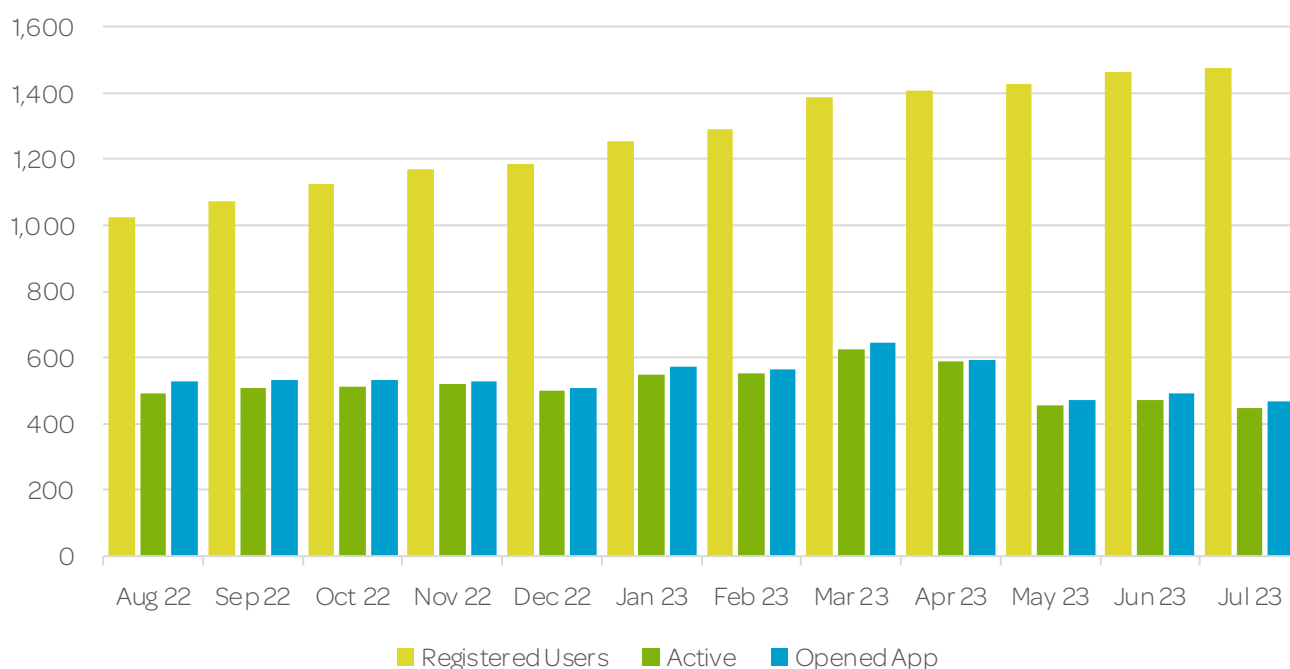
Engagement over time has remained high throughout Year 2, with an average of 41% of participants being active users

(recording at least one trip) each month. This is well above the industry standard for longstanding app interventions, whose average percentage drops to 5.7% after 30 days.¹

The majority of participants are female (68%). The largest proportion of participants fall into the 35–44 age category (32%).

Figure: 6 illustrates the postcodes of participants separated by year. The blue markers represent participants who joined in Year 2, whilst the red markers are Year 1 ([click here to view the map in full](#)).

Figure 4
Participant totals by month



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1. <https://uplandsoftware.com/localytics/resources/blog/mobile-apps-whats-a-good-retention-rate/>

Figure 5
Participant numbers by age and gender

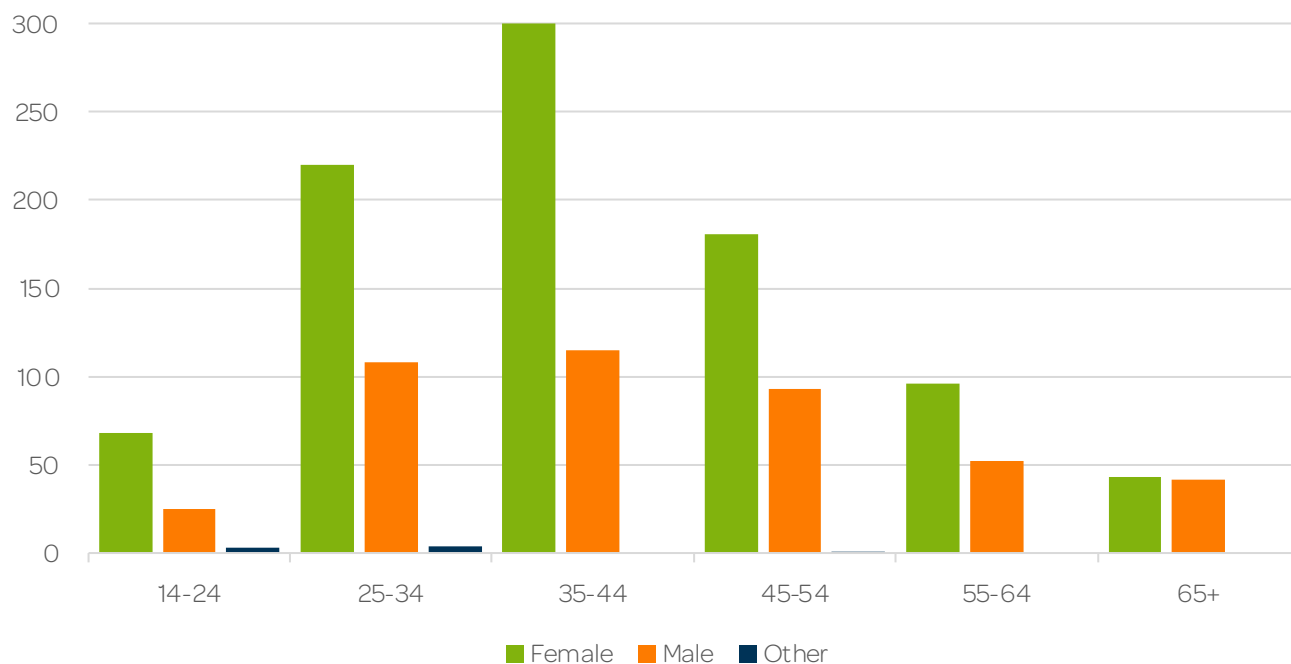
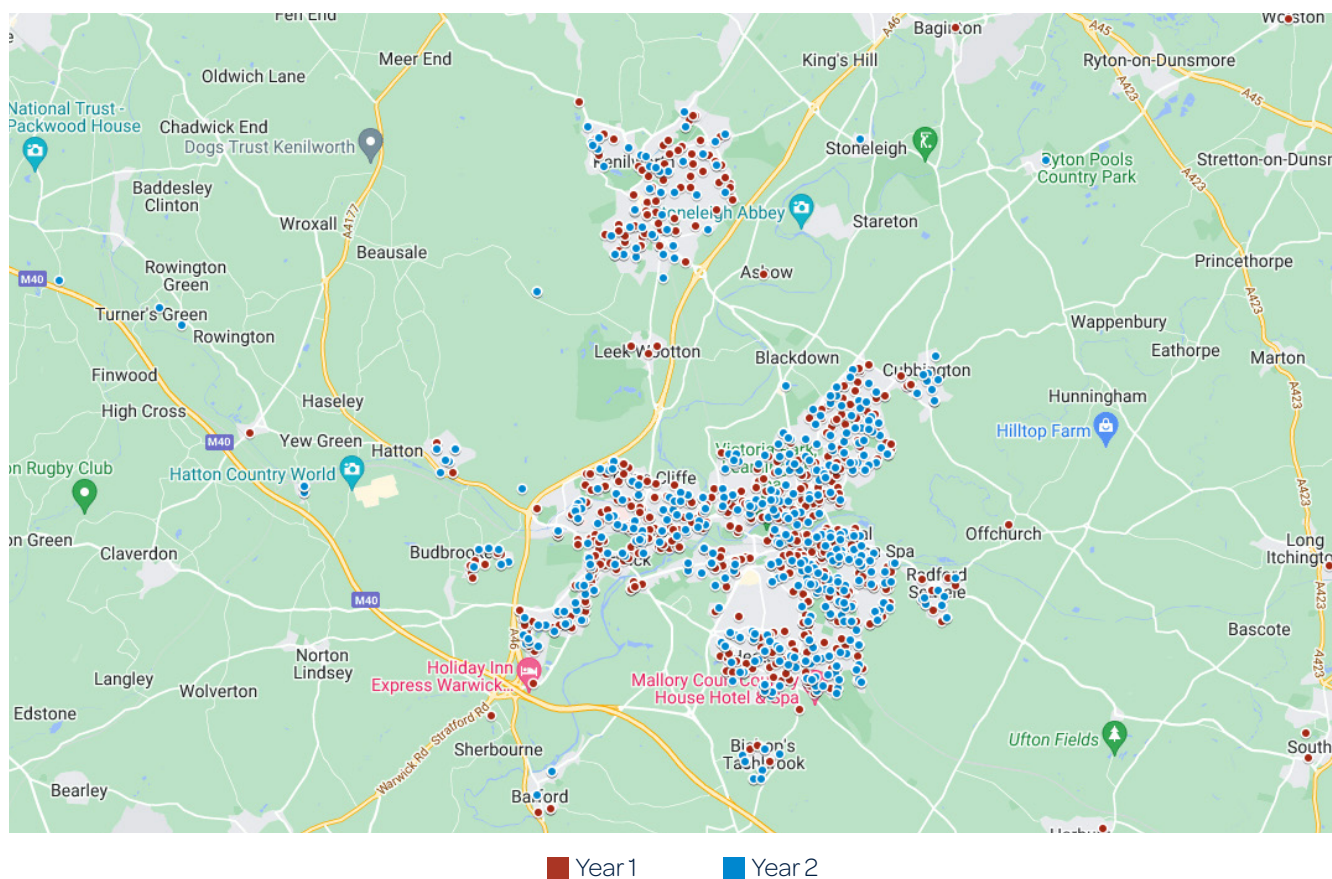


Figure 6
Participant distribution by postcode



Activities

A total of 402,352 active and sustainable journeys (walk, wheel, run, cycle, bus and train) were recorded between 9 August 2022 and 6 August 2023. This total equates to an average of 247 activities per participant. In contrast, the average was 230 activities in Year 1. See Table 1 for a full breakdown of recorded activities.

Walking was the most popular, accounting for 78% of total active and sustainable journeys, followed by cycling at 11% and bus travel at 7%.

The total share of journeys for all active modes (walk, wheel, run, cycle) was 91%, with public transport (bus and train) at 9%.

Table 1
Tracked activities

Activity Type	Users	Activities	Distance (Miles)	Duration (Hours)	CO ₂ Avoided (kg)	Calories
Walk	938	312,634	236,984	4,870	64,879	29,583,914
Cycle	783	43,658	97,856	491	26,790	6,619,307
Bus	750	27,468	119,784	349	13,075	--
Train	573	10,151	238,465	222	51,246	--
Run	580	8,433	18,324	161	5,017	2,264,809
Wheel	5	8	5	0.033	1	459
		402,352	711,418	6,093.033	161,008	38,468,489

Behaviour change and modal shift

Behaviour change and modal shift are measured using a combination of ecological momentary assessment (EMA) and Baseline and Evaluation Survey comparisons.

EMA Survey

EMA questions are presented to participants immediately after recording an activity or at the trip verification stage to minimise recall bias. This year 630 responses have been captured from the EMA question, 'Thinking of your last recorded trip, did it replace a solo car journey?'. 50% (n=313) of these responses stated that the recorded activity had replaced a solo car journey.

By extrapolating this data, we can infer that approximately 201,200 active and sustainable journeys have directly replaced single occupancy car trips to date. This equates to approximately 80,500kg of CO₂ avoided.

Evaluation Survey

189 participants completed the Evaluation Survey. This represents a 51% response rate amongst engaged participants (n=374) during the period that the survey was issued. The results were as follows:

- 76% of respondents 'Strongly agreed' or 'Agreed' that they are more likely to walk or cycle as a result of the challenge.
- 67% 'Strongly agreed' or 'Agreed' that taking part made them less likely to use a car in the future.
- 61% of respondents 'Strongly agreed' or 'Agreed' with the statement, 'During the challenge, I used a car less to get from place to place'.
- 40% of respondents 'Strongly agreed' or 'Agreed' that they are more likely to use public transport as a result of the challenge.
- 75% of respondents rated their experience of the programme as 'Very good' or 'Good'.

Baseline Survey and tracked data comparison

To understand modal shift, analysis was conducted on the subsequent car activity of participants that reported driving three or more days when they took the Year 2 Baseline Survey in September 2022 and remained engaged for the following 10 months (n=56). The number of car journeys and miles travelled by car fell by 8% and 19% respectively during the November to July period compared to October 2022.

50%
of sustainable
journeys
replaced a solo
car journey



Targeting regular car drivers

Regular car drivers were further examined in summer 2023, with a particular focus on those undertaking shorter journeys. Users who recorded two or more journeys of less than two miles in one day were initially identified. If the user repeated this behaviour at least once a week across a four-week monitoring period between May and June, they were provisionally included in the targeted rewards intervention. If, however, they stated in the Baseline Survey they weren't physically able to use alternative modes of transport or had carer responsibilities that required them to drive regularly they were removed. There were 62 participants who met the inclusion criteria.

Over an eight-week period between August and early September, participants could earn an extra 100 BetterPoints, up to twice a day, for an active or sustainable journey of over one mile. The cohort also received a schedule of carefully calibrated messages that employed the behaviour change techniques of goal setting and performance feedback to encourage them to continue swapping out shorter car journeys for the duration of the intervention.

There was a 10% reduction in car journeys of under two miles during the rewards intervention versus the pre-rewards monitoring period. The number of car journeys continued to remain lower than the monitoring period for the two weeks after the rewards period had concluded.

Points Report

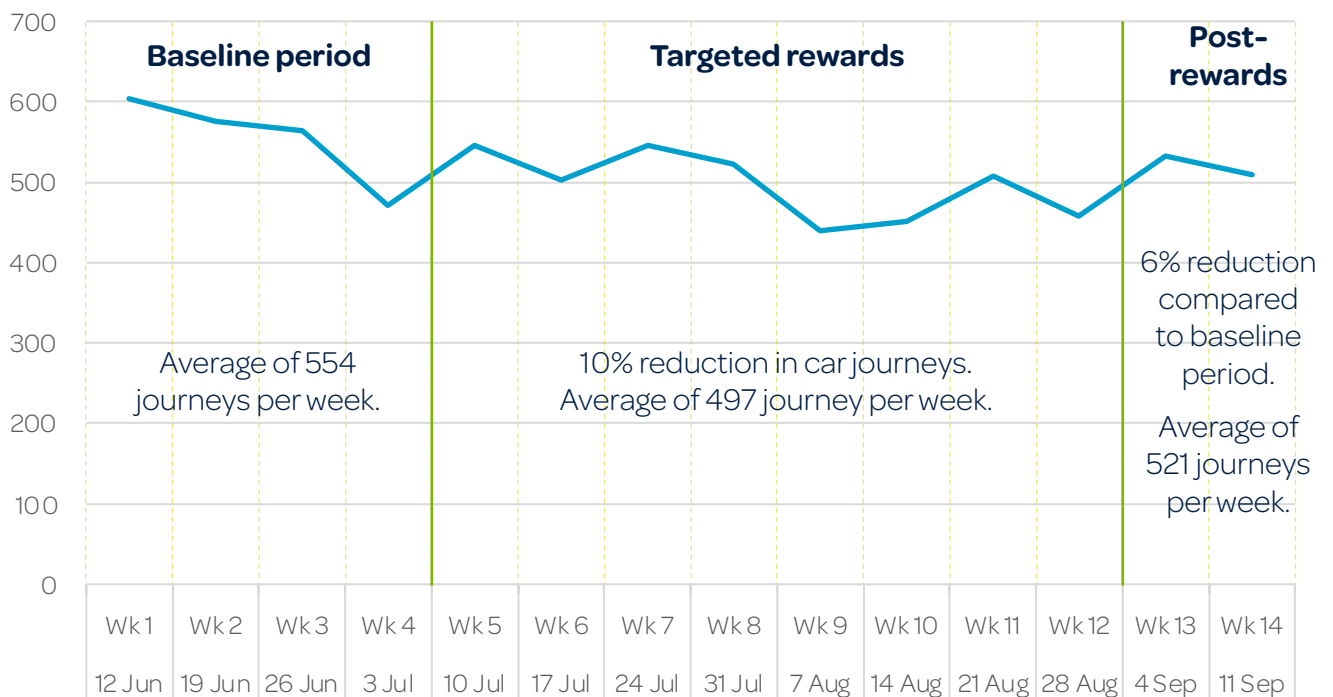
A total of £5,573 was earned by participants during the 12-month reporting period, an average of £464 per month. This includes earning from activity rewards and prize draws.

Participants were able to redeem their BetterPoints at 11 local businesses or donate them to four local charities. They could also spend them on high street brands in the core rewards catalogue or donate them to national charities listed in the Donate section of the app. A total of 125 vouchers, with a value of £458, were redeemed with local businesses. This represents 26% of total voucher redemptions during the reporting period, an increase on 23% from Year 1. £156 was donated to local charities, equivalent to 64% of total donations, which is the same as the first year.

10%

reduction in two-mile
car journeys during the
targeted campaign

Figure 7
Reduction in car journeys less than two miles in targeted campaign



Local business story

A local business that has greatly benefited from the support of the Challenge has been Zero Store in Leamington Spa.

Since April 2022, £385 of the rewards budget had been spent at the plastic-free shop through 150 vouchers redeemed in the app and their additional spend has been 'really valuable' to the business.

Charlie, Zero Store Founder

'It started when a couple of customers mentioned the challenge and said it would be great to be able to spend their rewards with us, not just on vouchers from the likes of Amazon.

'It made sense to get involved, not only as it would help us reach new customers but because our objectives aligned as well.

'By encouraging people to reduce their car use Choose How You Move has sustainability at its heart. You're also more likely to discover local businesses like ours if you are walking, cycling or catching the bus into town, rather than driving to an out-of-town shopping centre.

'Benefitting the environment, people's health and supporting local is exactly what we're interested in.

'The process for redeeming vouchers has been very straightforward. The information in the app is clearly presented and we've never had any issues.

'When a voucher is confirmed in the app we mark it off on a Google Sheet for peace of mind, although as everything is recorded within the app it isn't an absolute necessity. It's as easy as that really.

'It has brought extra exposure through the app, which has been great. We've had a number of first-time customers who found out about us through BetterPoints messages and emails.



'Equally, existing customers who are using the app already, or have been introduced to it by us, are encouraged to come back knowing they can get money off their next shop.

'It has had the benefit of generating extra sales too. A customer will come in with a £2.50 or £5 BetterPoints voucher, but then get some other bits whilst they are here. The added spend is really valuable.

'I think it is really nice that there is an emphasis on promoting local businesses like ours, not just the multinational retail giants.

'Local businesses bring a uniqueness and vibrancy to a local area that I feel is really important and worth supporting.'

User Stories

Throughout Choose How You Move in Warwick District, participants were given the opportunity to share their story of how the challenge has helped them to make more active and sustainable travel choices.

Here are some stories from the 'Ditch the Car Star' prize winners.

Eleonora

Eleonora used to choose the easy option of getting a lift to work with her husband. That was until she was introduced to BetterPoints by her employer. Now, she shuns the convenient option in favour of a 40 minute walk into Leamington, for which she is benefitting both physically and mentally.

'I didn't used to walk much. I don't drive but my husband would take me to work in his car. If I didn't go with him I would get a taxi.

'I was a bit lazy. I always thought everywhere was a bit too far to walk.

'It didn't help that my husband was working from home during Covid, so he had the flexibility to take me into work and pick me up too.

'The app was what got me started to being more active. I tried things like Couch to 5K, but it didn't motivate me at all. The Choose How You Move challenge was different. The almost instant rewards gave me a real boost.

'The thing that gave me the most encouragement was the medals. I remember when I started over a year ago that there were some spring themed medals. My little son was always excited when I returned home from a walk and got to see what spring flower medal I had won. It's really nice to have something to show for the walking I've done.

'The app has made me realise what I'm capable of achieving. I absolutely love it.

'Now I am walking into work pretty much every day from where I live in Radford



Semele to Leamington. It's become a form of self-care for me; it's a moment to myself which I need and enjoy.

'It isn't just for work either. For example, during the summer holidays my son and I will walk into Leamington to do a few things like pick up some groceries and then catch the bus home. It's a really nice route and the walk provides some quality time to talk with him.

'I've had lymphedema for the past 20 years, which causes swelling on my leg.

'My leg is much stronger now, less swollen and not hurting like it used to. I don't need to come home and lay down to relieve the pain anymore.

'I have also been eating better as I know I need to fuel myself properly for all of the walking I'm doing. I'm now eating breakfast in the morning, but I haven't put on any weight.'

Liz

Using the car was habitual for Liz and her family. That was until they decided to 'go green' with their travel choices. With the help of the BetterPoints app and her newly serviced bike, she's ditched solo car journeys for good.

'My husband and I used to have two cars. We would both drive to work. I would drop the kids off at school on route. All journeys were in the car basically.

'However, we decided as a family that we wanted to do better for the environment and changing our travel habits was a key part to that.

'We started off by dropping down from two big cars to one small three-door car, and I began cycling to work.

'I loved cycling when I was young as it gave me freedom and independence. Yet when I got older and had kids it seemed less practical.

'I had a bike, but it was languishing in the shed. It had been in there for a good while! I got it out, sent it in for a service, and then starting using it.

'I found out about the challenge from one of the local shops on the app, Zero Store. I thought it was a great idea and could give me extra encouragement to cycle and walk, and it duly has.

'I like that it tells you about your key stats for the day, how many miles you've travelled, and the CO₂ saved.

'The other thing that is rewarding is the graphs, seeing how active you are across multiple weeks. I'm always pleased with myself when I check the app and see that I did more minutes one week versus the previous week.



'It motivates you to walk down to the shops when you're below your weekly target, knowing you'll earn some points too.

'I have been saving up my points; there is a good chance I'll be able to trade them in for a local voucher soon which is exciting!

'Now I always cycle to my job in Warwick and sometimes to my other job in Kenilworth. It would have been out of the question once upon a time not to drive to Kenilworth, but now I'll take the bike or catch the bus if not.

'I've reduced my car use to two journeys a week. When I do use the car it'll be carpooling with my husband or the kids.

'I no longer drive the children to school. They have a weekly bus pass to get there instead.

'I'm definitely feeling a lot healthier as a result. It feels great arriving to work on my bike knowing that I've done a good amount of exercise for the day.

'We've also made a massive saving by not running two cars.

'By walking into town more frequently I've also discovered some local, independent shops that I didn't know existed.'

Satvir

When assessor Satvir suffered an injury at school, her physical activity was put on hold and bad habits crept in. With the help of the Choose How You Move challenge, she has transformed her travel to work routine for the better.

'I first joined BetterPoints when training for the London Marathon as part of a fundraising effort for my missing brother.

'I was using it for my running and walking preparation but then I badly injured my heel. It required 12 weeks of recovery during which time I got into some bad habits. I wasn't very active, and I was using the car every day to get to work.

'Once my injury had fully healed, I decided to ditch the car for my journeys to school to get me back on track. It has helped me to regain my confidence and I'm now walking more than ever before.

'I like that it gives me the encouragement to keep going and stick to my routine. Even when it is raining, I will take a brolly or put on my raincoat and get outside. I'm always reflecting on the points or medals I've earned and the distances I've done. These are all key motivators for me.

'I really like the boosted reward campaigns too. They make me think about what more I could be doing. Take the recent Bike Week rewards, I haven't ridden a bike since I was 12 but reading about the campaign has inspired me to build cycling into my active routine; I'll need to get a bike first though!

'I'm now doing four days of walking to work, which is about a 20 to 30 minute walk, and only use the car on Fridays to pick up my son who lives out of town. My work as a



teacher can be quite demanding and being active every day really helps with this.

'Even on a Saturday, I'll put my trainers on and go for a stroll around Warwick Racecourse. I always feel better for it.

'A friend and I used to drive somewhere to have a catch-up over a coffee. Now, we'll meet and do a big walk together at the Racecourse instead.

'The car is still there on the driveway, but I walk past it most of the time these days.

'My blood pressure has stabilized as a result, which means I haven't had to increase my medication.

'My wellbeing has improved; I feel less stressed and more motivated to do all sorts of things.

'When I go into school, I will mention to people that I now walk to work. When you share your story it definitely encourages others to do the same and experience the benefits.'

Summary and Recommendations

Year 2 of Choose How You Move in Warwick District has proven to be a success. Registrations grew by 63% (n=631), taking the overall figure to 1,632.

At 41%, the engagement rate over time comfortably exceeds the industry standard of 5.7%. Recorded activities have increased by 43% compared to Year 1. The 402,352 total equates to an average of 247 activities per participant, compared to 230 last year.

In terms of measured modal shift, 50% of responses to the question 'Thinking of your last recorded trip, did it replace a solo car journey?' were 'yes'. Extrapolating this across all recorded sustainable trips gives an approximate CO₂ saving of 85 tonnes.

There was also a 10% reduction in car journeys of under two miles during the rewards intervention targeted at regular car drivers. Miles travelled by car also fell by 19% amongst users that reported driving three or more days a week when they took the Year 2 Baseline Survey.

The challenge continued to engage local traders and charities, contributing at least £614 this year, and £1,280 overall, to revenue streams through redeemed vouchers and encouraging donations.

To scale the impact of Choose How You Move in Warwick District and deliver desired outcomes during Year 3, we recommend:

- Targeting strategic employers across Warwick District e.g., South Warwickshire University NHS Trust and local business parks, to reach their staff.
- Continuing efforts to enlist more local traders and procure local prizes.
- Developing existing relationships with local groups like Clean Air Warwick and CycleWays to activate their local audiences and networks.
- Continuing to explore and implement new marketing approaches e.g. digital display screens in supermarkets and bus stops, video campaigns, radio features, and developing existing ones to increase visibility and recognition of the Choose How You Move in Warwick District brand.
- Targeting car drivers of longer distances to see if the success of the less than two miles reward intervention can be translated to a wider user group.
- Further work to segment and target users e.g., leisure cyclist with incentive strategies that allow the challenge to continue to scale whilst making the most of the available rewards budget.
- Continuing to align reward promotions and marketing campaigns with Council-supported events like EcoFest and Art in the Park.

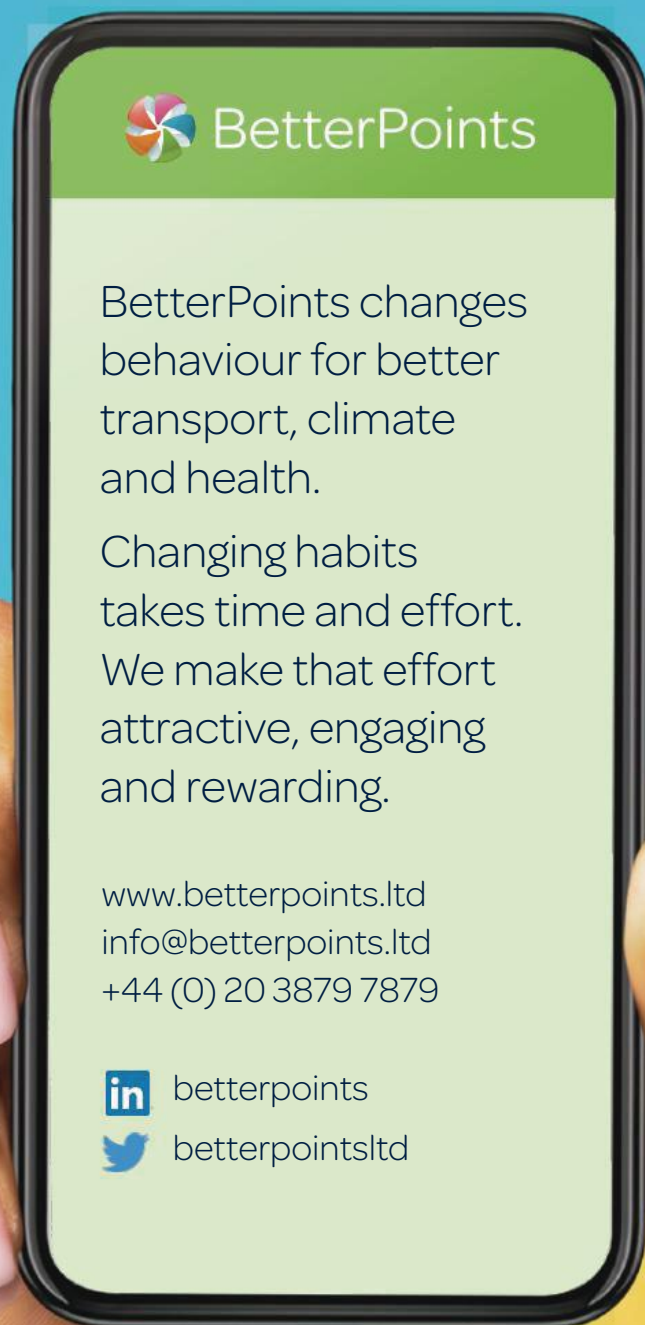
The programme team will agree targets for the 2023/4 delivery period based on Warwick District Council's priorities.

‘I’m definitely feeling a lot healthier as a result. It feels great arriving to work on my bike knowing that I’ve done a good amount of exercise for the day.

We’ve also made a massive saving by not running two cars.

By walking into town more frequently I’ve also discovered some local, independent shops that I didn’t know existed.’

Liz



Certified



Corporation

BetterPoints Limited is a UK registered company. Company registration number 7356214

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Appendix 2

BetterPoints- A Summary

BetterPoints is a sustainable travel initiative designed to change the behaviour of Warwick District residents. It aims to get residents travelling more sustainably (walking, cycling, wheeling, using public transport etc.). Users download the smartphone app from the Apple App Store or the Google Play store and answer the questions asked, including verifying that they are residents of Warwick District by inputting their postcode. Those who live outside the district but work within it can sometimes request a referral code that will allow them to join in. The user then joins the 'Choose How You Move in Warwick District' Challenge and sets the tracking function to 'on'. This then remains permanently on in the background and tracks journeys unless it is switched off in the app.

The user can then perform their sustainable journeys and the distance travelled, start and end points, route taken, and time spent are all recorded and shown to the user. BetterPoints are awarded for sustainable journeys taken within Warwick District at a rate of one point per minute of activity up to 50 points a day. These points can be exchanged for money-off vouchers/ other rewards in the 'Rewards' tab. These include 1-day passes to Newbold Comyn and St Nicholas leisure centres for 500 points, a Café 2u drinks voucher for 2500 points and a £5 ASDA e-gift card for 5000 points. The Climate Change team works with local businesses to get them signed up to the app. Currently, there are six local businesses on the app. BetterTickets are also issued when a sustainable journey is completed, and these enter the user into prize draws to win BetterPoints.

Additional prize draws are also carried out at certain times of the year e.g. the recent 'Countdown to Christmas' draw featured prizes secured from local businesses. The prizes were drawn once a week, and four tickets to the Royal Spa Centre panto, a voucher for Aubrey Allen Butchers/Oscar's Bistro, an Everyone Active gym membership and a BetterPoints bundle were offered. A daily prize draw of 1000 BetterPoints is also offered on the app.

Challenges are offered on the app at certain times of the year e.g. in January/February to encourage users to keep moving through the cold weather. These challenges will allow users to win virtual medals for travelling a certain distance and may also include points bundles as prizes. Events that partner with BetterPoints also provide an opportunity for users to earn points outside of the 50 per day that they would usually earn. The app can geofence event locations and automatically award points to those who travel sustainably to/from those locations. For example, any user who travelled sustainably to Pride in Leamington in August 2023 automatically received 1000 points.