

Council meeting: Wednesday, 20 October 2021

Notice is hereby given that a meeting of Warwick District Council will be held in the Pump Rooms, Royal Leamington Spa on Wednesday 20 October 2021, at 6.00pm.

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 meeting of the Council held on 28 July 2021.

(Pages 1 to ??)

4. Communications and Announcements

As part of this item the Chairman will thank the Council in paying tribute to the Vice-Chairman Councillor Heath who passed away on 23 September 2021.

5. Petitions

6. Notices of Motion

- (a) To consider a notice of Notice of Motion to be proposed by Councillor Boad and seconded by Councillor Kohler that reads as follows:

“Given this Council’s Climate Emergency Declaration and its associated drive to improve air quality we call upon the District Council to join with the Royal Leamington Spa Town Council in calling on Warwickshire County Council to investigate and implement revisions to the routing of the University bus services (frequency every 8-10 minutes) as a matter of urgency.

The primary objective being the rerouting of the services off the Parade, which will reduce both air pollution and traffic congestion through the town centre, and passenger congestion around the bus stops, particularly at the top of the Parade.

Additionally, we ask Warwickshire County Council to engage with the bus companies operating through the District to establish when they are proposing to change their fleets to clean, electric or hydrogen, power.

In the meantime, we urge them to introduce a clear identification system for the engine Euro Emission Rating on the side of their buses to give assurance to the public that the current vehicles in use are to the highest Euro 6 specification.”

- (b) to consider a Notice of Motion to be proposed by Councillor R Dickson and second by Councillor Russell, that reads as follows:

This Council notes that:

- a) when the demolition and construction work starts at Abbey Fields Swimming Pools and Castle Farm Leisure Centre the facilities will close for at least 18 months. This work will also put the tennis courts and basketball court in Abbey Fields out of use.
- b) existing users of the Pools and Leisure Centre who are members of Everyone Active will be able to use the facilities in Newbold Comyn, Leamington Spa and St Nicholas Park, Warwick.
- c) in 2022 Warwick District will celebrate hosting elements of the 2022 Commonwealth Games which is an opportunity to encourage as many residents as possible to exercise.
- d) in a recent survey of more than 80 Kenilworth-based Everyone Active users only 25% said that, during the demolition and construction period, they would travel to the leisure centres operated by Everyone Active at Newbold Comyn or St Nicholas Park.
- e) any loss of members by Everyone Active during the demolition and construction work will result in lost income to the District Council and so will be a potential cost to local taxpayers.

This Council therefore asks Cabinet to work with Everyone Active to put in place creative and imaginative solutions to ensure that, during the demolition and construction work at Abbey Fields and Castle Farm, as many existing members of Everyone Active are both retained and encouraged to take exercise.

7. Leader and Portfolio Holders’ Statements

8. Questions to the Leader of the Council & Portfolio Holders

9. Cabinet Reports

To consider the report from Cabinet on

- (a) 12 August 2021;
- (b) 23 September 2021

(Pages 1 to 7)

(Pages 1 to 3)

10. Membership of Cabinet, Programme Advisory Boards (PABs) and Members/Trades Unions Joint Consultation & Safety Panel

- (a) to formally note the notification from the Leader, that since the last Council meeting Councillor Noone has left the Cabinet and that the Resources Portfolio work will be undertaken by Councillor Hales
- (b) to confirm the additional appointments to the PABs as follows:
 - Transformation - Councillor A Dearing
 - Climate Change - Councillor Skinner
 - Homes, Health & Wellbeing – Councillor Leigh-Hunt
 - Culture, Tourism & Leisure – Councillors A Dearing and Russell
 - Place & Economy – Cllr Skinner
 - Planning – B Gifford
 - Community Protection - Councillors Illingworth and C Gifford
- (c) to appoint Councillor Quinney in place of the Labour Vacancy and Councillor Kennedy in place of the Green Vacancy to the Members/Trades Unions Joint Consultation & Safety Panel; and
- (d) to appoint Councillor A Dearing as a substitute to the Members/Trades Unions & Joint Consultation Panel for the Green Group;

11. Public & 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 paragraph 3 of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006.

12. Confidential Cabinet Report

To consider the report from Confidential Cabinet on 23 September 2021.

(Pages 1 to 3)

13. Common Seal

To authorise the affixing of the Common Seal of the Council to such deeds and documents as may be required for implementing decisions of the Council arrived at this day.



Chief Executive
Published Tuesday 12 October 2021

For enquiries about this meeting please contact Warwick District Council, Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire, CV32 5HZ

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WARWICK DISTRICT COUNCIL

Minutes of the meeting held remotely on Wednesday 28 July 2021, at 6.00pm which was broadcast live via the Council's YouTube Channel.

PRESENT: Councillor Murphy (Chairman); Councillors Ashford, Bartlett, Boad, Cooke, Davison, Day, K Dickson, Grainger, Illingworth, Jacques, Kennedy, Kohler, Leigh-Hunt, Luckhurst, Mangat, Margrave, Matecki, Milton, Nicholls, Roberts and Syson.

15. Apologies for Absence

Apologies for absence were received from Councillors Cullinan, A Dearing, J Dearing, R Dickson, Evans, Falp, B Gifford, C Gifford, Grey, Hales, Heath, Morris, Noone, Norris, Quinney, Redford, Rhead, Russell, Skinner, Tangri, Tracey, and Wright.

16. Declarations of Interest

There were no declarations of interest.

17. Minutes

The minutes of the meeting of the Council held on the 5 May 2021 were proposed, duly seconded taken as read and signed by the Chairman as a correct record.

18. Communications and Announcements

The Chairman welcomed back Council to the Council Chamber for the first time since February 2019. He thanked Group Leaders for enabling the meeting to take place, broadcasting the meeting to the wider community and in doing so showing community leadership through keeping Members and public attending meetings safe.

The Chairman informed Council that since Council last met, former Councillors Bob Attwood, who served on the Council from 1989 to 2001, and David Kohler, who served on the Council from 1995 to 2003, had both passed away. As a mark of respect, the Chairman led the Council in a minute silence.

The Chairman reminded Council of the genocide that occurred in Srebrenica 26 years ago. The annual memorial event had taken place between 4 and 11 July and as a mark of respect this and to show solidarity in standing against such acts, he led the Council in a minute silence.

The Chairman took the opportunity to remind Council that since it last met, the England Men's Football team had competed at the Euro 2020 competition, and along with Group Leaders and the Chief Executive, he made a joint statement, which read:

"We wish to take this opportunity to congratulate the England men's Football team for their success but sadly this is not the main point of this statement. The Racist response to members of the football team has no place in society. There is no place for discrimination of any kind and sadly the actions of the few have undermined what had been an exceptional tournament for helping society to celebrate as we came towards the end of the global pandemic. Therefore, we trust that as a Council

you will support us in condemning the racists and their behaviours. This said We look forward to more positive sporting events across the Country in 2022 with the Women's Euro Championships and of course the Commonwealth games, which will partly be held in this District. At the times how true is the Motto of the Commonwealth Games Federation of Humanity, Equality, Destiny."

The Chairman took the opportunity to thank all Council officers who had worked tirelessly over the last 17 months to support the community through the pandemic and continue to deliver services during this time.

The Chairman informed Council that there was no business for the Council to consider under item 6, Notices of Motion.

19. **Petition**

The Council received a petition from Gareth Dore, sponsored by Councillor Day, titled Permanently Pedestrianise Parade in Leamington Spa.

Gareth Dore addressed Council about the petition.15:22

Councillor Day addressed Council and proposed that the petition should be referred to Warwickshire County Council, as the Highway Authority with an additional proposal, to be refined by the Leadership Co-Ordination Group, that this Council sought a structure to bring about meaningful change for Leamington as part of the projects the Council was bringing forward and further funding opportunities that were available. As part of this transformation framework, there would be a transformation board with all three levels of local government represented, to co-ordinate effort, using the Leamington Neighbourhood Plan, engage highway resources, and in doing so create and support place. To support this there would be an advisory group comprising of Leamington Chamber of Commerce, BID Leamington, town traders, the University of Warwick, Chiltern Railway, Network Rail, bus companies, the canal and river trust, and a technical group.

The proposal was seconded by Councillor Nicholls.

Councillors Boad, Cooke, Roberts, Davison, Granger, Jacques, Kohler all spoke on this item.

Resolved that the petition be referred to Warwickshire County Council, as Highway Authority; with an additional proposal, to be refined by the Leadership Co-Ordination Group, that this Council seeks a structure to bring about meaningful change for Leamington as part of the projects this Council are bringing forward and further funding opportunities that are available. As part of this transformation framework, there will be a transformation board with all three levels of local government represented, to co-ordinate effort, using the Leamington Neighbourhood Plan, engage highway resources, and in doing so create and support place. To support this there shall be; an advisory group comprising of Leamington Chamber of Commerce, BID Leamington, town traders, the University of Warwick, Chiltern Railway, Network Rail, bus companies; and the canal and river trust; and a technical group.

(During this item the Chairman proposed that the Council procedure rule restricting

the length of time available for the debate be suspended. On being put to the vote the motion was approved unanimously)

20. **Leader's & Portfolio Holders' Statements**

The Portfolio Holder for Homes, Health & Wellbeing, Councillor Matecki, informed Council that:

- (1) Riverside House would be reopening to the general public on an appointment basis;
- (2) the new Housing Allocations policy had gone live, with all persons on the register having been reclassified and notified of their banding; and
- (3) only certain Council owned flats, mainly the larger blocks in Leamington and Warwick, had their communal areas cleaned. Very few concerns were raised by residents in blocks without cleaning contract and in a number of these the residents took pride in maintain the communal areas and gardens. Support was offered where required by the estates team, which included cleaning work. On review it was considered that more complaints would be received if cleaning was introduced as it would see a rise in cost for both Council tenants and lease holders within the blocks.

The Portfolio Holder for Culture, Tourism & Leisure, Councillor Bartlett, informed Council that:

- (1) It was one year to go to the Commonwealth Games, which would be hosted by Birmingham, but the road race cycling and Bowls would be held in Warwick District. He had attended several promotional events, including to Whitnash with the Game's mascot Perry the Bull. All town Councils had been briefed on the plans for the games, the volunteering programme had been launched and ticket ballot had been opened;
- (2) the arts services would all reopen from 1 August; the Art Gallery and museum were already open on restricted numbers but both attendances and feedback had been positive;
- (3) the new artificial pitch at Racing Club Warwick had been completed and was being used for training by both Racing Club Warwick teams and other teams from the local community. There was a planned official opening to coincide with the opening game of the season;
- (4) works had been completed on Christchurch gardens and Victoria Park tennis courts. As a result, participation had increased at both venues;
- (5) the Everyone Active (EA) managed leisure centres had recorded improving participation levels, with swimming lessons at 94% capacity. As a result, EA were seeing an improving financial return but the future of the centres were far from certain and therefore there was a long way to go, but he thanked all staff in getting the centres back open and keeping them open; and
- (6) he was working hard with the Portfolio Holder for Culture, Tourism & Leisure from Stratford-on-Avon District Council and Shakespeare England to maximise tourism recovery in the area.

The Portfolio Holder for Place & Economy, Councillor Cooke, informed Council that:

- (1) there had been a successful public consultation on the Scoping document and Call for sites for the South Warwickshire Local Plan. 135,000 leaflets were delivered to households, 16 events for various stakeholder groups and the public were held, and over 550 responses received to the Scoping document plus over 500 possible sites had been submitted for consideration;

- (2) the Net Zero Carbon DPD was approved by Cabinet on 8 July. This DPD aimed to focus on minimising carbon emissions from new buildings within the District to support the achievement of national and local carbon reduction targets. The public consultation was due to end on the 13 September 2021;
- (3) the Policy Team had supported Bishop's Tachbrook and Burton Green Parish Councils in their preparation of Neighbourhood Development Plans. It was anticipated that both Plans would be going to Referendum on 30 September 2021;
- (4) Planning permission had been granted earlier in the month for the restoration of the former United Reformed Church on Spencer Street and buildings in Spencer Yard for creative workspace for businesses. The developer, CDP, intended to be on site by the end of 2021;
- (5) Officers had been working with Stratford-on-Avon District Council to develop an economic strategy for South Warwickshire. Initial stakeholder engagement had been undertaken and the intention was to bring a draft document before both Councils in September;
- (6) the first allocation of £2.4 million from the Future High Streets Fund had been received from the Government. This enabled project officers to commence work on the delivery;
- (7) over £3m in support grants had been given for businesses that were unable to apply for the national grants for companies in the retail, leisure and hospitality sectors. Since the scheme began, the Enterprise Team had administered a number of schemes for businesses including the self-employed, those without a business premises, those that were not mandated to close but were losing income, and taxi drivers. Businesses that were eligible under Part E of the scheme would have recently received a top-up payment of £485 each to ensure that the remaining funds for that scheme were evenly distributed; and
- (8) continued good levels of occupancy across nearly all Council Enterprise buildings and enquiries for vacant space had tripled in the last quarter, with new leases for tenants in the Court Street Creative Arches.

The Portfolio Holder for Planning, Councillor Grainger informed Council that:

- (1) the department continued to receive 40% more planning applications than normal, mainly for domestic property extensions, but for the first time the number of applications waiting to be validated had fallen below 200. However, there was still a 12-week wait before applications were validated;
- (2) additional funding had been approved by the Cabinet for additional staffing, but the hardest part was recruitment from the national market where there was a shortage of people for these roles;
- (3) Councillors were aware that the Enforcement Team Manager was leaving and there were other staff shortages in that team which would impact on this work;
- (4) The department had brought through the major applications for determination of the Newbold Comyn cycle track, creative quarter, and the Kenilworth Leisure Centres would follow in August. In addition, the Giga factory at Coventry Airport was being considered by officers;
- (5) £90,000 had been received from the government, which was to match the funding other Council's had received for transfer of land charges work,;
- (6) Building Control service had income 25% over the predicted budget, which was recognition of their excellent work within an open market;
- (7) Building Control also had been nominated with four entries in Local Authority Building Control (LABC) awards for the year; and
- (8) Councillors supported officers by explaining to residents the demands on the Planning Team at present and every email or communication received delayed, if even a small delay, the consideration of planning applications further.

The Leader, Councillor Day, informed Council that:

- (1) the Council's Covid recovery plan was underway with two major national infrastructures projects opening in the District; the megalab and battery innovation centre. The Council had also received the planning application Gigafactory application. This was a big vote of confidence in the District, and these would bring benefits for residents and the hard work of officers in achieving this should be recognised;
- (2) the planning inspectors appeal decision on the Chesterton Gardens was due, but at the same time he was working with the Ward Councillors, the Chief Executive and four key parties to work on improved access to that site;
- (3) the consultation on proposed Joint Heads of Service with Stratford-on-Avon District Council was due to end on 2 August and once in place would see the wider service integration work starting later in the year;
- (4) there would be a consultation with the public, partners and stakeholders on the proposed merger with Stratford -on-Avon District Council in the Autumn. The responses to this would form a key part to the proposals brought to both Council's in December on the potential for a political merger of the two Council's;
- (5) the Commonwealth Games were one year away, and would be the first carbon neutral games, the first multi sport games where more medals would be awarded to women than men, the first where all the tenders had included the requirements of the Social Value Act, which had been a private members bill by the previous Warwick & Leamington MP. There would be medal events in Leamington and in Warwick and overall, the Commonwealth Games would be seen by a 1.5 billion global tv audience; and
- (6) on the 7 August, Art in the Park would return to Leamington.

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

Councillor Milton asked the Leader what plans were in place to maintain service deliver if officers or contractors were required to self-isolate.

In response, Councillor Day explained that most officers had been working from home for the last 18 months and so self-isolation, for the majority, would not present any change in circumstance or work. In respect of contractors, risk assessments were being updated not just because of Covid-19 but also due to the recent hot weather.

Councillor Milton asked the Portfolio Holder for Culture, Tourism and Leisure if he could confirm what funding was sought from the national sports facility recovery grants for re-opening the outdoor pool at Abbey Fields.

In response, Councillor Bartlett explained that the funding was available between December 2020 and March 2021, therefore it was considered not appropriate to seek funding for the outdoor pool during this time and because of the time of year and the focus of the Council was to maximise the opportunity for swimming lessons. Subsequently, because of further closures the Council only received 30% of the original allocation.

Councillor Milton asked the Portfolio Holder for Culture, Tourism and Leisure, if the Council had any plans to mark the 125th Anniversary of the Abbey Fields Swimming Pool.

In response, Councillor Bartlett explained that the Council would look to support

any plans from Kenilworth Town Council.

Councillor Kennedy asked the Leader of the Council that in respect of emergency planning and the significant challenges presented by the potential for extreme weather on a more regular basis, what plans were being brought forward to the to recognise this.

In response, the Leader explained that on the 8 July the Cabinet had passed the Climate Emergency Action Plan that included provision for adaption to recognise the challenges faced. The District Council had commissioned research from the Met Office on weather patterns which would be reported to the Climate Emergency PAB. The Council had an operational Major Emergency Plan which was regularly reviewed and updated as required.

Councillor Davison asked the Leader if he had seen, the Climate Change Committee report that the UK Government had made significant promises on Climate Change, but had been slow to deliver on these promises, and as a result. would the Leader write an open letter to the UK Government asking them to act on the recommendations of the Climate Change Committee and provide funding to enable local government to play its part in tackling climate change.

In response, the Leader agreed to write the letter as requested and in response to a supplementary question agreed to ask the Leaders of other Warwickshire Authorities to sign the letter as well.

Councillor Boad asked the Portfolio Holder for Place & Economy if there were plans in place to make Spencer's Yard look more presentable, at least from the Road, ahead of the Commonwealth Games.

In response, Councillor Cooke explained that the first tranche of funding had arrived and officers were looking to progress this as soon as possible.

Councillor K Dickson asked the Leader when the Abbey Fields Management Plan would be available.

In response, the Leader explained that it would be available for stakeholders week commencing the 30 August 2021.

22. **Standards Committee Report**

Councillor Margrave proposed and Councillor Day seconded the recommendation within the minutes of the Standards Committee meeting held on 29 June 2021.

Resolved that the recommendations of the Standards Committee of 29 June 2021, be adopted.

23. **Employment Committee**

Councillor Bartlett proposed and Councillor Day seconded the recommendations of the Employment Committee meetings on 15 June and 1 July 2021, along with the associated revisions to the Constitution.

Resolved that the recommendation of the Employment Committee meetings on 15 June and 1 July 2021, along with the associated revisions to the Constitution, be adopted.

24. **Licensing & Regulatory Committee report**

Councillor Illingworth proposed and Councillor Mangat seconded the recommendations of the Committee meeting on 19 July 2021.

Resolved that the recommendation of the Licensing & Regulatory Committee on 19 July 2021, be adopted.

25. **Amendments to the Membership of Committees**

It was proposed by Councillor Day, seconded by Councillor Davison and

Resolved that

- (1) Councillor Quinney be appointed to Planning Committee in place of Councillor Cullinan;
- (2) Councillor Cullinan be appointed as a substitute to Planning Committee;
- (3) Councillor Tracey be appointed to Planning Committee in place of Councillor Murphy;
- (4) Councillor Luckhurst be appointed Finance & Audit Scrutiny Committee in place of Councillor Tangri;
- (5) Councillor Tangri be appointed to as a substitute for Finance & Audit Scrutiny Committee in place of Councillor Luckhurst; and
- (6) Councillor Roberts be appointed Licensing & Regulatory Committee.

26. **Membership of Programme Advisory Boards (PABs), Working Parties and Outside Bodies**

It was proposed by Councillor Day, seconded by Councillor Cooke and

Resolved that

- (1) the membership of the Programme advisory Boards, will be:

Strategic Leadership - Councillors Sidney Syson (Chair), Tangri, J Dearing and Cullinan;

Resources – Councillors, Wright (Chair), R Dickson and Luckhurst;

Transformation – Councillors Mangat (Chair), Tracey, Kennedy, Kohler and Murphy;

Climate Change – Councillors, J Dearing (Chair), Kohler and Roberts;

Homes, Health & Wellbeing – Councillors K Dickson (Chair), Kennedy, Cullinan and Evans;

Culture, Tourism & Leisure – Councillors Jacques (Chair) and A Dearing;

Place & Economy – Councillors Roberts (Chair), Quinney, B Gifford, Leigh-Hunt and Murphy;

Planning – Councillors Ashford (Chair), Quinney, B Gifford, Tangri and Leigh-Hunt; and

Community Protection - Councillors Redford (Chair) and Evans;

- (2) Councillor Quinney be appointed to the vacancy for the Labour Group on the South Warwickshire Local Plan Advisory Group;
- (3) Councillor Illingworth be appointed to the outside appointment of PATROL; and
- (4) the appointment of Councillor Cullinan as the Children’s and Adults’ Safeguarding Champion, be noted.

27. **Common Seal**

It was proposed by Councillor Day, seconded by Councillor Day and

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

(The meeting ended at 7.30pm)

CHAIRMAN

20 October 2021

Cabinet

Excerpt of the Minutes of the meeting held on Thursday 12 August 2021 in the Town Hall, Royal Leamington Spa at 6.00 pm.

Present: Councillors Day (Leader), Bartlett, Cooke, Grainger, Hales, Matecki and Rhead.

Also Present: Councillors: B Gifford (Liberal Democrat Group Observer), Nicholls (Labour Group Observer), Milton (Chair of Overview & Scrutiny Committee) and Nicholls (Chair of Finance & Audit Scrutiny Committee).

29. **Declarations of Interest**

There were no declarations of interest in relation to the Part 1 Items.

Part 1

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

32. **Q1 Budget Report**

Following our consultations and on advice of the Chief Executive, the report was withdrawn from the agenda. The urgent aspect on the Housing Revenue Account would be dealt with using emergency powers, given time constraints.

A revised report would be circulated for our consideration in September, which would be accompanied by a separate report on proposals for Green Waste Charges

33. **Final Accounts 2020/21**

The Cabinet considered a report from Finance. The 2020/21 Accounts were in the process of being finalised, with the draft Statement of Accounts published on the Council's website on 16 July (ahead of the 2020/21 statutory deadline of 1 August). External Audit was then due to commence its Audit from 19 July, alongside which the period for public inspection and review would run. Subject to the outcome of the Audit, it was intended that the Finance and Audit Scrutiny Committee would formally approve the Audited Statement of Accounts on the 22 September 2021.

The report provided a summary on the draft 2020/21 outturn with the appendices to the report, with the draft Statement of Accounts (available on the website) providing a detailed analysis.

The Cabinet was asked to note the financial position for 2020/21 as detailed in the report, and the decisions made under delegated authority. The final outturn positions upon closure of the Accounts were as follows.

	Latest Budget £'000's	Actual £'000's	Variation £'000's
General Fund	9,599	9,358	-241
HRA	-2,565	-4,359	-1,794
Capital Programme	78,645	44,760	-33,885

The outturn for the General Fund Revenue Services for 2020/21 presented a favourable variation of £0.241m. Should there be any change to the variation as a result of the ongoing External Audit, Members would be updated accordingly.

The significant General Fund variations were as follows.

Description	Variation £'000's	Favourable / Adverse
Employee Costs	-119	F
Benefits	-25	F
Corporate R&M	-41	F
Car Parking Income	364	A
Investment interest income	-123	F
Bereavement Services	-160	F
Building Control Income	-67	F
Planning Fee Income	98	A
Postponed PCC Elections May 2020	19	A
Legal Fees	-67	F
Waste Collection Income	-187	F
Member Allowances Pay Award	16	A
Catering Contract	38	A
Court Fee Income	29	A

An analysis by Portfolio was shown at Appendix A to the report. IAS19 adjustments and capital charging had been excluded from the variations below as these were reversed out of the Net Expenditure position.

Net Business Rates Retained Income to the General Fund was £10.771m above the revised Budget. This apparently favourable variance was due to the way that Government had compensated Councils through S31 grants for administering its Covid-19 support programmes, primarily in the form of Business Rates Reliefs and Business Grants. This additional income had been allocated to the Business Rate Retention Reserve (BRRVR), so temporarily increasing the Council's level of reserves.

This was a technical anomaly, and primarily a timing issue, as these grant payments were not anticipated when NNDR1 (the return submitted to Central Government in January 2020) set business rates shares for 2020-21 and were instead paid to the General Fund later in the year as the Government developed its pandemic response. The reliefs therefore sat in Earmarked Reserves at year end.

This might give a false impression of some authorities' financial health, masking the very serious financial challenges that many District's including WDC were facing. It was important that this position was not misunderstood as the extra funding from the BRRVR would be needed to balance the Business Rates Account for 2021/22.

Investment Interest was higher than that budgeted. Delays in various programmed expenditure as discussed within the report, meant that there had been more balances to invest which had led to this favourable variation rather than it being due to higher interest rates. The Annual Treasury Management Report had been presented to Finance and Audit Scrutiny Committee alongside the Final Accounts 2020/21 report on 11 August and provided more information on the 2020/21 performance. The Table below summarised the HRA and GF position.

	Latest Budget £'000's	Actual £'000's	Variation £'000's
General Fund	-447	-570	-123 F
HRA	-155	-225	70 F
Total Interest	-602	-795	-193 F

Employee costs were underspent by £119k in 2020/21. The key driver of this was staffing vacancies totalling £300k across a number of services, in particular Assets, Benefits & Customer Services, Development Services and Housing Services. Vacancies had been offset with additional staffing costs (overtime, agency staffing) where necessary, at a cost of £198k.

The Planned preventative maintenance (PPM) corporate repairs programme was funded through a combination of revenue and reserve funding from the Corporate Assets Reserve, in that order. In 2020/21, £188k had been drawn down from the Corporate Assets Reserve due to expenditure in year of £601k. Expenditure was significantly lower in year on the PPM programme than was originally set in as part of the Budget Setting Report in February 2020 (Where £1.1m of works had been agreed, supported by a £659k draw down from the Corporate Assets Reserve). The key driver of the reduction in expenditure in year were delays caused by Covid-19. As part of the Budget Setting for 2021/22, a number of these delayed works had been carried forward.

The Corporate R&M budget was underspent in 2020/21 by £41k due to a reduction in the number of works being completed as a result of disruption caused by Covid-19. It was expected that there would be a catch-up of works in 2021/22 as restrictions lifted, with access being improved and the use of some of the Corporate Assets increasing.

Bereavement Services had seen demand for its services increase as a result of the pandemic. In particular, there had been an increased demand for services at the Crematorium, with an increase in income over forecast of £160k.

Housing benefits presented an adverse net variance of £25k, driven by a reduction in the subsidy on benefit overpayments.

There had been a reduction in Court Fee income during 2020/21, as only one court session was held due to lockdowns. There were typically at least five sessions held in a year.

Rental income from Jephson Gardens Restaurant had not been received, resulting in an adverse variance of £38k.

Planning Fee Income budgets were reduced during the year as part of the Revised Budget Setting Process, to reflect the forecast impact of Covid-19. However, even with the reduction of £320,000, the forecast proved to be too optimistic, with income being a further £98k under budget. This was a combination of both planning fee income, and pre-application advice. Applications had been delayed, particularly in the first half of the year when restrictions in place were at their most severe, and applicants were taking a cautious approach.

On the other hand, Building Control income budgets were also reduced to reflect the anticipated impact of the pandemic on building works. This had been nowhere near as severe as expected and income had significantly exceeded the reduced budget by £67k.

Car parking income had seen an adverse variance of £364k, driven by the decline of use during January-March as a result of the third lockdown.

As a result of people in the District spending more time at home, due to lockdown restrictions and people moving to remote working, the demand for waste collection services had increased. Collections had increased, and with that, recycling credit income. There had also been an increased demand for replacement bins. Income received as part of waste collection services had been £187k above budget.

The postponed PCC Elections in May 2020 resulted in WDC being liable for the costs relating to venue hire at Stoneleigh Park, at £19k.

Within the budget setting process, budget was not provided for the Members' pay award that was received (in line with Officers), totalling £16k.

The Latest Budget for the HRA allocated £2.565m to be appropriated to the HRA Capital Investment Reserve. The actual outturn for 2020/21 resulted in £4.359m being transferred, an increase of £1.794m. This was summarised in Appendix B to the report.

HRA employee costs had been underspent by £690k in 2020/21. This had been driven by vacancies across a number of services including Business Development, Housing Strategy, and William Wallsgrove House. Agency staffing and overtime had been used in some instances where absolutely

necessary for service delivery. IAS 19 pension contributions had also reduced as a result of the vacancies within the HRA.

Delays to repairs and maintenance work due to issues with access and contractor availability as a result of Covid-19 had resulted in an adverse variation of £1.135m. Major and cyclical repairs had been affected by this, in particular some of the ongoing fire prevention works. A new Fire Safety Works manager had been appointed to ensure all works were completed in the new financial year but the requirement on this budget was expected to reduce in the year as most of the works now fell under a bigger capital scheme established for 2021/22.

The Depreciation charged on HRA assets, in particular properties, was below forecast expectations for the year, resulting in a favourable variance of £186k. The charge was driven by property valuations provided for by our contracted Actuary. This was charged as an expense to the HRA as per statutory guidelines, with the value being transferred to the Major Repairs Reserve (MRR). The MRR was ring-fenced to be used to fund capital improvements through the Housing Investment Programme or could be used to repay debt.

There had been a favourable variation on the Bad Debt Provision of £37k. Tenant Arrears had increased as a result of the impact of Covid-19 and due to the national phased implementation of Universal Credit in place of Housing Benefit to applicable HRA Tenants. However, due to national policy changes, such as the temporary increase to Universal Credit introduced last year and extensions to the furlough scheme, arrears had been lower than initially forecast. This, though, would be an area where continual reviews would take place going into the new year as restrictions eased and some of the support policies began to be phased out.

Council tax charged while properties were vacant had increased in 2020/21, resulting in an adverse variance of £54k. Delays in being able to carry out property inspections, and then carry out and complete any subsequent repairs before being rented out again due to Covid-19 had resulted in the increased charge to the HRA.

There had been a favourable variance on Investment Interest of £70k, which was discussed and shown in the General Fund. Delays to Housing purchases and construction projects had helped offset reductions in interest. It had resulted in the HRA retaining higher than forecast reserve balances, which were invested to generate interest.

Officers would be monitoring these budgets in 2021/22 and reviewing the budgets where necessary to ensure appropriate resource allocation going forward.

Capital Expenditure showed a favourable variance against the latest budget of £33.885m. This was comprised of the Housing Investment Programme and Other Services. The table below summarised Budget and Expenditure by Fund, with further details within Appendix D to the report.

	Latest 2020/21 £'000	Actual 2020/21 £'000	Variance 2020/21 £'000
Housing Investment Programme	62,365	34,482	-27,883
Other Services	16,280	10,278	-6,002
Total Capital	78,645	44,760	-33,885

The key drivers of the variations were:

Slippage due to delays in delivering agreed programmed works and projects commencing late. The Budget to be carried forward to 2021/22 for these specific planned works totalled £27.011m on the Housing Investment Programme, and £6.042m for Other Services. Whilst this showed as a variation in the table above and in the appendices to the report, it was not an underspend or saving. In particular, a number of the delays had been as a direct result of Covid-19, with reduced access to sites and housing for contractors and developers. On the Housing Investment Programme, there had also been planning issues causing delays to the commencement of one of the large housing projects. These were currently being reviewed with the scheme being revised as necessary.

Appendix D to the report provided a comprehensive breakdown of the variations and their drivers, and the level of budget to either be returned to reserves or slipped to 2021/22.

In November 2016 (Budget Review Report), Members approved that any surplus or deficit on the General Fund balance was to be appropriated to or from the General Fund Balance. Under this agreed delegation, £0.241m. had been allocated.

Similarly, it was agreed for the Housing Revenue Account that the balance be automatically appropriated to/from the HRA Capital Investment Reserve. £1.794m had been transferred in 2020/21.

As part of the Final Accounts process, requests had been approved under delegated authority by the Head of Finance for Revenue Earmarked Reserves. These were for previously agreed projects where it had not been possible to complete as budgeted within 2020/21 and would therefore need to carry forward budget to 2021/22.

These totalled £1.416m for the General Fund and £0.650m for the HRA and were outlined in detail in Appendix C to the report. Requests were considered against budget outturn within the specific projects and services, with requests approved only where there was sufficient budget available.

Members noted this was a considerable sum. Key Earmarked approvals for the General Fund included ongoing work relating to the new waste contract, the Commonwealth Games and the continuation of grant payments from the Community Economic Recovery Fund (CERF) in 2021/22. For the HRA the main approval was to support the rolling programme of external decorating of assets.

It was recommended that the Cabinet should note the position on Revenue slippage. As in previous years, expenditure against these Budgets would be regularly monitored and reported to the Cabinet as part of the Budget Review Process.

In terms of alternative options, the report was a statement of fact however, how the outcomes might be treated could be dealt with in a variety of ways, mainly the alternatives were to not allow any, or only allow some of the earmarked reserve requests to be approved.

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

Councillor Hales thanked the Strategic Finance Manager and the Head of Finance Services for the amount of time and effort in producing the report. He also thanked Group Leaders and Councillors because although it had been a challenging 12-18 months, where cross-party work had been crucial. There were a number of challenges ahead, notably business rates and car parking, and regarding the Chesterton Gardens appeal there had been a mitigation put into the accounts. If it had not been for the work of the Cabinet and Group Leaders, the costs could have been in excess of £300,000, so he wished to place on record his thanks to the Cabinet and Group Leaders. He then proposed the report as laid out.

Recommended to Council that

- (1) the final revenue outturn positions of the General Fund (GF) and the Housing Revenue Account (HRA), being £0.241m and £1.794m favourable respectively, be noted;
- (2) the Capital Programme shows a variation of £33.885m under budget and the level of slippage carried forward to 2021/22 as set out in Appendix D to the report, be noted;
- (3) the allocations of the revenue surpluses which have been appropriated to the General Fund Balance Reserve and HRA Capital Investment Reserve under delegated authority, be noted; and
- (4) the final position for Revenue Slippage, be noted and the Earmarked Reserve (EMR) requests of £1.416m General Fund and £0.650m HRA (Appendix C to the report), be approved, with the requests having been approved under delegated authority by the Head of Finance in conjunction with the Finance Portfolio Holder.

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,187

(The meeting ended at 6.55pm)

CHAIRMAN
23 September 2021

Cabinet

Excerpt of the Minutes of the meeting held on Thursday 23 September 2021 in the Town Hall, Royal Leamington Spa at 6.00 pm.

Present: Councillors Day (Leader), Bartlett, Cooke, Falp, Grainger, Matecki and Rhead.

Also Present: Councillors: Boad (Liberal Democrat Group Observer), Kennedy, (Green Group Observer), Milton (Chair of Overview & Scrutiny Committee) and Nicholls (Chair of Finance & Audit Scrutiny Committee and Labour Group Observer)

42. **Declarations of Interest**

There were no declarations of interest made

Part 1

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

45. **Service Integration and Joint Accommodation Work between Warwick District Council and Stratford-on-Avon District Council**

The Cabinet considered a report from the Chief Executive, which sought the continuation of the process of service integration and of joint accommodation, irrespective of the decision on a political merger by the two Councils or by the Government. It sought further approval of the timetable for proposed service integration between the two Councils over the period until March 2024.

Attached at Appendix 1 to the report was a report considered and agreed by the Joint Advisory Steering Group (JASG) in July. The report addressed the central fact that to progress joint work, a decision to proceed needed to be made regarding the service integration process. This was independent of the decision to proceed to a political merger.

A similar decision needed to be made in respect of the two Councils seeking joint accommodation. The report at Appendix 1 to the report set out the reasons for the recommendation. This was also independent of the decision to proceed to a political merger.

Appendix 2 to the report contained a report considered by JASG at its meeting in September and set out a programme at Table 1 for the proposed service integration process over the period to 2024. It was proposed that this timetable should be agreed, subject to Recommendation 1 being approved by Council. The report at Appendix 2 to the report set out the reasons for the recommendation.

In terms of alternative options, the Cabinet could decide not to agree recommendation 1 and wait until after a decision was made in December on the proposition of a political merger or after the Government has decided if it agreed to a merger. However, the service integration process needed time to be completed properly. If it was to be done by March 2024, delaying the start until a decision was made in December would reduce the amount of time available by two months. If there was a delay until the

Government decided, that would mean a delay of over a year. Service integration could happen separately from the political merger and so would not be tied to a decision on the political merger.

In addition, as Members had seen from another report on the agenda for the 23 September Cabinet meeting (Minute Number 48) on Shared Legal Service for Stratford-on-Avon District Council and Warwick District Council, given that amongst the first services proposed for integration was the Legal Service, a delay would create a significant problem as notice was served by WDC to WCC, who were currently providing that service. The notice period expired at the end of March 2022. Starting the service integration process in January 2022 was not sufficient time to meet the notice period and delaying until a Government decision would make the Legal Services proposal impossible.

The Cabinet could have also decided to vary the proposed timetable for service integration. It was not possible to do everything at once and so choices had to be made. The proposed approach reflected the approaching deadline Legal Services and the greater readiness of the two proposed services which would act as in effect "pilots" from which to learn for subsequent integrations.

The Cabinet could decide to wait until a decision was made on the political merger before deciding on seeking joint office accommodation. However, a delayed decision would mean a delayed start and as both Councils were actively seeking to secure alternative office accommodation and both wished to seek savings as a matter of urgency, a deferral seemed contrary to both Councils interests and priorities.

The Overview & Scrutiny Committee supported the recommendations in the report, but also requested that a further recommendation be made to produce a summary of risks through a risk register due to the size and complexity of the project.

The Committee also requested that regular service level performance data should be available to Councillors on the Service Area Dashboard, providing comparison between current service area performance levels against the merged service areas.

In response to a comment about the merger's inevitability, Councillor Day recognised that it was not inevitable, but that there were several successful mergers across the country, but the WDC/SDC merger requires a lot more political work.

In response to the comments from The Overview and Scrutiny Committee, the Chief Executive agreed with the need for a summary of risks. He also stated that we could provide a performance baseline report, but highlighted that Stratford did not record the data in the same way, therefore it would be difficult to draw direct comparisons.

Councillor Cooke proposed, Councillor Rhead seconded, that the recommendation from Overview and Scrutiny Committee, approved.

Councillor Bartlett proposed, Councillor Rhead seconded, the report as laid out and it was

Recommended to Council that irrespective of the decision relating to the full political merger of Stratford-on-Avon District Council and Warwick District Council (expected in December 2021):

- (1) work progresses on the full-service integration of teams across Stratford-on-Avon and Warwick District Councils; and
- (2) work progresses on the identification of sharing civic and office accommodation between Stratford-on-Avon District Council and Warwick District Council.

Resolved that

- (1) the timetable for service integration, as set out in Table 1 in Appendix 1, be agreed; and
- (2) a summary of risks through a risk register due to the size and complexity of the project

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,243

(The meeting ended at 7:32pm)
CHAIRMAN
4 November 2021