

Executive

Minutes of the meeting held on Wednesday 11 March 2015 at the Town Hall, Royal Leamington Spa at 7.00 pm.

Present: Councillor Mobbs (Chairman); Councillors Caborn, Coker, Cross, Mrs Gallagher, Hammon, and Vincett.

Also present: Councillor Barrott (Chair of Finance & Audit Scrutiny Committee), Councillor Boad (Liberal Democrat Observer), Councillor Mrs Falp (Chair of the Overview & Scrutiny Committee), Councillor Heath (Independent Group Observer) and Councillor Wilkinson (Labour Group Observer).

130. **Declarations of interest**

Minute Numbers 138 & 150 – Regeneration in Lillington

Councillors Caborn and Shilton declared pecuniary interests because they were Warwickshire County Councillors and left the room whilst the item was discussed.

Minute Number 152 – Strategic Opportunity Proposal

Councillors Caborn and Shilton declared pecuniary interests because they were Warwickshire County Councillors and left the room whilst the item was discussed.

Councillor Mrs Falp declared an interest because her son was a shareholder of Leamington Football Club.

131. **Minutes**

The minutes of the meetings held on 14 and 28 January and 11 February 2015 were unavailable and would be submitted to the April 2015 meeting.

Part 1

(Items on which a decision by Council is required)

132. **Updated Code of Financial Practice**

The Executive considered a report from Finance which presented an updated Code of Financial Practice for the Executive's consideration and approval. Subsequent to approval, the Code would be presented to Full Council for approval and adoption.

It had been two years since the Code of Financial Practice had been updated. During this period, there had been changes in working practice, notably the introduction of Procurement Cards from April 2014.

The new Transparency Code, to which the Council must comply, required authorities to publish information on their websites to re-enforce local accountability and openness. Much of this data was financial, for example, payments to suppliers above £500, Land and Assets and Senior Salaries as well as Procurement Card information. These had also been incorporated into the revised Code.

The report explained how the Code of Financial Practice was closely aligned with the updated Code of Procurement Practice and both underpinned the Council's Constitution. The amendments proposed in the report sought to ensure that procurement activity and the sections with the Code of Financial Practice were consistent.

Managers needed to consider their Budgets when procuring and managing their contracts and guidance was given about recording, raising orders and procuring supplies and services.

From a budgetary stance, the Council needed to identify and achieve circa £1 million on-going savings over the next 5 years to deliver balanced Budgets over the same period and the practices within the Code would promote good Financial Management.

An alternative option was that Members could choose not to have a Financial Code of Practice but this would contravene its Constitution and fail to protect its finances. In addition, not updating the Code would render it out of date and inconsistent with current practices within the Council.

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

The Portfolio Holder for Finance, Councillor Cross, endorsed the report and moved the recommendations as laid out.

The Executive therefore

Recommended to Council that the updated Code of Financial Practice, attached as Appendix 1 to the report, be approved.

(The Portfolio Holder for this item was Councillor Cross)
(Forward Plan reference 668)

133. **Procurement Strategy and Action Plan**

The Executive considered a report from Finance which presented a further update to the action plan, following the procurement issues raised in March 2014.

The Procurement Strategy and Action Plan were regularly reported to the Finance and Audit Scrutiny Committee and detailed the planned actions to be undertaken during the year.

The Code of Procurement Practice was a fundamental element of the Council's policy framework. Its purpose was to ensure that appropriate contracts were procured to meet service requirements and were subsequently properly managed. The Code of Procurement Practice also supported the ability of the Council to demonstrate that it was achieving value for money from its expenditure and that its contracts and services were being managed in an open and transparent manner, in line with the Council's Core Values.

The Procurement Strategy set out the responsibilities and actions to be undertaken to ensure that the Code of Procurement Practice was adhered to across the Council.

In March 2014 the Executive considered a report entitled "Housing and Property Services: Contracts Update". The report included a March 2014 Action Plan, bringing together the recommendations from investigations on which the original report was based. An interim report was submitted to Executive in November on progress on the actions, with a further update requested for March 2015 Executive.

The Action Plan had been updated for 2015/16 and detailed the planned actions to be undertaken during the year. These actions included all aspects of procurement, including actions by the Procurement Team and by officers across the Council with responsibility for specific contracts.

Most of the actions within the March 2014 Action Plan had been completed. However, the actions which had not been totally completed, or were on-going, were included within the new Procurement Strategy and Action Plan.

The alternative options were that Members could choose to make further observations or recommendations on the Actions Plans and updated Strategy, or consider alternative reporting arrangements.

An addendum was circulated prior to the meeting amending recommendation 2.4 and updating paragraph 3.8 of the report, to ensure that paragraph 12.5.2 of the Code was updated to reflect the updated Contract thresholds and the appropriate approvals process.

The Finance & Audit Scrutiny Committee supported the recommendations in the report. They asked that in future revisions of Code of Procurement Practice was cross referenced with the Code of Financial Practice. The Committee also asked that further consideration be given to page 6 paragraph 1.2 to ensure contracts remained controlled and within the appropriate controls and budgets.

The Portfolio Holder for Finance acknowledged the comments from Finance & Audit Scrutiny Committee and assurances were given that working practices would continue to be monitored.

Recommended to Council that

- (1) the report and the progress on addressing the actions within the March 2014 Action Plan (Appendix 1), are noted;
- (2) any further action in addressing the on-going issues within the March 2014 Action Plan is addressed as part of the updated Procurement Strategy and Action Plan, and this is monitored by the Finance & Audit Scrutiny Committee;
- (3) the Finance & Audit Scrutiny Committee consider the updated Procurement Strategy and Action plan; and
- (4) the Code of Procurement Practice is amended so that for Contracts Type 1, up to £4,999, the Head of Service will arrange contracts directly in consultation with the Procurement Manager. Regard must be given to best value and paragraph 12.5.2 of the Code should also be updated to reflect the updated Contract thresholds.

(The Portfolio Holder for this item was Councillor Cross)
(Forward Plan reference 667)

134. **Homelessness Strategy 2015-2017**

The Executive considered a report from Housing and Property Services which proposed that a short two year Homelessness Strategy be produced and a combined Housing and Homelessness Strategy be developed from 2017 onwards.

It was considered more efficient to bring the two strategies together into a single Housing and Homelessness Strategy so that only a single strategic process would be needed. In addition, Members would be able to take a considered view of the resources available to address all housing needs together rather than having to agree actions on homelessness separately.

The Council was required to have a Homelessness Strategy for the District by law and the existing strategy was due to expire on 31 March 2015. A new strategy was therefore required from 1 April 2015.

The objectives for the new strategy were to ensure accessible and effective homelessness, housing advice and support services; provide suitable accommodation for all homeless households; and prevent homelessness.

An Action Plan was included in the strategy and showed which actions could be undertaken within existing resources and which would require new resources. In addition, the strategy was directed towards the service

strand of Fit For The Future in that it sought to improve services for those who approached the council in need of help and support with their housing problems.

Doing nothing was not an option because the council was under a statutory obligation to prepare a Homelessness Strategy. However, members could choose to implement a strategy for longer than the proposed two years or amend the action plan if so desired. The report reminded Members, however, that a wide range of options for addressing the priorities had been considered as part of the consultation process and a manageable action plan had been produced on this basis. The Overview & Scrutiny Committee supported the recommendations in the report, but requested that officers and the Portfolio Holder note its view that during severe weather, the Council should aim to provide shelter to people who sleep rough after just one night, not three; and that these people be provided with both bed and breakfast. The Committee also asked that information be provided about the number of homeless who were ex-servicemen.

In response to the comments from Overview & Scrutiny Committee, the Portfolio Holder for Housing and Property Services, advised that the Council was working with voluntary sectors to incorporate their sentiments into the strategy.

In addition, he requested that an additional recommendation 2.3 be added to read "The Executive recognises the importance of the Homelessness strategy in alleviating homelessness and will pass this to the Housing Advisory Group to monitor progress."

Recommended to Council that

- (1) the actions taken in respect of homelessness and its prevention as set out on pages 4 and 9 of the strategy, be noted;
- (2) The proposal to produce a combined five-year Housing and Homelessness Strategy from 2017 onwards, be approved; and
- (3) the Homelessness Strategy, attached as an appendix to the report for the period 1 April 2015 to 31 March 2017, be approved.

(The Portfolio Holder for this item was Councillor Vincett)
(Forward Plan reference 673)

135. Establishing a Council Economic Development and Housing Company for Warwick District

The Executive considered a report from Housing and Property Services which set out the option for the Council to develop an additional

investment vehicle to deliver affordable housing and economic development by means of establishing a Council-owned Company.

In January 2013, the Council received a report from Price Waterhouse Coopers (PWC) advising that by establishing a Council-owned Housing Company the Council may be able to increase the rate and quantity of affordable housing it could develop.

As a result, in September 2014, the Executive approved a recommendation to develop further this proposition with a view to the entity being funded from within the General Fund (GF) or within the HRA.

A Council House Building Board (CHBB) was established made up of senior officers from across the Council, supported by regular liaison with the Portfolio Holder.

The report considered the opportunities and risks that applied to the local circumstances of Warwick District and the Council if this course of action was taken and sought approval to prepare for the establishment of a wholly owned Council Development a Company with a remit to support investment in social and economic development.

Section 3.14 outlined a list of what the Council Development Company would hope to achieve including providing an additional developer in the District to complement private sector investment, help clarify the financial risks and provide an opportunity to enter into joint ventures.

Members were advised that establishing a wholly owned company would require additional strategic, legal, financial and operational aspects and funding was available to undertake this work as approved by the Executive in September 2014. The technical development of the company would be commissioned by the CHBB from legal and financial experts and the Housing Advisory Group would provide additional oversight and advisory input to the project.

A formal proposal, summarising these details would be submitted to the Executive for approval in November 2015 and a project plan was attached as Appendix D to the report.

The alternative options were that the Council could abandon the idea of establishing a CHC or a CDC, however, having in place a vehicle able to operate at the behest of the Council alongside other investors, meant that the Council would be better placed to take advantage of opportunities that could not be delivered by other entities.

Members could establish an independent CHC/CDC with a funded Business Plan to deliver affordable homes, however, in the absence of any mechanism in place to provide subsidy funding, this was unlikely to be able to provide affordable housing in the short or medium term.

Finally, an Arms' Length Management Organisation (ALMO) could in itself act as developer of new homes funded outside of the HRA, however, this

may not help increase the rate at which affordable housing could be provided.

The Overview & Scrutiny Committee supported the recommendations in the report.

The Executive endorsed the report, with the support of the Portfolio Holder for Housing and Property Services and

Recommended to Council that

- (1) the proposal, in principle, as set out in this report, for the establishment of a wholly owned Council Development Company with a remit to support on a case-by-case basis investment in housing and economic development in Warwick District, is approved;
- (2) further work should be undertaken by Officers to develop a Formal Proposal to be presented to Executive in November for approval before the Company is set up; and
- (3) the Housing Advisory Group (HAG), subject to a separate report elsewhere on this agenda, will provide oversight over the development of the Formal Proposal.

(The Portfolio Holder for this item was Councillor Vincett)
(Forward Plan reference 675)

136. HRA Business Plan Review for 2015/16 to 2061/62

The Executive considered a report from Housing and Property Services advising that the Housing Revenue Account Business Plan (HRA BP) had been updated to reflect the most recent changes in performance and business assumptions.

The report explained that the revisions had, over the full period of the HRA BP, allowed the HRA BP to remain viable with increases in one area, balanced by savings in another area.

In April 2012 the Housing Revenue Account subsidy system was replaced with the Self Financing System. This required the Council to take on a loan of £136.2m to pay the Governments settlement figure. In March 2012, the Executive approved the HRA BP 2012/13 to 2061/62 which, based on the assumptions made at that time on income and expenditure, and the debt arrangements made by the Council, allowed the Council to maintain a viable role as a social landlord.

Performance of the HRA BP had since then been reviewed on a regular basis with reports being submitted on a six monthly basis to the Finance and Audit Scrutiny Committee.

The assumptions underpinning the HRA BP had been reviewed to make sure that the Business Plan could be effectively managed to remain viable. As a result of this, changes had been made to the Business Plan to maintain the viability of the Council's landlord service and the revised HRA BP was attached as an appendix to the report.

To provide scrutiny and oversight over the management of the HRA Business Plan, and to allow for any discrepancies or variations to be managed in a timely and proactive way, the HRA Business Plan would be continuously monitored and managed. This would include reporting any divergence from the agreed programme to Executive annually to make sure that the long term viability of the HRA Business Plan remained.

Performance of the Plan would also be monitored through the Housing Advisory Group on an annual basis and the Finance and Audit Scrutiny Committee on a bi-annual basis.

An alternative option was that the Housing Business Plan could remain as agreed by Executive in 2013. This would result in the plan not reflecting the most up to date policies, strategies and up-to-date research on the conditions of the local housing and land markets. The plan would therefore not be able to deliver services in a way that was viable, maintain services and service the debts taken on by the Council.

The Council could choose to agree alternative policies, service standards and investment options as part of agreeing the Business Plan. Provided these options were financially viable and deliverable, the Business Plan would be updated as a result.

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

The Portfolio Holder for Housing and Property Services endorsed the report and proposed the recommendations as laid out.

Recommended to Council that

- (1) the revised Housing Revenue Account Business Plan 2015/16 to 2062/63, is approved;
- (2) the performance of the Housing Revenue Account Business Plan will be continuously monitored and managed and any divergence from the agreed programme will be reported to Executive annually;

- (3) a standard maximum payback period for new developments of sixty years, is adopted as a benchmark; and
- (4) a budget of £120,000 for a full structural stock condition survey of the Council's seven tower blocks and circa 450 homes of non-traditional construction, is approved.

(The Portfolio Holder for this item was Councillor Vincett)
(Forward Plan reference 684)

137. **Playing Pitch and Outdoor Sports Strategy**

The Executive considered a report from Cultural Services which built on the work which had been ongoing since 2013, to inform the future plans for playing pitch and outdoor sports provision in Warwick District.

The report referenced several studies and assessments which could be drawn upon to provide evidence to support a strategic approach to the provision of these facilities. It also outlined the value of the evidence base and modelling which formed a key component of the Infrastructure Delivery Plan / Local Plan.

The National Planning Policy Framework (NPPF) stated that local planning authorities must ensure ".planning policies are based upon robust and up-to-date assessments of needs for open space, sport and recreation facilities and opportunities for new provision."

The evidence base prepared for Warwick District had been gathered in accordance with Sport England approved methodology and provided a robust analysis of provision in the district. In addition, the evidence base was a key component of the data supporting the Infrastructure Delivery Plan (IDP) which sat alongside the emerging Local Plan. These key documents would have a significant impact on the District over the long term and therefore the inclusion of comprehensive and current data and analysis of demands and needs was essential.

The report asked Members to note the evidence base and modelling undertaken and the Athletics Needs Assessment attached as appendix 2 to the report.

The Athletics Needs Assessment would be used to inform decisions on future athletics provision in the District. Further details about the athletics provision were provided in section 3.2 of the report and showed that the audit had found that based on demand and supply, there was a good argument for ensuring the retention of an athletics track in the District.

The report also recommended that Members approve the updated Indoor Sports and Leisure Strategy March 2014, attached as Appendix 3 to the report, which updated the strategy previously approved in October 2013, to address the Indoor Bowling Facilities. Furthermore, approval of the

Playing Pitch and Outdoor Sports Strategy 2014, attached as Appendix 1 to the report, was also required.

The Indoor Sport and Leisure Strategy and the Playing Pitch and Outdoor Sport Strategy provided a coordinated and long term approach to sports facility provision and planning across the District. They took into account the full range of providers including local authorities, schools, sports clubs, private sector provision, and other community organisations.

Alternative options were not considered because the development of a robust evidence base, gathered, modelled and calculated in accordance with NPPF and Sport England guidance was essential to ensure the Infrastructure Delivery Plan (IDP) stood up to scrutiny and challenge.

The Overview & Scrutiny Committee supported the recommendations in the report but asked the Executive to ensure that provision for hockey was given appropriate support. The Committee also noted that provision of sports facilities at school sites did not guarantee continuing use for the public; so this risk needed to be properly identified and managed.

Members raised concerns about the provision of Hockey in the District which it was agreed was an important part of sporting provision. However, Members were assured that any issues would be picked up as part of the quarterly review and the strategy revised if necessary.

The Portfolio Holder for Cultural Services, Councillor Mrs Gallagher, endorsed the report and advised that the first review would be undertaken in June 2015. Members were assured that clubs from all sporting backgrounds had been engaged in the process and the strategies reflected the challenges the District was faced with and how the Council was dealing with them.

Councillor Mrs Gallagher recognised the concerns of the scrutiny committee and agreed that additional wording be added to recommendation 2.4, referencing that the strategy would be reviewed on a quarterly basis.

Recommended to Council that

- (1) the comprehensive evidence base and modelling for playing pitches and outdoor sport which has been undertaken and published as part of the Council's Infrastructure Delivery Plan and ongoing preparation of the emerging Local Plan, is noted;
- (2) the Athletics Needs Assessment, attached as Appendix 2 to the report, is noted and this data will be used to inform decisions on future athletics provision in the District;

- (3) the updated Indoor Sports and Leisure Strategy March 2014, which updates the strategy approved by Executive in October 2013 to address Indoor Bowling Facilities, attached as Appendix 3 to the report, is approved; and
- (4) the Playing Pitch and Outdoor Sports Strategy 2014, attached as Appendix 1 to the report, is approved and this will be reviewed on a quarterly basis.

(The Portfolio Holder for this item was Councillor Mrs Gallagher)
(Forward Plan reference 655)

Part 2

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

138. Regeneration in Lillington

The Executive considered a report from the Deputy Chief Executive (AJ), Development Services and Housing and Property Services which considered regeneration opportunities in Crown Ward, both to support the renewal of community services in the centre of the community, and on the edge of Lillington. Specifically, it reported on work that was commissioned to understand the feasibility of potential regeneration proposals and specific engagement that had been carried out with stakeholders to date.

Members noted that there was also a related report on the private and confidential part of this agenda. That report did not consider the principle of whether to support the regeneration proposals, but considered some of the detailed financial and other matters arising from any recommendations within this report, including those relating to assets owned by Warwick District Council and Warwickshire County Council.

In March 2014, the Executive had considered a report which outlined a couple of potential regeneration opportunities in Crown Ward. It agreed that further feasibility work should be carried out to explore these in more detail, and asked that officers report back once this work was completed.

There were two regeneration opportunities identified in the report relating to (1) the allocation of land at Red House Farm as part of the Local Plan, and the opportunity this allocation might present to offer wider regeneration benefits within Crown Ward, and (2) the opportunity to renew and improve the provision of local health and community facilities within Lillington. Further details on the nature of the two opportunities were included in the "Background Information" section of the report.

The detailed feasibility study had been carried out for the Council by project management consultants Pick Everard, working in conjunction with Willmott Dixon Housing and BM3 architects. Other specialist advice had been sought where needed on specific technical matters.

The consultants submitted their Study (titled the "Lillington Regeneration: Masterplanning and Feasibility Study") to the Council in February. The main study was attached as appendix A to the report.

The consultants drew the following broad conclusions from the study: - a regeneration project in Crown Ward, incorporating the redevelopment of properties at The Crest and along Crown Way, would be feasible as a development project; and a regeneration project could have a wider impact on improving the environmental quality of the area.

The report advised that despite the significant amount of work that had already been done to establish whether such regeneration was technically feasible and financially viable, officers were of the view that given the scale and cost of such a proposal, three fundamental issues of principle would benefit from further detailed scrutiny.

The three issues were the socio-economic benefits that would derive from any physical regeneration; what other interventions, unrelated to the physical regeneration proposed in the consultants' report, could be adopted by the Council and its partners to seek to address the causes of deprivation in this locality; and whether other models of physical regeneration could still deliver the same (or better) socio-economic outcomes but in a less costly or disruptive manner.

If members wished to continue to move forward to explore regeneration opportunities in this area, officers considered that these issues needed to be further investigated. It was therefore recommended that this work could be funded from the General Fund Contingency Budget and a budget of £10,000 should be identified for this purpose.

Alongside this work, it was also recognised that more work needed to be done before the Council could formally consider whether to commit to any proposals.

There were a number of risks outlined in section 6 of the report relating to Housing Revenue Account (HRA) resources, the impact on the HRA and a lack of funding or support from key stakeholders. Additional risks included costs and delays to the development programme, the Local Plan being found unsound and not securing the cooperation of the owner and promoter of Red House Farm.

The Council could decide not to proceed with further investigation of any of the regeneration proposals set out in this report but to direct resources to community development initiatives, however, this was not supported.

In addition, the Council could decide to support a smaller scheme to that proposed, for example only focussing on Crown Way or only on The Crest. This option was not supported at the present time, however, neither was it discounted in the longer term. It was considered that both areas should remain the focus of further work.

The Council could decide to retain the tower blocks as part of any regeneration but this option had previously been considered and initially rejected, as not being feasible. The Council could decide to seek to deliver the community hub but in another location not involving the demolition of properties on Crown Way. This had also been explored but rejected.

The Overview & Scrutiny Committee supported the recommendations in the report.

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

The Liberal Democrat Group observer, Councillor Boad, addressed Members and highlighted that there had been a high level of misinformation circulating about the regeneration, including a petition relating to the demolition of a local primary school. The petition specifically named Councillor Boad and he wanted to take the opportunity to reiterate that these claims were entirely incorrect.

Resolved that

- (1) the outcome of the Lillington Regeneration Masterplanning and Feasibility Study (the Study) attached as appendix A to this report, including the identified regeneration benefits that the scheme would bring to this part of Crown Ward, is noted;
- (2) the consultants' conclusions on the feasibility and financial viability of a regeneration project in this location, and the comments of the Council's Head of Finance contained in paragraphs 5.1 to 5.3 of the report, are noted;
- (3) the Council's commitment to prioritise work in Crown Ward to support local communities and to address known deprivation, is affirmed and the role of the Study in outlining a potential way of addressing these, is recognised;
- (4) the potential opportunities that a regeneration project along the lines proposed by the Study would bring to the area are supported, and the work identified in paragraphs 3.15 and 3.16 of the report to further scrutinise the effectiveness of the proposals and consider alternative ways of delivering positive outcomes for communities in Crown Ward, is authorised;
- (5) £20,000 is allocated from the 2015/16 General Fund Contingency Budget for this work to be

carried out in accordance with paragraph 3.16 of the report;

- (6) further masterplanning work and community, tenant and stakeholder engagement should be carried out as described in paragraph 3.17 of the report;
- (7) £20,000 is authorised to support the community, tenant and stakeholder engagement and the Deputy Chief Executive (AJ) is authorised to seek to agree with the owners of Red House Farm how further technical and other work will be carried out and funded; and
- (8) Warwickshire County Council (WCC) be asked to formally endorse its own support for the opportunities that a regeneration project along the lines proposed by the Study could bring to the area and furthermore that the WCC commits to working with the District Council along the lines set out in paragraph 3.23 of this report as these proposals are taken forward.

(The Portfolio Holder for this item was Councillor Hammon)
(Forward Plan reference 672)

139. Housing Advisory Group – Terms of Reference

The Executive considered a report from Housing and Property Services which sought approval for the future working arrangements of the Housing Advisory Group, including the group's Terms of Reference.

The Housing Advisory Group would not make any formal decisions; these would be reserved to the Council, Executive and Officers as outlined in the Constitution of the Council.

A motion was presented to Council on 25 June 2014 which expressed regret, that under the current Committee structure, the provision of Housing Services had become remote from elected members. The motion went on to request that the Chairman allow measures to be brought forwards to enable the introduction of a new Housing Committee.

As a consequence a working group was established and recommended that Council establish a Housing Advisory Group with a remit to consider and advise on policy and practice relating to the way the Council designs and discharges its housing duties and responsibilities. This proposal was approved in November 2013.

The members of the Working Group had since met to develop a Terms of Reference for the Housing Advisory Group. Members were asked to

approve this document which was attached as Appendix A to the report. The role of the group was outlined in full in the appendix along with the operational processes.

The Housing Advisory Group would be chaired by the Housing & Property Services Portfolio Holder and membership would be made up of 10 Councillors, including the portfolio holder, with up to three tenant representatives.

The group would meet four times per year, with the inaugural meeting taking place in June 2015.

The report also recommended that the Interim Housing and Property Board (IHPB) be dissolved, and its remit absorbed within the Housing Advisory Group. The IHPB was set up following the implementation of Housing Revenue Account Self-Financing but officers felt that it was too narrowly focussed on financial matters, that its membership was not wide enough to facilitate effective engagement and involvement of Councillors with the Housing & Property Service and there were no links from this group to the wider Member body.

An alternative option was that the Executive could suggest an alternative terms of reference that it considered appropriate, however, the proposed Terms of Reference were felt to fulfil the agreed objectives. In addition, the Executive could decide that the IH&PB should be retained. However, it was being proposed that the Housing Advisory Group would absorb the functions previously delivered by the board thereby avoiding duplication and inefficiencies that retaining two boards could create.

The Overview & Scrutiny Committee strongly supported the recommendations in the report.

The Portfolio Holder for Housing and Property Services, Councillor Vincett, endorsed the report and thanked the scrutiny committee for their support.

Members agreed that this was the correct direction for the Council to take and therefore

Resolved that

- (1) the Housing Advisory Group Terms of Reference (ToR), attached at Appendix A to the report, be approved; and
- (2) the Interim Housing and Property Board is dissolved, and its remit is absorbed within the Housing Advisory Group.

(The Portfolio Holder for this item was Councillor Vincett)
(Forward Plan references 615 & 656)

140. **Warwick District Council / Waterloo Housing Group Joint Venture (W2) State Aid Review**

The Executive considered a report from the Deputy Chief Executive (AJ) which updated Members on the due diligence undertaken following the previous Executive report of 2 July 2014 where it was noted that the Council's existing partnership with Waterloo Housing Group, known as W2, was being assessed by the Council's officers to ensure its compliance with state aid law.

Following expert legal advice it had been possible for Council officers to satisfy themselves that the existing arrangements with Waterloo Housing Group could be considered compatible with state aid law, and advisors recommended additional processes and documentation be put in place to ensure that any financial assistance from the Council to Waterloo remained within the permissible legal framework.

The report reminded Members that the Council had entered into a joint venture agreement with Waterloo Housing Group in November 2011. The joint venture agreement was a partnership intended to bring forward affordable housing schemes within the District where it was in both parties' interests to do so.

One of the central features of the joint venture was that the Council would offer financial assistance to Waterloo, where necessary, in order to make a proposed affordable housing project viable. The giving of financial assistance from a local authority to a third party organisation potentially engaged the legal rules relating to state aid. State aid was regulated by EU law and the essential principle was that it was unlawful to give public funding to an economically active organisation in such a way as to potentially distort competition amongst the market.

The Council's officers identified recently that, because of the nature of the function which was being supported by the financial assistance (social housing) it should be possible for the giving of financial assistance to Waterloo to fall within a specific legal exemption which the EC Commission had established. This exemption effectively acts as a "safe harbour" from the state aid rules: provided all the tests set out in the exemption could be met, then any financial assistance would be lawful.

The EC Commission required that the use of this exemption be actively monitored by the public authority which was seeking to rely on it. Therefore, the Council's officers needed to be vigilant to the need to stay within the terms of the exemption for as long as the W2 joint venture operated.

Guided by Counsel's advice, the Council and Waterloo had worked together to develop appropriate legal and financial documentation for each project where financial assistance was given by the Council.

On all the projects where financial assistance had already been given by the Council, the Council's officers (Deputy Chief Executive (AJ), Head of

Finance and legal adviser) had satisfied themselves that there had been no over-compensation, and the relevant binding agreements were now being put into place.

The only alternative option would be to discontinue the W2 joint venture altogether, or to withdraw all of the Council's financial assistance given to date. This option had been discounted as being a disproportionate response to a risk which could be managed with appropriate safeguards being in place.

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

The Executive agreed the recommendations in the report and officers were thanked for their due diligence in providing what Members had requested and for ensuring compliance. It was therefore

Resolved that the outcome of the due diligence work outlined in section 3 of the report is noted and the Deputy Chief Executive (AJ), in consultation with the Head of Finance and legal advisers, is authorised to enter into all agreements necessary to give effect to the continued operation of the W2 joint venture in compliance with relevant law.

(The Portfolio Holder for this item was Councillor Vincett)
(Forward Plan reference 646)

141. Corporate Property Planned Preventative Maintenance Programme 2015/16

The Executive considered a report from Housing and Property Services which provided the rationale for the proposed allocation of works against the budget for the Corporate Repairs and Maintenance Programme for 2015/16.

To ensure that the Council was spending the budget effectively, it was considered that Members needed to be aware of the principles underpinning the budget allocation to ensure the process is transparent.

As part of the wider Corporate Assets Review and the transition to strategic asset management, the council completed a programme of surveys of the corporate asset stock which was split into three categories:

- Operational Assets
- Non Operational Assets
- Open Spaces

The survey data formed the basis of the annual programme of work. The data was continuously reviewed to ensure it remained current and the budgets defined in this report represented year 2 of the financial liabilities

associated with the Council's current corporate asset portfolio. This was first reported in the Assets Review report at the Executive meeting of 11 December 2013.

The planned preventative maintenance programme for 2015/16 is based on the data and recommendations from the stock condition data undertaken as part of the on-going assets review work.

The total base Corporate Property Repairs and Maintenance budget for 2015/16 is £1,203,300 to which £913,200 is requested from the Corporate Asset Reserve to bring the total budget to £2,116,500. Housing and Property Services manage the budget and coordinate the proposed programme of works, which has been set following consultation with the Corporate Property Investment Board and the Asset Strategy Group.

At this time all costs associated with the programme, were estimated and the actual cost to deliver the programme of work was liable to change as works were procured. Furthermore, the Assets Review work was on-going and it was possible that service area priorities and opportunities that emerged during the course of the financial year could lead the Council to re-profile the programme of work where doing so could secure better long term value.

An alternative option was to not apply the refreshed budget setting criteria and/or not to manage the budget centrally but instead let service areas decide priorities and allocation. These options were rejected when the initial review was carried out in 2008.

A second alternative would be not to proceed with the current proposed programme of works, but instead defer the programme in part or in full to future years and accept the risks of properties and assets falling into disrepair and not being available to support services associated with deferring the recommended projects.

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

Resolved that

- (1) the proposed budget allocation for the 2015/16 Corporate Property Repair and Improvement Programme, as set out in table 2 at section 5.3 of the report, is approved;
- (2) up to a maximum of £913,200 is released from the Corporate Asset Reserve to support the 2015/16 Corporate Property and Repair and Improvement Programme;
- (3) the reduction of the 2014/15 budget by £162,800 for items that will now proceed in 2015/16 is approved and are therefore included

in the proposed 2015/16 budgets set out in this report;

- (4) the Head of Housing & Property Services, in consultation with the Procurement Manager, is authorised to procure the works as per the Code of Procurement Practice;
- (5) the Head of Housing and Property Services and The Head of Finance, in consultation with their respective portfolio holders, are granted delegated authority to approve programme amendments and revised budget allocations within the overall base budget of £2,116,500; and
- (6) the Section 151 officer and Deputy Chief Executive (BH), in his role as chair of the Asset Strategy Group, in consultation with the portfolio holders for Housing & Property Services and Finance, be given delegated authority to release monies for the Corporate Asset Repairs Reserve, ensuring that the monies are ring-fenced for the Stock Condition Plan and not to subsidise any Budget Shortfall on the Responsive Repairs or Warwick Plant Maintenance which will be reported and considered separately.

(The Portfolio Holder for this item was Councillor Vincett)
(Forward Plan reference 678)

142. Reinstatement of Land Kites Nest Lane, Beausale

The Executive considered a report from Development Services which provided a brief outline of the enforcement history of this site and current Council position and requested that Executive consider authorising work to reinstate the land in question.

The site at Kites Nest Lane had been the subject of longstanding planning enforcement proceedings over a number of years which in November 2013 resulted in the cessation of its unauthorised use as a residential caravan site.

The site extended to an area of approximately 0.9 hectares in the open countryside within the Green Belt, at the junction of Beausale Lane and Brownley Green Lane and was currently in the ownership of Gypsy/Traveller families. The site was adjoined by agricultural land on two sides with the nearest dwelling, Brownlow Green Farm, being located opposite it on Kites Nest Lane.

Over a Bank Holiday weekend in May 2010, travellers arrived on the site and overnight undertook substantive works to create hard standings and roadways to form residential caravan pitches some of which were then occupied on the following day. By way of response, Officers issued a Temporary Stop Notice (TSN) and were successful in obtaining a High Court Injunction preventing further development of the land.

The occupants vacated the site in November 2013 but without removing much of the hard standing and other material that had been imported to facilitate the unauthorised use. As a consequence, the site was left in a visually poor and unsuitable condition, contrary to some of the requirements of the Enforcement Notice and Injunction.

The reinstatement of the land to its former grassed condition was considered necessary because the current condition comprising substantive areas of hard standing, was detrimental to the visual amenities of the surrounding rural area and landscape. Following consultation with the Council's Procurement Manager the best value quote for the re-instatement of the land was circa £8,000.

The owner of the site had been repeatedly requested to reinstate the land to its former condition, most recently in January 2015 but it was unlikely that this approach would result in the resolution of the matter. The report therefore proposed that Warwick District Council undertake the work and seek to recover the cost by way of a charge on the land.

Placing a charge on the land had been discussed with the Council's solicitors. The land's title had been checked and the stated sale value (£37,000) exceeded the cost of the works (£10,000) and, as there was no mortgage on the title which may take priority over the charge, there was nothing in principle to prevent the Council from going down the route of a charging order and subsequent order for sale, should the Council not receive reimbursement of its costs.

An alternative option was to take no action and leave the land in its present condition. However, this had been discounted because there were not only concerns about the potential for continued deterioration to the site but also because the Council could be criticised for failing to protect the environment.

The Finance & Audit Scrutiny Committee agreed it was the Council's responsibility to act for the interests of local residents. That said, the Committee felt the need to recommend to the Executive that before this was considered, the complete budget, outlining all associated costs should be provided to the Executive and Finance & Audit Scrutiny Committee for due consideration.

In response to the recommendation from the Finance & Audit Scrutiny Committee, the Executive advised that they were content that the complete budget was sufficient and all associated costs would be provided to the Portfolio Holder and the Chairman of Finance & Audit for assurance.

Members were mindful that this had been a long standing issue and it was important to residents that this area was cleaned up. It was acknowledged that a substantial amount of legal work had already been carried out and officers were confident that the costs could be contained.

Resolved that

- (1) the cost of the reinstatement of the land, shown edged in red on the attached plan at Appendix 1A to the report, is agreed to a maximum cost of £10,000, to be funded from the Contingency Budget, using enforcement powers under Section 178 of the Town and Country Planning Act 1990 (as amended); and
- (2) the making of a charge on the land is agreed, in order to seek to recover the costs set out above.

(The Portfolio Holder for this item was Councillor Hammon)

143. Combined Authorities

The Executive considered a report from the Chief Executive which provided some background to the issue of potential membership of a Combined Authority and sought feedback from Members to help devise some parameters to assist the Leader and Chief Executive in discussions with other Councils in the Coventry and Warwickshire sub-region, and beyond, about a way forward, or not. The Leader and Chief Executive were required to feedback on such forthcoming discussions.

The report explained that the Council was already a member of the Joint Committee for Coventry, Warwickshire and South West Leicestershire. This was formed early in 2014 as the first stage in the commitment that all of the local authorities in the sub region gave as part of the sign up to the Coventry and Warwickshire City Deal in 2013. This commitment also extended to the participating Local Authorities agreeing to set up an Economic Prosperity Board (EPB) and to consider moving onwards to setting up a Combined Authority (CA).

More locally, in November last year the Black Country and Birmingham Local Authorities announced that they wished to consider setting up a CA and invited Solihull, Coventry and adjoining districts , including Warwick, to consider joining. As a consequence, discussions were spurred within the sub region, especially surrounding whether joining such an entity would conflict with the planned EPB. The discussion led to two meetings of Leaders and Chief Executives from the sub region on this issue. The first in December 2014, allowed for an economic analysis by local academics to be shared; the second, in January 2015, led to an agreement that all Local Authorities should take soundings on views towards establishing a CA, what they may be prepared to accept and what not and to then share that with the other Council's in the sub region in

order that a way forward could be planned. To that end another meeting of Local Authorities to further that discussion was planned for the 17 March 2015.

To enable this Council's Leader and Chief Executive to effectively participate in the discussions now planned for March 2015, the views of the Council were required and the Executive needed to agree parameters within which such discussions should be held.

A presentation for all Members was held on 23 February 2015 and all Groups had been asked to consider that presentation at their Group Meetings the same night and feedback directly to the Leader and Chief Executive.

An alternative option was to not participate, however, this was not recommended and the full reasons were set out in Section 6 of the report. In summary, the risk of not participating would result in an agenda being set out without this Council's input or agreement. In addition, funding may be awarded to those that did participate and not to those who did not. However, there was a variety of options in respect of the feedback that Members may wish to give and it was the purpose of this paper to clarify those issues and options.

The Finance & Audit Scrutiny Committee supported recommendation 2.4 in the report, which dealt solely with the funding issues.

Members were mindful that all options should be explored and Members views should be submitted in a timely manner.

The recommendations in the report were agreed with an amendment to recommendation 2.1 to ensure that all comments were received by the Chief Executive by 5.00pm on Wednesday 18 March 2015.

Resolved that

- (1) the Chief Executive receives feedback from the other political groups and the 2 scrutiny committees, by 5pm on Wednesday 18 March 2015, on possible parameters relevant to discussions on a way forward (or not) in respect of potential membership of a Combined Authority and agree what those parameters should be;
- (2) authority is delegated to the Leader and Chief Executive to discuss with other Local Authorities who are involved in the discussions about membership, or not, of a possible Combined Authority within the parameters agreed;

- (3) the Leader and Chief Executive will report back on the progress of those discussions at the earliest opportunity and then subsequently on a regular basis, seeking further authority if necessary as discussions/proposals develop; and
- (4) authority is delegated to the Chief Executive and Head of Finance, in consultation with the Leader and Finance Portfolio Holder, to expend up to £50,000 towards any necessary research required to take this matter forward, to be funded from the Contingency budget.

(The Portfolio Holder for this item was Councillor Mobbs)

144. Proposed Exemption from the Code of Procurement Practice

The Executive considered a report from Housing and Property Services which sought an exemption from the Code of Procurement Practice in order to extend the arrangements for electrical maintenance and repair services provided by EM&I Derby Limited, until 31 March 2016 during which time the on-going re-procurement exercise would be completed and new contracts awarded and mobilised.

The Council had a statutory responsibility under the Landlord and Tenant Act 1985 to ensure that the electrical installations in a property were safe when a tenancy began and remained safe for the duration of the tenancy. In order to discharge its duties in respect of the HRA stock and other corporate buildings, the council undertook periodical electrical safety inspections and responsive repairs through its electrical maintenance and repairs contract.

The current contract was due to expire on 31 March 2015. This had been clearly recorded in the Council's contract register but despite this, attempts by officers in Housing & Property Services and Finance to plan and manage the timely re-procurement of the contract had failed to progress as fast as anticipated or required, largely due to the evolving demands placed on both teams as a result of on-going commitments and new projects.

An alternative option was to undertake a procurement exercise for the proposed work using a Framework Agreement but this was not recommended due to the time it would take to procure temporary arrangement through a framework, train staff in the terms of the framework and mobilise the contractor. It was also noted that the electrical maintenance and repairs contract had proven to be an efficient, effective contract for the Council and retaining its current processes was considered to be in the Council's best interests.

In either scenario, if the Council were subject to a Health & Safety Executive (HSE) inspection and found not to have adequate electrical safety arrangements in place, it could be held to be in contravention of Health & Safety legislation which carries risks of fines and/or persecutory action; Under The Health and Safety (Fees) Regulations 2012, those who break health and safety laws are liable for recovery of HSE's related costs, including inspection, investigation and taking enforcement action.

The Finance & Audit Scrutiny Committee expressed strong disappointment about this matter because there was a contract register in place for which a main purpose was to bring forward early warnings and resolve any issues. It was of the view that it was not acceptable to carry on this way because this was a major contract especially because the contracts register identified that work had started on this contract. The Committee explained that this should have been recognised and mitigated against through the proper procurement and resources allocated or requested if they were short.

That said the Committee welcomed that the Procurement Team were looking at a new contract management system, planned in the next financial year which would provide the appropriate workflows and safeguards for contract management.

The Committee welcomed that benchmarking would be undertaken on this work before the extension agreement was signed to confirm that value for money was achieved.

With these views, the Committee accepted the recommendations of the report because it felt there was no real alternative.

Resolved that

- (1) an exemption to the Code of Procurement Practice to extend the current contract for the provision of electrical maintenance and repair services to 31 March 2016, is approved;
- (2) an OJEU compliant procurement exercise has been commenced for the re-procurement of the electrical maintenance and repair contract, the programme for which will allow a new contract to commence on 31 March 2016; and
- (3) the comprehensive actions that have been put in place to improve the way procurement is taken forward in the future, with particular reference to Housing and Property Services, are noted.

(The Portfolio Holder for this item was Councillor Vincett)
(Forward Plan reference 680)

145. **Gypsies and Travellers – update on the progress of the Development Plan Document to allocate sites**

The Executive considered a report from Development Services which informed members of the results of the public consultation regarding the Preferred Option site at Stratford Road, Warwick District Council and of the current position with regard to the preparation of the Draft Development Plan Document.

In addition, the report requested that members agree to a revised approach to the identification of the required land to meet the needs of Gypsies and Travellers as outlined in the Gypsy and Traveller Accommodation Assessment (GTAA) 2012; support a request to expressly talk to landowners of potential Green Belt sites and support a request to approach the Homes and Communities Agency (HCA) with regard to possible funding to assist delivery where this was needed.

In August 2014, a report was brought to the Executive requesting approval for officers to undertake public consultation on the 'Preferred Options, Land at Stratford Road, Warwick'. The report was approved and the consultation was subsequently carried out between 31 October 2014 and 12 December 2014. The results of the consultation had been summarised and attached to as Appendix 1 to the report and highlighted the main issues raised through the consultation. Many of the responses were generic with around 700 responses received along with a petition submitted by four Warwick Councillors with a total of 326 signatures.

The site at Stratford Road could not now be considered as a potential Gypsy and Traveller site due to the consultation responses received from the two landowners who own the relevant land and access to the site. Both landowners had now formally objected to the proposed Gypsy and Traveller site and had stated categorically that their land was not available for this use.

Officers now felt they had exhausted the potential supply of land for sites in the non-Green Belt area of the District, other than those already considered suitable to be taken forward i.e. Leamington Football Club, Harbury Lane and a transit site at Europa Way. The report, therefore, proposed that the Council considers potential sites within the Green Belt.

In addition, agreement was required for officers to approach landowners of any potential sites in the Green Belt and enter into a dialogue with regard to the possibility of using such land for this purpose.

It had also become clear that the costs of setting up sites for either Gypsies and Travellers themselves, social landlords or private landowners, were considerable. As the Homes and Communities Agency had funding available to assist with delivery, officers felt it would be useful to approach them and ascertain what level of funding was available and how it could be accessed and utilised.

An alternative option was to not allocate sites for Gypsies and Travellers, but this would be contrary to national policy and the Local Plan would be found unsound without a commitment to meeting the need demonstrated in the GTAA. The removal of this site from further consideration left a deficit in provision of 15 pitches when compared with a need for 31 pitches in the District over a 15 year period.

Another option would be to consider using Compulsory Purchase Order powers to purchase land outside the Green Belt, however, this was not considered a good option because there were many pitfalls. These included the length of time it would take to complete the process, the cost of doing so, the unpopularity amongst local residents of such an approach and the fact that no Gypsy and Traveller sites had been brought forward this way elsewhere.

Councillor Caborn endorsed the report and reminded Members that this had been a long difficult journey. He highlighted that the consultation feedback had been listened to and confirmed that the Stratford Road site was not suitable but would continue for employment use. However, in order to fulfil the statutory numbers, the Council needed to find another site. He therefore proposed the recommendations as laid out and the Executive

Resolved that

- (1) the results of the public consultation report on the 'Preferred Option' consultation for a site at Stratford Road, Warwick for Gypsies and Traveller attached at Appendix 1 to the report, are noted;
- (2) taking account of the consultation, the site at Stratford Road is not available for use as a Gypsy and Traveller site and the Executive will not be pursue this site for allocation through the Gypsy and Traveller Development Plan Document (DPD);
- (3) the recommended change of approach to the identification of suitable, sustainable, available and deliverable sites to meet the needs of Gypsies and Travellers as outlined in the Gypsy and Traveller Accommodation Assessment, 2012, to look at potential sites in the Green Belt, is agreed;
- (4) officers may approach landowners of any potential sites in the Green Belt and enter into a dialogue with regard to the possibility of using such land for this purpose; and

- (5) officers may approach the Homes and Communities Agency with a view to exploring the potential funding which may be available to assist in the delivery of suitable sites.

(6)

(The Portfolio Holder for this item was Councillor Hammon)
(Forward Plan reference 685)

146. **Proposed Creative Quarter**

The Executive considered a report from Development Services which followed on from a report submitted in December 2014 when Members had endorsed the outline concept for the creation of a new Creative Quarter, for creative industries and cultural activities, focussed on the Council's assets at the Royal Pump Rooms and in the Spencer Yard area.

This was to be part of a wider regeneration vision for the northern part of the Old Town area. Officers were now reporting back on their further work to develop a set of principles and parameters to underpin such a regeneration scheme, and a development brief and procurement process for its delivery.

The previous report set out an initial set of 'principles and parameters' to guide the drafting of a more comprehensive and formal 'Development Brief' for this potential new regeneration project. The report had also set out the rationale for the Council requiring the services of a specialist 'niche' commercial developer partner, with experience of successfully delivering similar cultural/creative schemes elsewhere.

Since then officers had been working up this Development Brief and had identified the most suitable procurement route. They had also been having discussions with many of key stakeholders and this work had culminated in the Development Brief which was attached as appendix one to the report.

Due to the complexities of this project, officers were proposing to carry out further market testing work before any formal competitive developer procurement process. This would be to scrutinise, challenge and inform our current regeneration vision and development brief.

To this end Officers therefore now recommend that the Council holds a Marketing Day where prospective developer partners could meet with Council officers. The detailed ways in which this was hoped to assist the Council and the developer market were laid out in paragraph 3.10 of the report, however, it was hoped that the day would provide clarity and understanding for all parties.

The feedback from the Marketing Day would also enable officers to have informed discussions with local stakeholders and key strategic stakeholders. An updated report would then be submitted to Executive.

An alternative option was that the Council could opt to do nothing. In this eventuality, its current financial liabilities for the Royal Pump Rooms would remain and any vision and potential for taking the Spencer Yard area and a creative industries and cultural quarter vision forward not realised.

The Council could decide to exclude the Royal Pump Rooms from any project proposal. By implication this also included the proposal to relocate the Library. However, the previous December Executive report set out the reasons why this would fundamentally prejudice and weaken any overall transformational approach to a Cultural Quarter, and the attractiveness of the potential project.

The Overview & Scrutiny Committee supported the recommendations in the report.

The Portfolio Holder for Development Services, Councillor Hammon, endorsed the report and hoped it would spur the regeneration of the area. He felt it was an exciting project and hoped Members would help the scheme to progress.

Resolved that

- (1) the provisional developers' Development Brief set out in Appendices One and Two to the report, are approved;
- (2) a pre-procurement developer partner Marketing Day, as detailed in Section 3 of the report, is approved. In addition, authority is delegated to the Deputy Chief Executive (BH) and Senior Projects Co-ordinator (DE), in consultation with the Development Services Portfolio Holder, to agree the details and implementation of these Marketing Days; and
- (3) commitment to this potential project is not being asked for at this early stage; and further consultations will continue with key stakeholders to inform and refine this outline regeneration vision. Officers will submit a further report back to Executive after concluding the next-stage work set out in this report.

(The Portfolio Holder for this item was Councillor Hammon)
(Forward Plan reference 648)

147. Historic Building Grants Allocations

The Executive considered a report from Development Services which sought approval for the proposed allocation of the 2015/16 budget

towards the historic building grants scheme as set out in section 3 of, and Appendix A to, the report.

The District Council had for many years supported Historic Buildings Grants to help property owners to maintain/restore historic assets which were a very important part of the environment of Warwick District. It was in this time of financial constraints that the maintenance of this type of grant was crucial to many owners of historic properties, which also recognised the contribution made by the historic environment to the economic and social wellbeing of the District.

Grants were offered in accordance with the Planning (Listed Building in Conservation Areas) Act 1990 which made provision for Local Authorities to make Historic Buildings Grants. They were available for all Listed and Unlisted Buildings in the Conservation Areas and grants were offered normally at a level of 25% of the cost of works to an absolute maximum of £2,000 per property.

For the current year a total of £121,000 had been paid or allocated which had enabled a minimum of £484,000 of works to protect historic assets to proceed.

Separate historic building grants schemes operated for i) Leamington; ii) Warwick and iii) Kenilworth, Whitnash, and the rural conservations areas. Under scheme iii), grants were also available to individual listed buildings which were not located within a conservation area.

The report advised that in addition to the above, the Conservation Facilitation Fund was used for the funding of Heritage Open days with a proposed allocation of £3000 for 2015/16 and the Environmental Grant Scheme was used for public realm works, such as lamp post restoration within conservation areas, with a proposed allocation of £3,000 for 2015/16.

Finally, the Kenilworth Abbey Fund which had been almost entirely expended on the completion of the new roof for the Abbey Gatehouse was no longer proposed to be funded. A small slippage of £1,800 was proposed to be used for pointing works during 2015/16.

An alternative option was to reduce or abolish the grant scheme. However, it was considered that either of these options would impact upon the Council's ability to assist in maintaining the Historic Environment for both residents of and visitors to the district.

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

Resolved that the proposed allocations for the Historic Building Grants for 2015/16, as set out in Appendix A to the report, are approved.

(The Portfolio Holder for this item was Councillor Hammon)

148. **Rural / Urban Capital Improvement Scheme (rucis) Application**

The Executive considered a report from Finance which provided details of a Rural/Urban Capital Improvement Scheme grant application by Rowington Parish Council to improve the local playing field facility by replacing three old pieces of play equipment with three new modern pieces of equipment.

The Council operates a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grant recommended is in accordance with the Council's agreed scheme and will provide funding to help the project progress.

Rowington Parish Council has submitted a RUCIS application to improve the local playing field facility by replacing three old pieces of play equipment with three new modern pieces of equipment. The application is for 50% of the total project costs up to a maximum of £7,369.

Three quotes have been provided; the quote from Company A, the chosen supplier, is £4,738 more expensive (total cost of £14,738 excluding vat) than the cheapest quote (total cost of £10,000 excluding vat) provided by Company B. This was queried with the Parish Council and a full response was detailed in section 8.2 of the report. Ultimately, the Parish Council were satisfied that the company had supplied the original equipment and the quality and potential long life was a major consideration.

The RUCIS criteria states "Three separate written quotations must be supplied"; it doesn't explicitly state that the cheapest quotation must be accepted, however, it is our practice to question where it hasn't to satisfy ourselves that the rationale is sound. In this instance, officers were satisfied with the Parish Council decision to accept the Company A quote and recommend that the RUCIS application be considered against these project costs.

Rowington Parish Council has committed £7,369 to the project from their cash reserves. These funds have been evidenced through their annual accounts and the provision of a recent bank statement. In addition, the Parish Council had been successful in securing RUCIS funding in the past and a breakdown of these applications was provided at section 8.4 of the report. This application met the criteria whereby the organisation must wait for a minimum of two years before re-applying for a new grant.

A full explanation of the budgets involved was provided at section 5 of the report and advised that there was still £20,694 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the Rural Cost Centre budget in 2014/15. If the application within this report was approved, £13,325 would remain in the Rural Cost Centre budget.

The report therefore recommended that the Executive approve an award of a Rural / Urban Capital Improvement grant to Rowington Parish Council of 50% of the total cost of the project excluding vat subject to a maximum of £7,369.

The Council only had a specific capital budget to provide grants of this nature and therefore there were no alternative sources of funding if the Council was to provide funding for Rural/Urban Capital Improvement Schemes. However, Members could choose not to approve the grant funding, or to vary the amount awarded.

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

Resolved that a Rural/Urban Capital Improvement Grant from the Rural cost centre budget for Rowington Parish Council of 50% of the total project costs, to improve the local playing field facility, as detailed within paragraphs 1.1 and 3.2 of the report, up to a maximum of £7,369, is approved.

(The Portfolio Holder for this item was Councillor Cross)

149. **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 paragraphs of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Minute No.	Para Nos.	Reason
151	1	Information relating to an Individual
151	2	Information which is likely to reveal the identity of an individual
150 & 152	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
153	5	Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings

The full minute for the following items would be set out in the confidential minutes of the meeting.

150. **Regeneration in Lillington**

The Executive considered a report from the Deputy Chief Executive (AJ), Development Services and Housing and Property Services.

Members noted that there was a related report on the public part of this agenda which set out some detailed financial and other matters arising from any support that Executive may wish to give to the regeneration proposals.

The Finance & Audit Scrutiny Committee supported the recommendation in the report subject to the Executive receiving clarification of aspects of the funding.

In response, the Executive amended the wording of recommendation 2.2c.

Resolved that the recommendations be approved with an amendment to recommendation 2.2c.

(The Portfolio Holder for this item were Councillors Caborn, Hammon and Vincett)
(Forward Plan reference 672)

151. **Asset Management Redesign Update**

The Executive considered a report from Housing and Property Services.

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

Resolved that the recommendations be approved.

(The Portfolio Holder for this item was Councillor Vincett)
(Forward Plan reference 679)

152. **Strategic Opportunity Proposal**

The Executive considered a report from the Chief Executive.

The Overview & Scrutiny Committee supported the recommendations in the report.

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

Resolved that

(The Portfolio Holder for this item was Mobbs, Hammon and Caborn)

153. **SEV Task & Finish Group – Final Report**

The Executive considered a report from Committee Services and the Chairman of the SEV Task & Finish Group.

The Overview & Scrutiny Committee recommended some additional wording to recommendation 2.1.

Resolved that the recommendations be approved with an amendment to the wording of recommendation 2.1

(The Portfolio Holder for this item was Councillor Coker)
(Forward Plan reference 677)

154. **Minutes**

The confidential minutes of the meetings held on 14 and 28 January and 11 February 2015 were unavailable and would be submitted to the April 2015 meeting.

(The meeting ended at 8.55pm)