

Council meeting: Wednesday 19 February 2025

Notice is hereby given that a meeting of Warwick District Council will be held at Town Hall, Royal Leamington Spa on Wednesday 19 February 2025 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 following meetings of the Council:

- a) 18 December 2024 **(Pages 1 to 36)**
- b) 30 January 2025 **(Pages 1 to 10)**

- 4. Communications and Announcements**
- 5. Petitions**
- 6. Notices of Motion**
- 7. Leader and Portfolio Holders' Statements**
- 8. Questions to the Leader of the Council & Portfolio Holders**
- 9. Setting of the Council Tax 2025/26**

To consider:

- (a) the recommendations from the meeting of the Cabinet held on 6 February 2025 in Minute Number 98; and **(To follow)**
- (b) the report of the Responsible Financial Officer. **(To follow)**

10. Housing Revenue Account (HRA) Budget 2025/26 and Housing Rents Setting Report

To consider the recommendations from the meeting of the Cabinet held on 6 February 2025 in Minute Number 99. **(To follow)**

11. Cabinet Report

To consider an excerpt from the Cabinet meeting of 6 February 2025 in respect of Preparing for the introduction of the Procurement Act 2023 and Q2 Budget Monitoring and updated MTFS. **(To follow)**

12. Appointments to Committee

To appoint Councillor Sinnott as Warwick District Council's Appointed Governor to represent WDC on South Warwickshire University NHS Foundation Trust's (SWFT) Council of Governors for the new Council from 1 March 2025.

13. Employment Sub-Committee

To receive the recommendation from Employment Committee in respect of the employment for the Strategic Director of WDC as required by the Localism Act 2011 as the proposed salary is greater than £100,000.

14. 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
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For enquiries about this meeting please contact Warwick District Council, Town Hall, Parade, Royal Leamington Spa, CV32 4AT

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Page WARWICK DISTRICT COUNCIL

Minutes of the meeting of Warwick District Council held at Shire Hall, Warwick, on Wednesday 18 December 2024, at 6.00pm.

PRESENT: Councillor Margrave (Chairman); Councillors Adkins, Aizlewood, Armstrong, Boad, Browne, Chilvers, Collins, Cron, Davison, Day, K Dickson, R Dickson, Dray, Falp, B Gifford, Gorman, Hales, D Harrison, Kenedy, King, Kohler, Luckhurst, Matecki, Melrose, Milton, Payne, Phillips, Roberts, Rosu, Sinnott, Syson, Tangri, Williams, C Wightman, P Wightman and Yellapragada.

57. **Apologies for Absence**

Apologies for absence were received from Councillors Barton, Billiald, Davidson, C Gifford, Redford, and Russell.

58. **Declarations of Interest**

There were no declarations of interest made.

59. **Minutes**

The minutes of the Council meeting held on 27 November 2024 were taken as read and signed by the Chairman as a correct record.

Councillor Phillips raised a Point of Order requesting that action points that were mentioned during Council meetings were enforced through a formal action list. This included answers from Portfolio Holders which were deferred for further information and to be communicated in written form after the meeting. The Head of Governance and Monitoring Officer explained that this would be included in the Summary of Decisions document which would be published the day after the Council meeting.

Responses to questions following the 27 November 2024 Council meeting were appended at Appendix A to the minutes.

60. **Communications & Announcements**

The Chairman stated that he had attended four functions since the previous Council meeting on 27 November 2024.

The Chairman reminded Members that the use of Shire Hall for meetings was temporary during building works at the Town Hall. As Councillor Billiald had been providing regular updates in her statements to Council, Members were aware these works were progressing and on track for completion early in the New Year, 2025.

The Chairman confirmed that officers were working on arrangements to move meetings back to Town Hall. It was possible that the 18 December 2024 Council meeting would be the last one taking place at Shire Hall.

When meetings moved back, the Chairman would write to Warwickshire County Council (WCC) to thank them for their hospitality.

The Chairman stated that there was no business to consider under agenda Item 5 – Petitions.

(Councillor C Wightman arrived during this item).

61. **Notices of Motion**

(a) The Council considered a Notice of Motion proposed by Councillor Kohler and seconded by Councillor Milton which noted that:

- “the "Climate and Nature Bill", previously presented as "Climate and Ecology Bill" and before that the "Climate and Ecological Emergency Bill", was scheduled to have its second reading in the House of Commons on 24th January 2025;
- the Climate and Nature Bill would require the UK Government to create a strategy to achieve both climate and nature targets; establish a Climate and Nature Assembly to advise the Secretary of State in creating that strategy and give duties to the Committee on Climate Change and the Joint Nature Conservation Committee regarding the strategy and targets;
- the WDC Leadership Coordinating Group issued an all-party statement supporting the Climate and Ecological Emergency Bill in March 2021;
- “New Homes (Solar Generation) Bill”, colloquially known as The Sunshine Bill, was scheduled to have its second reading the week before, on 17 January 2025; and
- the Sunshine Bill had the simple aim of requiring the installation of solar panels on new homes”.

Councillors Falp, Day, Davison, Melrose, and Milton addressed the Council on this item.

Resolved that

- (1) Council publicly reiterate their support for the Climate and Nature Bill;
- (2) Council publicly support the principle of mandating the inclusion of solar energy generation equipment on all new homes as proposed by the New Homes (Solar Generation) Bill;
- (3) Group Leaders write to local MPs detailing why the Council were supporting the bills and asking them to support the bills on their passage through parliament; and
- (4) Council would use Social Media channels to

encourage local businesses, organisations and residents to contact their MP to ask them to support the bills.

- (b) The Council considered an additional notice of Motion from Councillor Boad, and seconded by Councillor R Dickson, which noted that:

“Prostate Cancer UK introduced their campaign in August ‘the BOG-STANDARD CHARTER’, which was a set of guidelines designed to educate and ensure that businesses and the public sector provide men with facilities they need to dispose of incontinence waste. According to Prostate Cancer UK, as many as one in three men over 65 are estimated to have urinary incontinence in the UK. One in 20 men aged 60 and over will experience bowel incontinence. There are few facilities for men, in the District, who need to dispose of pads and other incontinence products to do so easily, safely and with dignity. Currently there is no sanitary equality for men with women”.

The Council believed that:

- it was important to make life more comfortable and dignified for those who suffered from incontinence;
- men who suffered with incontinence should feel comfortable and dignified and be able to dispose of their incontinence pads; and
- the provision of sanitary bins should be provided in all toilets that the authority manages so that waste products could be disposed of in a discreet and hygienic manner.

Councillors Adkins, D Harrison, Roberts, and R Dickson addressed the Council on this item.

Recommended to Cabinet that:

- (1) identify how many public facilities fell short on the ‘Men NEED Bins’ campaign;
- (2) produce a costed proposal to achieve BOG STANDARD Silver in all WDC buildings that were available to the public, including WDC staff facilities;
- (3) call upon other organisations and businesses across the District to support the ‘Men NEED Bins’, and the ‘BOG STANDARD Charter’ by providing sanitary bins for their employees and public use; and
- (4) it writes to the Districts’ MPs to ask them, if they haven’t done so already, to publicly back the ‘Boys NEED Bins’ campaign.

62. **Leader and Portfolio Holders' Statements**

The Portfolio Holder for Arts, Culture, and Economy, Councillor Billiald sent a written statement to Councillors ahead of the meeting, set out at Appendix B to the minutes.

The Portfolio Holder for Decarbonisation, Councillor Williams, made Council aware that:

- a) the contract for solar panels on Newbold Comyn Leisure Centre was signed on Friday 13 November 2024. Work was expected to begin onsite in February 2025. 363 solar panels would be installed on the swimming pool roof, with a total installed generation capacity of 180 kilowatt peak power. This was expected to generate 146,000 kilo watts of electricity annually and reduce on site imported electricity use by up to 30%. Subject to no unforeseen problems, the solar array would be operational by April 2025;
- b) premarket engagement was underway for the low-cost loan scheme that WDC were developing to support residents across the District in decarbonising their own homes. An advert had been sent out advising suppliers of the intended project, and officers would be meeting with interested suppliers in the week commencing 20th January 2025. In consultation with the Low-Cost Low Carbon Energy Programme Board and WDC Advisory Group, the findings of this premarket engagement would inform the final design of this project; and
- c) as set out by the Portfolio Holder for Housing at the last Council meeting on 27 November 2024, appointing external specialists to provide expert advice and support for WDC's new housing developments was intended. Renowned firm Altair were appointed to support the preparation of WDC's new Housing Development Strategy. Altair would work, in parallel, with Passive House experts to advise on the approach to bringing forward major housing development sites that are in the Council's ownership. The appointment of Passive House experts would be announced later before the end of the week commencing 16 December 2024.

The Portfolio Holder for Neighbourhood, Councillor Roberts, reminded residents that there would be changes to bin collection dates over the Christmas period. These changes could be found on the Council's social media, website and on the Warwick District Council App. All households should have received a bin tag or leaflet.

Councillor Roberts also announced that the new bridge connecting Newbold Comyn to South Royal Leamington Spa was open which had reconnected national cycling route 41 back through the Comyn.

The Portfolio Holder for Place, Councillor King, stated that:

- a) together with Stratford-Upon-Avon District Council, a major step forward had been taken with regards to approving the preferred options document for the South Warwickshire Local Plan (SWLP). This

- would now go forward for a major public consultation in early January 2025;
- b) officers were working towards the public consultation starting on 10 January 2025. Officers would be organising both face-to-face and online sessions as part of the consultation. Officers would require support from Members with doing so. Members should specifically support with the management of expectations from the many community groups that would like more engagement;
 - c) formal comments would be sought over the eight-week consultation period, 2025 would be a year where WDC continued further and ongoing engagement with local communities as the sites being allocated were being finalised;
 - d) the process of public engagement was started by offering briefings for Parish and Town Councils which took place during the week beginning 16 December 2024;
 - e) agile applications had been appointed to work alongside WDC to provide a new Planning and Building Control Software. The additional funding that this required was supported by Members in September 2024, this included funding officer capacity to support the deployment of the system. Officers were embarking on an intensive period to design, test, and deliver the new system. The new service would deliver an improved service to WDC's customers and efficiency savings for the Council;
 - f) there had been activity around two unauthorised traveller sites within Warwick District. Enforcement and stop notices had been served on both sites. The applicant on the Henley Road Site had appealed against the non-determination of their application, and there would therefore be an enquiry in 2025. There was also an ongoing appeal against the enforcement notice for the Henley Road Site. An appeal by written representations was taking place. On the site at Back Lane, a planning application had been submitted. However, because there was important information omitted, this was yet to be validated. An appeal had also recently been submitted against the enforcement notice for the Back Lane site;
 - g) Building Control Officers had been required to undertake competency accreditation and assessment to comply with the new requirements from the Building Safety Regulator. Most WDC officers had successfully completed this. This enabled WDC to continue to offer a strong Building Control Service and had helped lead to an increase in WDC's market share for all building control work, from 72% to 80% in the last quarter (quarter four of 2024). Income from this service remained on track to meet WDC budget targets; and
 - h) along with other areas of the Council, the service area plan for Place was being prepared. The priorities for 2025/26 were focused on progressing the SWLP, delivering the new Planning and Building Control Software, and continuing to build on the foundation in the Building Control Service that had been laid.

The Portfolio Holder for Resources, Councillor Chilvers, stated that:

- a) the update on the Local Government Finance Settlement would be provided in due course as it had only been made available shortly before the Council meeting;
- b) WDC's accounts for 2021/22 and 2022/23 were signed off by external audit last week to meet the Government's backstop. This was a milestone in a long journey of bringing external audit reporting back into line with statutory deadlines which would provide assurances of the Council's financial situation to both Members and residents;
- c) the 2023/24 accounts would be signed off in February 2025 which was a necessary step to enable the Council to move forwards with rebuilding assurance with new external auditors, despite disclaimed opinions having been given; and
- d) a timetable with further key dates detailing up until 2026 would be brought to Audit and Standards committee in 2025. This timetable would set out how dates would be achieved in the coming years. Once brought to Audit and Standards Committee, it could then be published.

The Portfolio Holder for Safer, Healthier and Active Communities, Councillor Sinnott, stated that:

- a) with regards to odours in Whitnash that had been discussed at the 27 November 2024 Council meeting, WDC officers had visited the Berry Polymers site in the week commencing 9 December 2024 and were unable to detect obvious odour from the large wastewater tank. However, an odour that was associated with three smaller treatment tanks that were behind the large wastewater tank was identified. The odours and links to the wastewater treatment would continue to be investigated. Berry Polymers management were happy to support this continued investigation; and
- b) the Priory Pools Community Centre had received planning permission.

The Portfolio Holder for People and Organisational Development, Councillor Melrose, stated that:

- a) the Media Team was leading public engagement efforts, including the upcoming launch of the SWLP's Preferred Option consultation in January 2025. This initiative, supported by high-quality print, design, and video production, would ensure that everyone had the opportunity to access information and have their voices heard;
- b) WDC Christmas advertising campaign would go live on December 19, 2024, which would inform residents about changes to waste collection schedules and key Council services. This campaign would feature a range of materials, from social media posts to bin hangers, to ensure that no one was left uninformed;
- c) progress had been made in raising awareness about the introduction of plastic wrapping and packaging recycling;
- d) WDC staff had shown solidarity with vulnerable communities by supporting the "Reverse Advent Calendar" initiative for the LWS Night Shelter, collecting daily items for those in need;
- e) WDC's cost-of-living webpage had been updated to include resources like warm hubs and information on charitable activities;

- f) WDC staff had implemented a new email signature to ensure residents had access to emergency contact information during the holiday office closure;
- g) over 160 members of staff attended a recent ADHD awareness session, with further training planned on mental health and autism awareness. These initiatives reinforced WDC's commitment to championing equality, diversity, and inclusion within the Council and the wider community;
- h) a key target in WDC's Change Programme for this financial year had been surpassed. The focus was now on achieving the goals set for the next year, 2025;
- i) the transition of waste-related calls back in-house was a significant milestone which had been achieved, giving greater control and improving service delivery. The first forms had gone live with the remaining and call switchover to conclude by Friday 19 December 2024;
- j) WDC's Customer Service Team had been working on rolling out the new Customer Record Management (CRM) tool, starting with neighbourhood Waste services before expanding further. This collaboration with IT colleagues exemplified innovation and accessibility, enhancing the customer journey and advancing the digital transformation of WDC's services. The new system would ensure 24/7, year-round accessibility for all residents; and
- k) WDC remained vigilant in addressing cyber security as one of the most critical threats faced by Council's today. A recent briefing for group leaders emphasised this priority, and additional sessions for Councillors were scheduled for the new year, 2025. Safeguarding WDC's systems and community remained a key focus.

The Leader and Portfolio Holder for Strategic Leadership, Councillor Davison, stated that:

- a) at the Council meeting on 2 October 2024, a winter fuel motion was agreed which recommended five actions that had all been completed and communicated to Members. However, there was no formal record of this. This record could not be appended to the 2 October 2024 Council minutes. Instead, upon agreement with the Chairman, this record would be appended to the 18 December 2024 Council minutes (appendices C, D, E, and F);
- b) at the 27 November 2024 Council meeting, the main structural changes in the ongoing reorganisation of Council staff were detailed;
- c) the revised Portfolio Holder remits would be, as detailed at Appendix G to the Minutes, but the changes were summarised as:
 - i. Councillor Billiald Portfolio Holder for Arts, Culture, and Economy.
 - ii. Councillor Williams Portfolio Holder for Decarbonisation.
 - iii. Councillor Sinnott Portfolio Holder for Safer, Healthier, and Active Communities.
 - iv. Councillor Melrose Portfolio Holder for Organisational Development;
- d) the most notable changes related to the Housing, Decarbonisation, Resources and Place Portfolio Holders working together to build or acquire new Council homes. The Development Strategy and Programme Forum, chaired by Councillor Adkins, would oversee

decisions on which housing sites to buy or build. Once agreed, the Housing Development Delivery Board, chaired by Councillor King, would check progress. Both would include Councillor Williams for the decarbonisation aspects and Councillor Chilvers regarding finance. Terms of reference would be written in the new year, 2025;

- e) Members were likely to have seen in the news Central Government's intention to abolish District Councils, like WDC, to create unitary authorities over this Parliament and the next. Members would all have different views on the wisdom or otherwise of this intention, as well as whether it would happen in Warwick District, and if so, how and when;
- f) until there was greater clarity, Cabinet was determined to continue to focus on delivering improvements for local residents. Cabinet remained committed to supporting WDC staff in their work. The implementation of these proposals was not expected in Warwick District in the short-term, when that changed, Members and WDC would be notified; and
- g) Members would have heard several of WDC's key ambitions for the coming year, including hearing views on the emerging local plan from residents and other stakeholders, continuing to decarbonise, improving the Council's finances via the change programme, streamlining waste calls, working through the housing action plan, and enhancing our vibrant, safe and healthy communities.

At the request of the Chairman the Chief Executive informed Council that a staff briefing would take place on Friday 20 December 2024 which would address concerns over changes to local government in light of the Government's English Devolution White Paper.

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

Councillor Kohler asked the Leader and Portfolio Holder for Strategic Leadership how likely it was that Warwickshire County Council would be submitting a letter on 10 January 2025 to Central Government to request the quickest possible unitarisation of the County.

In response, Councillor Davison explained that:

- a) himself and the Chief Executive were meeting other Leaders in Warwickshire on 19 December 2024, and he would therefore provide further updates after this;
- b) WCC would be submitting the letter if it were to be submitted, which was likely. Under a previous administration, the same sort of plans were submitted; and
- c) one suggestion was that Central Government would have a prioritisation group and would select groups that they thought would go forward. It was unknown whether Warwickshire would be in this prioritisation group, however, there was an implication in the Chief Executive's statement that Warwickshire would be. It was likely, but not definite.

In response to a supplementary question from Councillor Kohler Councillor Davison explained that there was no feedback from the WMCA meeting on

devolution, and that feedback would be provided to Councillors after the meeting with other Leaders in Warwickshire.

Councillor Aizlewood sought to understand:

- what practical steps the Council were taking to ensure that local residents were engaged in discussion about the Preferred Options, rather than just being told what would happen to their communities;
- what budget had been set aside to support engagement with local communities; and
- what lessons had been learnt from the previous public consultation to make access to the technical data as easy as possible.

In response, Councillor King explained that:

- a) eight in person Roadshow events had been planned, five of which would be on Saturdays. Four Roadshows were to take place in both Warwick District and Stratford-Upon-Avon District. The roadshows would be located in the main urban areas but would be balanced across the whole area. Some venues were still to be confirmed, and once confirmed the details would be advertised. The events would commence on 25 January 2025 and would be held until 22 February 2025;
- b) the number of in-person events had increased from the previous consultation from six to eight. More events would be held on Saturdays, but not exclusively, enabling more people to attend;
- c) there would be two online public events. The first would be on 16 January 2025 and the second on 24 February 2025;
- d) there would be four online stakeholder events. One was for developers, one was for the Place Board and two were for other stakeholders. These were to take place from January through to February 2025;
- e) Stratford Town Council would be having the SWLP as an agenda item on the Parish Council and Town Council Forum meetings at the end of January 2025. WDC might look to see if there were to be a similar opportunity for them to do the same;
- f) Parish and Town Councils were being given briefings week commencing 16 December 2025. This was in addition to the documents made available across 18 locations in the area which would be advertised on the local plan website;
- g) advanced notice letters were being circulated amongst various stakeholders. Further consultation literature and press releases were to be sent out at the time of the launch;
- h) all Members should communicate these efforts to residents to encourage them to attend events and go to libraries and community centres where information would be available at all times;
- i) the above statements reflected the practical steps WDC were taking to ensure local residents were engaged in discussion. This was a serious programme of engagement which took a lot of time and effort, thus reflecting the volume of work that was being done to reach out to local residents;

- j) information would be kept up to date on the WDC website, the interactive map was being improved to make it easier to use, and frequently asked questions lists were available. This was to encourage residents that it was a live situation in which residents were actively responded to;
- k) the budget set for the engagement was difficult to measure, specific costs of the process would be provided in due course. The cost of public consultation was small as a percentage of the overall budget. The main expenses were focused on advertisement. The cost associated with creation of the interactive map and the consultation software provider was part of wider work that had been commissioned within the SWLP. The main cost associated with this would be in relation to officer time as a significant amount of officer's time would be required to deliver the public consultation; and
- l) the lessons learnt from previous consultations included supporting the public by simplifying the questions. This would make it as easy as possible for people to access. It did need to be recognised, however, that the Local Plan Preferred Options was a major document with a wide range of issues for which different groups would wish to comment.

Councillor Phillips asked the Portfolio Holder for Place that following the second call for sites, there were approximately 600 sites under consideration in the SWLP, with the preferred sites list, there were 12 potential new settlements and 12 strategic growth location options. These locations did not include many of the 600 sites that were identified in the second call for sites, would the sites not currently included new local plan would remain so and would not be supported by the new local plan if brought forward for development.

In response, Councillor King explained that this was not the case. Councillor King went on to explain that:

- a) the preferred options document identified 24 potential strategic growth locations and 12 potential new settlement locations. These provided a strong indication of where large scale strategic growth was considered best located within the plan. These areas did not directly collate with individual sites submitted; they were more groupings of submitted sites;
- b) the preferred options document did not, at this stage, provide a set of allocations for inclusion in the plan, there was more work required to get to this position;
- c) it was desirable to receive feedback from all stakeholders including residents, infrastructure providers, parishes, developers, site promoters or others. Stakeholder's feedback was to be sought throughout the consultation concerning whether the locations for strategic growth were appropriate;
- d) it had to be understood that representations might be made through the consultation that would either help to confirm thoughts on the suitability of locations or encourage consideration of locations that sat outside of the 24 potential strategic growth locations and 12 potential new settlement locations. Further evidence might also be produced

- which could influence decisions taken around the inclusion or exclusion of sites;
- e) it was inaccurate to say that other land or site previously put forward through the call for sites exercises might not ultimately be included in the plan. This suggestion would constitute a consultation that was not genuine and was misleading to the public. However, it was unlikely that supporting sites that were assessed through the Housing and Economic Land Availability Assessment (HELAA) in part A but not deemed suitable for consideration in part B would be considered;
 - f) there would be many site promoters whose sites were not included within the 36 potential locations for growth that would continue to promote their sites for inclusion in the plan. Whilst WDC would put forward a plan for consideration by the inspector, these promoters would also seek to put forward a compelling argument and evidence as to why their site should be included;
 - g) the plan would prioritise suitable brownfield sites. Going forward, further assessment would be given to brownfield sites submitted through the call for sites. Brownfield sites that were likely to be included in the plan had not been specifically set out. The inclusion of brownfield sites would depend on the suitability of the proposals put forward and matters such as neighbouring uses. There had been calls for site submissions for brownfield sites that were not specifically referenced in the preferred options plan at this stage. However, this did not mean that they were not considered for inclusion. The plans of the strategic locations were the only ones that had been presented because this was where the majority of need was required to be met; and
 - h) residents with views on the preferred options were encouraged to engage with the consultation. If residents were in support of the development strategy set out in the preferred options, this should be communicated as well as why they supported the strategy. The concerns of residents were also sought to be understood.

Councillor Phillips asked a supplementary question on how residents could be made aware that there would potentially be other sites coming forward in the future and whether there would be a further consultation for those other sites.

Councillor King agreed that this was a cause for concern. The previous answer from Councillor King addressed parts of Councillor Phillips supplementary question. This would therefore be published on the WDC website. Although, some of the information that Councillor Phillips sought to understand was laid out in the previous answer, however, the information was complex making it difficult to get specific information. This complexity also explained the assumption by residents that there were to be no other sites. Residents required further support to understand this information and avoid such assumptions. All Members and residents were encouraged to engage with the public consultation, in which questions could be answered. A broader consultation would likely be brought forward in the new year, 2025.

Councillor Hales asked the Portfolio Holder for Arts, Culture, and Economy whether Parish and Town Councils could be engaged as part of events strategies moving forwards, for example regarding a Christmas lights event being organised for Whitnash in 2025.

Councillor Davison responded on behalf of Councillor Billiald, in her absence, explained that he would make a note of such a request and ask Councillor Billiald to provide a response in due course.

Councillor Hales asked the Portfolio Holder for Place if assistance or out of hours contact details were provided to residents if there were issues relating to traveller sites during the Christmas shutdown period.

In response, Councillor King explained that this had been flagged and considered and there would be cover over the Christmas period. The help that Councillor Hales provided the last time that there was unwelcome activity relating to traveller sites was acknowledged with gratitude.

Councillor Harrison addressed the Portfolio Holder for Safer, Healthier, and Active Communities when paying recognition to the work responding to the complaints that were being received over odours associated on the Berry polymer site and pressed to get on top of the issue ahead of the warm weather returning.

In response, Councillor Sinnott explained that frustration over the issue was shared. The odours were unpleasant for many residents, which was recognised and understood by those working to resolve the issue. Council officers had been working hard to look for solutions and were placing their utmost attention on this issue. The odours were the biggest problem, and this needed to be dealt with.

Councillor Matecki sought clarification on the constitution with regards to the rules and regulations for agenda item 8 – Questions to the Leader of the Council and Portfolio Holders. Councillor Matecki understood the Constitution permitted only one question per Portfolio Holder statement. The Head of Governance and Monitoring Officer clarified that questions unrelated to Portfolio Holder statements were to be asked separately following questions directly related to the statements. There could be any number of questions on a statement and this was not limited to one as Councillor Matecki had previously thought. The amount of time spent on the items, the number of questions asked, and how the time was being split was being monitored.

Councillor Matecki asked the Portfolio Holder for Place a follow up question from the 27 November Council meeting where he inquired about the external inquiry into the failings of the Planning Department. Councillor King had mentioned at the 27 November 2024 Council meeting that officers were going to respond to questions from the external lawyers by 2 December 2024. Councillor Matecki therefore asked the Portfolio Holder for Place whether the officers responded by 2 December 2024 and whether the external lawyers had submitted an initial report.

In response, the Head of Governance and Monitoring Officer explained, on behalf of the Portfolio Holder for Place, that officers had submitted the response to questions by 2 December and the initial draft report was expected before Christmas 2024.

Councillor Matecki asked a supplementary question requesting for Members to see the draft report in confidence. The Head of Governance and Monitoring Officer explained that this would not be appropriate. All Councillors would be informed when the draft report arrived, and the complainant would also be updated on this. When the final report was published, all Councillors would see a copy of this. It would also be published on the WDC website along with the costs of the investigation.

Councillor Day addressed the Portfolio Holder for Place when stating that the purpose of a local plan was to ensure that development happened in places that the local community supported. The difficulty was that when there was not a five-year housing land supply, developers could bring forward applications for sites outside the local plan. Whilst debates were taking place around the 2025/50 local plan, the fact remained that the 2017 local plan could not presently be supported. This was material in Bishop's Tachbrook and Barford areas because this was the 20% of the District that was not within the green belt. Planning consultations were currently being received for sites outside the 2017 allocations. This could bring forward between 250 and 1000 dwellings in a ward that had already seen thousands of houses delivered within the plan. Councillor Day was therefore concerned about what WDC were doing to ensure that the current housing land supply was reestablished.

Councillor Day therefore asked the Portfolio Holder for Place:

- what action was being taken to reassess those 2017 allocated sites;
- what efforts were being taken to enable those sites to come forward;
- to get the support of the local MP to enable that to happen; and
- what reassurance could WDC provide to the residents of Bishop's Tachbrook with regards to its Parish and Ward Councillors being able to robustly challenge the opportunistic spate of housing development proposals.

In response, Councillor King explained that:

- a) the current situation was likely to remain the same for some time. The five-year housing land supply position was not going to improve overnight. There was a high likelihood of remaining in the same situation until the updated SWLP was adopted. As it got closer to the plan being submitted and it became clearer which sites WDC were supporting, then there might be a desire and ability to encourage some of the sites to come forward for applications for adoption. This would be an attempt to get in a positive five-year position earlier. These matters would be regularly reviewed by officers;
- b) in reference to support for Bishop's Tachbrook residents, following a request from Councillor Day, two senior officers had met with two

- Bishop's Tachbrook Parish Council Members to explain the five-year housing land supply issue to them. This was well received;
- c) all Members had to be aware that when planning applications (such as those to which Councillor Day referred to) came before the Council, they would need to be assessed against the development plan and other material considerations including the National Planning Policy Framework (NPPF). The NPPF tilted the balance in favour of applications for housing in areas that did not have a five-year land supply. Officers would provide Members with appropriate advice in considering planning applications and having regard of the likelihood of success of any future planning appeal;
 - d) Members should have noted that the updated NPPF placed many other locations in Warwick District at greater threat because of WDC's lack of a five-year housing land supply. For example, when considering the development of homes in the greenbelt this should not be regarded as an inappropriate development where a Council did not have a five-year housing land supply. Therefore, even green belt locations were now considerably under threat. This factor might have an impact on the locations where WDC received speculative planning applications in the future;
 - e) with regards to the steps being taken to assess that the 2017 allocated sites were not coming forward for development, officers within the Planning Policy Team were working on this. However, the priority was on the SWLP and preparing for public consultation immediately in 2025; and
 - f) the three Site Delivery Officers were working hard to do what they could to work with promoters, developers, development management and other colleagues, including those at WCC, to bring sites forward. However, Members should be aware that many of the factors that impact housing delivery were outside of WDC's control.

Councillor Day sought reassurance from the Portfolio Holder for Place that they would work closely with Matt Western MP, specifically as he had raised concerns and objections to the Chesterton Gardens site, and the Secretary of State to prevent a problem occurring rather than rectifying it afterwards. It was unsuitable to wait for the 2025/26 local plan to stop these developments happening in areas where it was not desirable.

Councillor King responded by explaining that this request would be met as he endorsed this notion. He also recognised the conflicts of opinion about the Chesterton Gardens site that Councillor Day had mentioned which had now reached some resolution.

Councillor Day addressed the Portfolio Holder for Neighbourhood when explaining that there had been significant challenges with car parking at Oakley Wood but there had been challenges with overnight parking/camping, particularly in the summer.

Therefore, he asked parking restrictions were planned and when they would be put into force.

In response, Councillor Roberts reassured Councillor Day that action had and was being taken. Councillor Roberts explained that:

- a) the subject was raised by a resident in September 2023. Since this point, there had been ongoing contact with this resident. The last contact was in September 2024;
- b) the resident's concern had been taken on board and therefore both the Parking Managers and Bereavement Managers had been communicated with. Both managers had not considered the concern as a major issue, however, they were aware of some campervans staying overnight and the online advertisement;
- c) enforcing the carpark at Oakley Woods was unfortunately not straightforward as it did not have a parking order on it which would allow the WDC's parking team to enforce the car park;
- d) after speaking with both managers, one option that was discussed was to install a height restrictive barrier. After investigation, this option was deemed impractical for the operation of the crematorium;
- e) as the car park did not have a parking order, it was agreed to be added to the next round of parking orders. This was a process which needed to be verified by the legal team before being sent to WCC for their Cabinet to sign off.
- f) the current set of parking orders contained 32 proposals which were going to the WCC Cabinet for approval;
- g) The 32 proposals were due to go to WCC Cabinet before the end of 2024 to go on their forward plan and to go to WCC's March Cabinet meeting;
- h) there was hope that parking orders would have gone in earlier in 2024, however, it was decided to include the fees and charges in this round as the implementation date for the new charges had moved from January to April;
- i) enforcement of Oakley Wood car park was not seen as an urgent issue amongst the 32 proposals and therefore was not put through separately. This was because little feedback had been received from the public on this subject; and
- j) if WCC Cabinet signed the enforcement of Oakley Wood car park off in March 2025, enforcement would be able to start at this point if it was needed.

Councillor Day asked a supplementary question, highlighting the issue had been raised a number of times and that a proactive step of contacting the websites that were promoting the carpark as a suitable campsite and advise them it was not appropriate.

In response, Councillor Roberts confirmed that he would ask officers to look into contacting the websites.

Councillor Boad asked the Leader Portfolio and Holder for Strategic Leadership whether they thought they should be involved as early as possible since the process could be fast moving and there were people who wished to be in a different situation than WDC.

At the request of the Chairman, the Chief Executive explained that the 10 January 2025 was not the deadline for the submission of the unitary proposal, it was about seeking a deferment of elections. The intention of the meeting on 19 December 2024 was to identify the views and proposals. A briefing for Members on the content of the Devolution White Paper might be appropriate at some point in January 2025. The Devolution White Paper had been issued as of 16 December 2024 meaning there had been a short time scale between the paper being issued and the 18 December 2024 Council meeting taking place. There were other time frames that Members should be aware of that were longer than January 2025.

Councillor Davison added that:

- a) he had similar thoughts to those expressed by Councillor Boad;
- b) with regards to engagement with other Leaders and Chief Executives, they had been contacted but there had been no response. This might have been because Leaders and Chief Executives desired to wait and hear exactly what was being communicated by Central Government;
- c) all parties would not necessarily be open to negotiation;
- d) feedback would be provided after the meeting on 19 December 2024; and
- e) there was not much more that could be said at this stage.

Councillor Boad responded by stating that elections would not be postponed if a plan had not been prepared to go forward with to at least be considered. Councillor Boad therefore stressed the importance of the Leader and Portfolio Holder for Strategic Leadership's presence on this consideration.

In response, Councillor Davison agreed that presence was required. However, Councillor Davison understood that the regulations allowed WCC to go forward, with a request to postpone the elections, without WDC if they so wished.

Councillor Milton addressed the Portfolio Holder for Safer, Healthier, and Active Communities when explaining that there was continued chaos related to parking at Castle Farm that was detailed in the 27 November 2024 Council meeting, and sought a response to the request for a round table discussion on this matter, from him and his fellow Ward Councillors,

Councillor Sinnott felt that a response had already been provided and offered to provide some additional history on the matter.

In response, Councillor Milton clarified their question which was in relation to why a response had not been provided and when one could be expected to be received. He sought to understand when the Kenilworth St John's Ward Councillors would be able to set up the roundtable discussion that they had offered to facilitate with the Portfolio Holder for Safer, Healthier, and Active Communities, Everyone Active, and the football clubs who were all key to addressing the issue.

In response, Councillor Sinnott explained that he would follow up on this matter after speaking with officers.

Councillor Payne addressed the Portfolio Holder for Safer, Healthier, and asked whether it was possible to ask Citizens Advice South Warwickshire for a quarterly report on how well the outreach work was performing against the key performance indicators (KPIs).

In response, Councillor Sinnott explained that this would be possible. There were 12 KPIs, some of which were annual, and others were ongoing. Councillor Sinnott was keen to receive feedback to review what was working well and what was not. The outreach programme would be evidence led and address issues where there was need. This need would be dictated by both officers and Citizens Advice.

The Chairman closed the item by wishing a happy and relaxing Christmas and a healthy New Year to all Councillors, residents, and staff. Councillor Margrave offered reassurance that although it was a difficult time to receive potentially worrying news about the future of local government, Councillors would do whatever was necessary to minimise concerns in light of the Government Devolution White Paper.

64. **Common Seal**

It was proposed by Councillor Davison, seconded by Councillor Melrose, 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 Chairman closed the meeting by wishing a happy and relaxing Christmas and a healthy New Year to all Councillors, residents, and staff. Councillor Margrave offered reassurance to all officers of the Council that although it was a difficult time to receive potentially worrying news about the future of local government, Councillors would do whatever was necessary to minimise concerns in light of the Government Devolution White Paper.

(The meeting ended at 7.33pm)

CHAIRMAN
19 February 2025

Response to Questions following Council on 27 November 2024:

1. What is the current vision and aims for the sites?

We recognise the importance of these sites and want to ensure we achieve the best outcomes for design, affordability and sustainability.

We have three key ambitions for these sites:

- For a significant percentage to be affordable, as part our commitment to address the national housing crisis: 40% is the minimum, but we're aiming higher.
- For these to be exemplar developments, for example, with passive house standard homes.
- For these developments to complement the local Kenilworth community.

2. When will proposals and timelines be shared with the community and for thorough consultation process?

We will appoint lead consultants very soon, as we are currently undertaking the selection process. This is slightly more complex than usual as we want to ensure we have the right combination of expertise to deliver on our commitment to affordable homes and high sustainability standards. Once the consultants are appointed, probably before Christmas, we will let members know and a press release will be issued.

3. What are the costs per month associated with holding this capital asset on the books

We recognise we're not as far forward with these sites as we'd like to be and we share that frustration with members and residents. The decision was taken for WDC to carry this financial cost four years ago to enable the school to complete its successful move and that it's very important that the sites are brought forward for high quality housing as soon as possible.

The monthly costs of the sites are:

- Internal Financing costs approximately £140k
- Securing the sites - £18k per month going forward

It's important for members to acknowledge, this administration inherited a hugely challenging legacy; not only the Kenilworth Swimming pool and the Kenilworth Wardens projects, - both highly complex and highly visible, but with still greater bearing on the Council, a housing compliance regulatory framework dramatically changed by the Grenfell Tower disaster. The response to this has required significant Member and Officer focus, which has meant that work on the sites has been slower than is desirable. In recent weeks we have been able to allocate additional staff time to accelerating the work on the school sites and as set out before we will bring forward a timetable that all members will be able to see.

Arts, Culture and Economy Portfolio Statement – Cllr Billiald

Events

Our Business Support & Events Team have just come to the end of an intensive period supporting a number of pre-Christmas events across the district, including celebrating Diwali with a new and colourful light, and four Christmas light switch-on events. There are still more smaller events through the Christmas period. It brings to an end a year when the team have supported over 160 events across the district. In the New Year the team will be starting work on an Events Strategy which will help shape our priorities for how we can use our resources to best support events to serve our communities and support local businesses.

Pantomime

This year's pantomime is now well underway in the Spa Centre. There will be over 50 performances of "Beauty & the Beast" and I am pleased to report that so far we are on track for another record year, both in terms of tickets sold and in income generated. I can also confirm that, following a procurement exercise, we have entered into a new five-year contract with Imagine Theatre, our existing pantomime partner, to produce the pantomime at the Spa Centre for the next 5 years. It's therefore not too early to buy a ticket for next year's pantomime which will be "Peter Pan".

Pump Rooms Roof

A contractor has been procured and we now await contracts. A letter of intent has been issued to begin enabling works. The ACE Mend draw-down has begun. We received £456,764 of £2,283,821. The next draw-down is due in January 2025. Works are pencilled in to start February 2025. The overall cost of the project is £3,118,300.00.

Town Hall

The months of work on the first phase of Town Hall is now coming to an end. We have a target completion date for works of the end of February, however the committee chamber will be ready for use earlier in the month. The focus of this work, which has been supported by a grant from the Future High Streets Fund, will see the building made more adaptable and flexible for the future. Works include a new lift, improved fire safety measures which will significantly increase the capacity of the Assembly Room, new toilets on the ground floor and a better and more welcoming entrance area. We are looking to find a convenient date to offer members a tour of the works once these are completed.

I would just like to thank all of our Officers and particularly the arts and events teams who have been working extremely hard during this Festive period, supporting our communities across the District in their celebrations.

Dear Councillors,

Thank you for your recent motions submitted to Council, regarding the district's response to changes in the winter fuel allowance. I am pleased to inform you that across WDC efforts are being made to assist pensioners who may be missing out on winter fuel payments and we are doing all that we can to minimise the impact on our most vulnerable residents.

Pensioners who are already known to the Council

Within the Customer and Digital Services team, a targeted campaign is underway to contact all pensioners that we anticipate will be eligible for Pension Credits. As you will know, Pension Credits is a passport benefit to receiving the Winter Fuel Allowance, but it's advantages do not stop there. Not only does it provide extra money for low-income households overall, but it can also open numerous other benefits, such as free NHS dental treatment.

The team has used data already held by the Council for existing benefit claimants to estimate eligibility, based on what we know about their income. Through our data sharing agreement with the Department for Work and Pensions, we can see which pensioners are already in receipt of Pension Credits and which are not. From our data, we have identified the following:

- 2,646 pensions within Warwick District are known to WDC and are currently claiming Council Tax Reduction or Housing Benefit.
- 2,285 are single-person claimants, and 361 are couples.
- Of the couples, 52 are mixed age and do not qualify for Pension Credits.
- Of the remaining 2,594 pensioners, 1,312 already receive Pension Credits.
- 217 receive Savings Credits and would not qualify for Pension Credits.
- This leaves 1,065 pensioners that we have knowledge of, who are not claiming.

We anticipate that around 100 pensioners who are not currently claiming, would be eligible for Pension Credits. We have also considered Housing Revenue Account tenants and of those identified as potentially being eligible, 20 are our tenants. The monetary value of pension credits varies depending on the claimant's circumstances, but from our data, we estimate that if every potential claimant were eligible, this would release around £200,000 of unclaimed benefits.

To enact our rapid take-up campaign, Customer Services are currently telephoning all pensioners who we believe could be eligible. Once contact is made, we're informing the customer of how they can apply for pension credits directly with the DWP (which is the fastest route); either online or over the phone. Unfortunately, pension credit is not a benefit that our own advisors can administer, so they are unable to offer face-to-face support. However, this is also being facilitated via other means.

The Customer and Digital Services team have established a partnership with the Citizens Advice Bureau, who already have advisors that are very familiar with the pension credit claim process. We have arranged for CAB representatives to be present in the Pump Rooms on a Thursday afternoon and where residents require more in-person support to make a claim, Customer Services staff are arranging appointments for them to meet with a CAB advisor. These meetings can take place at either the CAB offices, or at the Pump Rooms.

The first CAB sessions at the Pump Rooms took place on October 10th. Attention has not been drawn to these arrangements yet, as both Customer Services and the CAB wished to bed-in the arrangements and ensure that they work properly before raising greater awareness. The Council is very grateful to the CAB for the assistance they are providing, and the partnership we have started will offer long-term benefits to the residents of Warwick District.

Unfortunately, monitoring who successfully claims Pension Credits after our intervention is not an exact science and we can only go on data we receive back from the DWP. Typically, this can have a time lag of 3 to 4 months.

In terms of the broader claimant base who we do not believe would be immediately eligible based on income data, we still intend to reach out and urge them to check. Pension Credits has a complex set of eligibility rules and allows different factors to be considered, such as mortgage payments. This is beyond the data that we hold and as such it is impossible for us to model effectively. In these circumstances, we will be writing to each household informing them how to check their eligibility, both online, via the DWP or an advice service such as the CAB. This includes our HRA tenants who may be eligible but are not currently claiming.

Encouraging pensioners to check their eligibility independently is very important. Based on our current data, we estimate that 164 pensioners will miss out on Pension Credits by £10 or less. It is entirely possible that some of those pensioners will have other expenses which could offset the £10, which we simply do not know about.

[Pensioners not Already Known to the Council](#)

Unfortunately, there is very little that can be done to assist pensioners who are not already known to the Council outside of the benefits system.

The 2021 census estimated the population of Warwick to be 148,500 people and of that, 18.8% of the population were over 65, which is around 27,900. Only around 10% of this population is known to the Council through the process of claiming Housing Benefits or Council Tax reduction. For the remainder we know very little about them, making identifying and targeting extremely difficult. To try and mitigate this further, the Council's Election Team have provided Customer and Digital Services with a cut of the edited electoral roll. This doesn't specifically indicate the age of people, but it does contain a marker for those who are over 75. We are currently processing this file to remove people who are already within the benefits system, identify where couples live at the same address (so we only write to them once) and removing types of residencies which would not be eligible (such as care homes). The original file contained around 12,000 entries and we anticipate that once processing is complete, we will have around 5,000 letters to send.

Unfortunately, for those pensioners who are under 75 and are not known to us through the benefits system, we have no legitimate means of identifying where they live or who they are. This is where the Council's more generic marketing approaches must be relied upon. We will also write out to our Parish and Town Councils to encourage them to market the services both WDC and our partners can offer to assist people with making a pension credit claim and create a specific "crib sheet" for Councillors who may be contacted by residents seeking assistance.

Other Local Considerations

It is possible that the impact of losing the winter fuel payments may not be as pronounced in Warwick as it is in other towns and cities, based on other data available to the Council.

Whilst it has been observed at a national level that rural communities are more likely to be impacted by the removal of winter fuel payment, Warwick District's rural communities typically represent some of the most affluent households in the area. This is illustrated in Figure 1, based on [data sourced from the ONS](#) around deprivation. This data could indicate a lower overall impact as pensioners in these rural areas may have greater household resilience to deal with the loss of winter fuel payments.

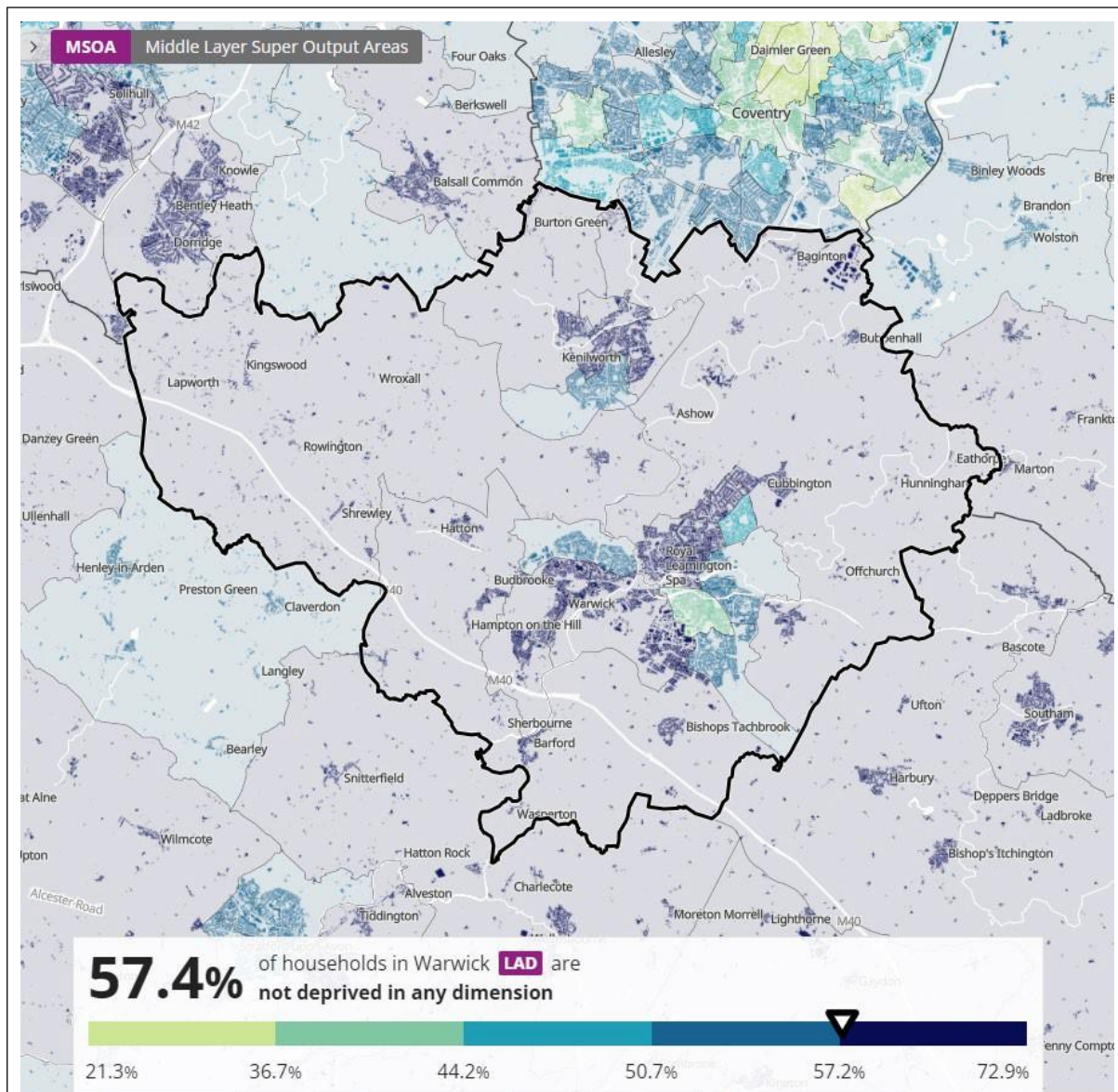


Figure 1. Warwick District Deprivation Data

Source:

<https://www.ons.gov.uk/census/maps/choropleth/population/household-deprivation/hh-deprivation/household-is-not-deprived-in-any-dimension/?lad=E07000222>

When compared to population data sourced from the 2021 Census, shown in figure 2, it can also be seen that most of Warwick’s pensionable population live in less deprived areas. There are of course exceptions to this, such as some areas of Kenilworth and Lillington, but this trend can contribute significantly to understanding why only 10% of the pensioner population is known within the benefits system.

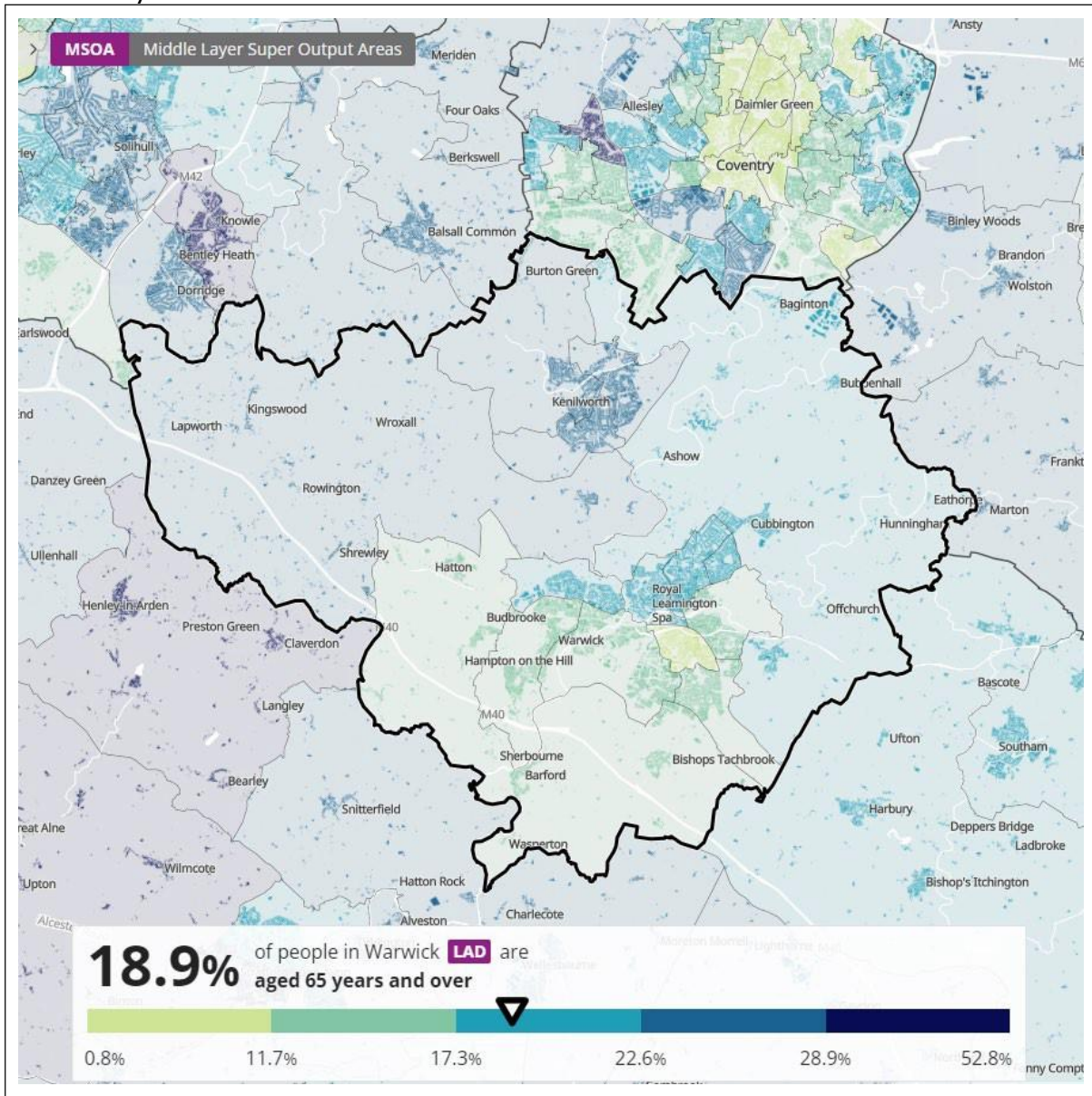


Figure 2. Population of Over 65’s within Warwick

Source:

<https://www.ons.gov.uk/census/maps/choropleth/population/age/resident-age-3a/aged-65-years-and-over?lad=E07000222>

When considering the types of fuel used to heat homes within Warwick District, the reliance on more expensive fuels such as oil is prevalent in some areas such as Kingswood and Leek Wootton, but overall, oil as a single source of heat represents just 2.5% of households. This is shown in figure 3. Other more expensive forms of heating such as wood or bottled gas also make up a small percentage of households, at 0.2% and 1% respectively. 75% of households

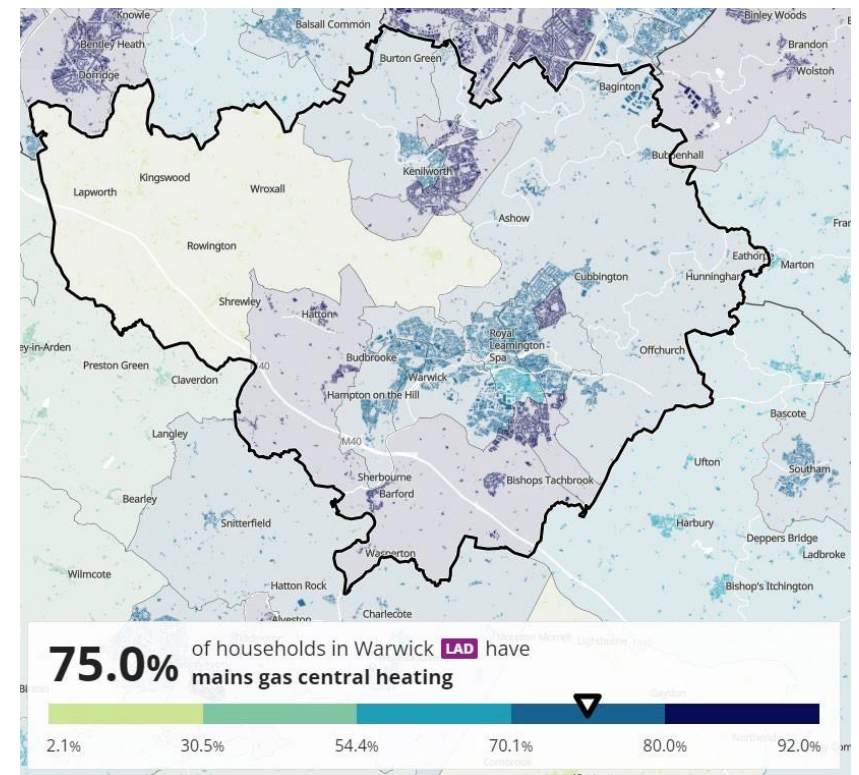
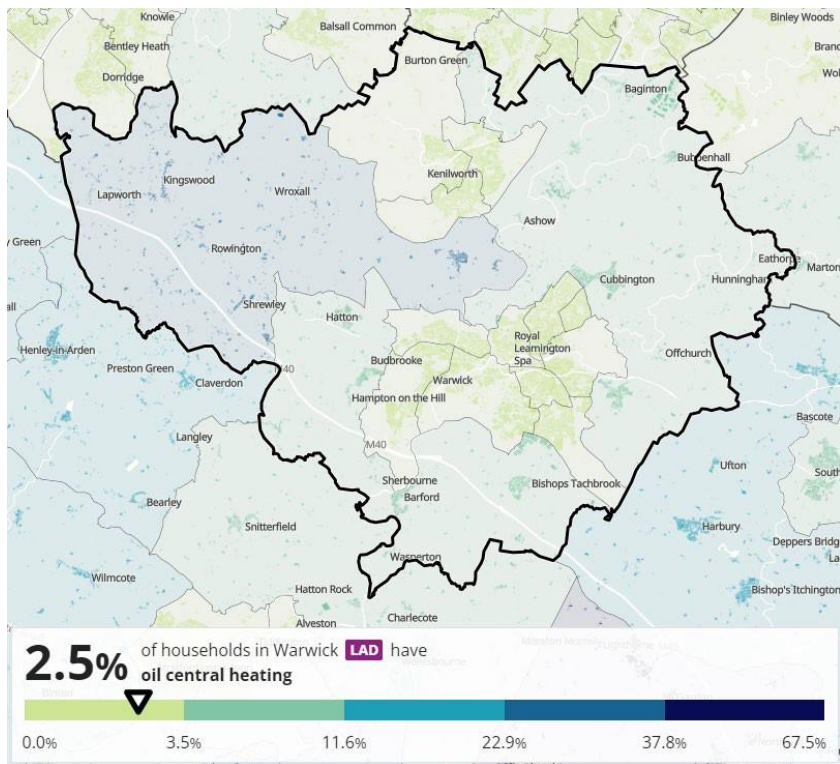


Figure 3. Household Heating by Fuel Type

The use of oil as a means of heating is not common in most areas of Warwick, with only 2.5% of households using the fuel as a single source of heat. Most households use mains gas as their primary heat source. A notable exception to this however is the Kingswood and Leek Wootton areas, with 31.8% of rely on oil as their primary heat source. A further 37.2% of households in the area use mains or bottled gas, and 9.7% use electricity. Whist this does demonstrate that a larger proportion of households in this area are reliant on more expensive sources of heat, 62.4% of households in this area exhibit no dimensions of deprivation, and a further 30% indicate one. Dimensions of deprivation include employment, education, health and disability and households overcrowding.

Source: <https://www.ons.gov.uk/census/maps/choropleth/housing/type-of-central-heating-in-household/heating-type/mains-gas-only/>

<https://www.ons.gov.uk/census/maps/choropleth/population/household-deprivation/hh-deprivation/household-is-not-deprived-in-any-dimension/?msoa=E02006522>

use gas as their only heat source, a further 10.5% (typically in urban areas) use electricity, and 7.7% have two or more non-renewable sources of heat.

The Council's climate change team are also currently delivering schemes such as the Home Upgrade Grant (HUG) which can improve the energy efficiency of low-income households and off-gas properties. Further work is also being undertaken with Act on Energy through a Service Level Agreement to provide a Complex Caseworker to specifically work in Warwick district and assist vulnerable households with home energy as well as financial signposting support, including support to access hardship funds and writing off fuel debt. Currently, the SLA is under review and discussions have been widened to include supporting pensioners falling just above the Pension Credit threshold. This is funded via the UKSPF.

The spectre of excess winter deaths caused by the removal of the winter fuel payment is also a significant consideration. Any preventable death is a tragedy and any steps that could be taken by the Council to reduce such incidents should be pursued.

When exploring this issue further, it was considered that a large contributing factor to excess winter deaths is overall health, and in this area, Warwick is within the top 30% of all local authority areas. More than 85% of our population indicated during the 2021 census that their overall level of health was good (33.5) or very good (51.6).

Unfortunately this data is not available at any geography below district level, but the number of residents reporting very bad health (0.8) or bad health (3.0) overall is low. Whilst this is still a concern, the data indicates a lower overall risk, particularly in comparison to our neighbouring areas and the overall national picture.

Source: <https://www.ons.gov.uk/census/maps/choropleth/health/general-health-age-standardised/health-in-general/very-good-health/?lad=E07000222>

Next Steps

1. Customer and Digital Services will continue their rapid take-up campaign to encourage eligible pensioners to sign up to Pension Credits.
2. A letter will be sent out to all other known pensioners encouraging them to check their eligibility.
3. Customer and Digital Services will continue to work with the Citizens Advice Bureau to promote the help that is available to people.
4. The media team will continue with more generalised encouragement for pensions across Warwick District including those who are not known to us, to check their eligibility.
5. The Climate Change team in conjunction with Housing will continue to encourage the take up of grant funding to improve energy efficiency in both private and council properties.
6. The Climate Change team will continue to develop the SLA with Act on Energy to provide tailored advice to vulnerable households within Warwick District.
7. Contact Town and Parish Council's to ask that they engage with their communities to encourage the take up of Pension Credits and provide advice as to how they can support this.
8. The take up of pension credits will be monitored, but it must be noted that the data available to do this is reliant on a 3rd party and can lag significantly. We will also have no visibility of why a household is refused pension credits.

I trust that this information is sufficient to address the issues raised in your motions. However, should you require further information or have any questions about the steps that we are taking, please do not hesitate to let me know.



**Councillor Ian Davison
Leader of the Council
Member for Leamington Brunswick**

Warwick District Council
Town Hall, Parade,
Royal Leamington Spa CV32 4AT

The Rt Hon Angela Rayner MP
Secretary of State for Housing
Communities and Local Government

direct line: 07776 157932

email: ian.davison@warwickdc.gov.uk

By email
angela.rayner.mp@parliament.uk

web: www.warwickdc.gov.uk

**our ref: ID/
your ref:**

8 January 2025

Dear Secretary of State,

Following adoption of a motion at full Council, I am writing to you as Leader of Warwick District Council to request funding for a local advertising and outreach campaign to raise awareness about Pension Credit and other benefits, targeting all pensioners who may be eligible but are not currently claiming.

Warwick District Council believes:

- That the Winter Fuel Payment has been a lifeline for many older people across the UK and that restricting its availability solely to those on Pension Credit risks leaving many pensioners in financial hardship.
- While some pensioners currently in receipt of the Winter Fuel Payment may not require it, many thousands across Warwick District sit just above the cut-off for Pension Credit and will now lose their allowance. An "opt out option" for those not in need of the WFP would be a more compassionate approach for the vulnerable in our society often too proud to ask for help.
- The decision to means-test Winter Fuel Payments, especially with such short notice and without adequate compensatory measures, is deeply unfair and will disproportionately affect the health and well-being of our poorest, older and most vulnerable residents, and will disproportionately impact our rural residents.

I would be grateful if you could acknowledge receipt of this letter.

Yours sincerely

A handwritten signature in cursive script that reads 'Ian Davison'.

Councillor Ian Davison
Leader of the Council
Member for Leamington Brunswick

**Minute 62
Appendix E**



**Councillor Ian Davison
Leader of the Council
Member for Leamington Brunswick**

Warwick District Council
Town Hall, Parade,
Royal Leamington Spa CV32 4AT

Rt Hon Rachel Reeves MP
Chancellor of the Exchequer

direct line: 07776 157932

email: ian.davison@warwickdc.gov.uk

By email:
rachel.reeves.mp@parliament.uk

web: www.warwickdc.gov.uk

**our ref: ID/
your ref:**

8 January 2025

Dear Chancellor

Following adoption of a motion at full Council, I am writing to you as Leader of Warwick District Council to request a review of the decision to means-test the Winter Fuel Payment, and ask the government to ensure that vulnerable pensioners, particularly those who do not claim Pension Credit, are protected from fuel poverty.

Warwick District Council believes:

- That the Winter Fuel Payment has been a lifeline for many older people across the UK and that restricting its availability solely to those on Pension Credit risks leaving many pensioners in financial hardship.
- While some pensioners currently in receipt of the Winter Fuel Payment may not require it, many thousands across Warwick District sit just above the cut-off for Pension Credit and will now lose their allowance. An "opt out option" for those not in need of the WFP would be a more compassionate approach for the vulnerable in our society often too proud to ask for help.
- The decision to means-test Winter Fuel Payments, especially with such short notice and without adequate compensatory measures, is deeply unfair and will disproportionately affect the health and well-being of our poorest, older and most vulnerable residents, and will disproportionately impact our rural residents.

I would be grateful if you could acknowledge receipt of this letter.

Yours sincerely

Councillor Ian Davison
Leader of the Council
Member for Leamington Brunswick



Department
for Work &
Pensions

Caxton House
Tothill Street
LONDON
SW1H 9DA

ministers@dwp.gov.uk



HM Treasury

HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

Councillor Ian Davison
Leader of the Council
Member for Leamington Brunswick
Warwick District Council
Town Hall
Parade
Leamington Spa
CV32 4AT

Our ref: MC2024/90822

4 December 2024

Dear Councillor Davison,

Thank you for your letters of 22 October to the Chancellor of the Exchequer and the Secretary of State for Housing, Communities and Local Government regarding the decision to restrict Winter Fuel Payment eligibility. I am replying as the Minister for Pensions, and I apologise for the delay.

In face of the substantial pressures faced by the public finances this year and next, the Government has had to make hard choices, including targeting the Winter Fuel Payment, to bring the public finances back under control. This decision means that the Winter Fuel Payment will be targeted to low-income pensioners who need it.

Despite this very difficult decision, we are determined to protect the poorest pensioners and target support to those in greatest need. Winter Fuel Payments will continue to be paid to pensioner households with someone receiving Pension Credit or certain other income-related benefits. They will continue to be worth £200 for eligible households, or £300 for eligible households with someone aged over 80.

I would like to thank you for sharing the suggestion of an opt-out option regarding eligibility for the Winter Fuel Payment. Linking entitlement to Pension Credit and the other qualifying income-related benefits payable to pensioners ensures that we can pay almost all eligible pensioners automatically, without the need to claim the Winter Fuel Payment.

The Government wants those eligible for Pension Credit but not currently claiming it to receive the benefits they are entitled to, including the Winter Fuel Payment. As part of this, we have started a new drive to increase take-up of Pension Credit, which is currently far too low - with a third of eligible pensioners not claiming. We know there are low-income pensioners who are not claiming Pension Credit, and we really urge those people to apply.

Claims for Pension Credit can be made online at: www.gov.uk/pension-credit/how-to-claim. The service is available to use 24/7, and provides those who may struggle to make their claim alone, the flexibility to have a friend or family to support them when making their claim, at a time that is most convenient to them. Pension Credit claims can also be made through the Freephone telephone number 0800 99 1234, and there is an option to complete a paper application form.

The Government is absolutely committed to supporting pensioners and giving them the dignity and security they deserve in retirement. That is why, through our commitment to protect the Triple Lock, over 12 million pensioners will benefit. Over the course of this parliament, the yearly amount of the basic State Pension is forecast to increase by around £1,500. Protecting the Triple Lock even in the current economic climate shows our steadfast commitment to pensioners.

The Warm Home Discount scheme provides eligible low-income households across Great Britain with a £150 rebate on their electricity bill. This winter, we expect over three million households, including over one million pensioners, to benefit under the scheme.

At the Autumn Budget 2024, the Chancellor announced that £1 billion, including Barnett impact, will be invested to extend the Household Support Fund in England by a full year until 31 March 2026, on top of the six months already announced, and to maintain Discretionary Housing Payments in England and Wales. This will help struggling households facing the greatest financial hardship.

We are supporting consumers, including pensioners, through the Government's ambitious Warm Homes Plan which will transform homes across the country by making them cleaner and cheaper to run from installing new insulation to rolling out solar and heat pumps. We have committed £3.4 billion over the next 3 years towards heat decarbonisation and household energy efficiency. This includes £1.8 billion to support fuel poverty schemes, helping over 225,000 households reduce their energy bills by over £200.

Our other steps include cutting waiting times in the NHS which will help many pensioners currently waiting in pain and discomfort for treatment, and delivering the economic stability which is so crucial for pensioners.

Given the substantial pressures faced by the public finances this year and next, the Government has had to make hard choices to bring the public finances back under control.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'E Reynolds'.

Emma Reynolds MP

Minister for Pensions



Membership and roles of the Cabinet 2024/January 2025

Portfolio Area Name	Portfolio Holder	Service Area(s)	Teams
Arts, Culture & Economy	Councillor Ella Billiald	Place, Arts and Economy Phil Clarke	<ul style="list-style-type: none"> • Enterprise • Economic Development & Regeneration <ul style="list-style-type: none"> ○ Business Support & Events ○ Markets • Local Tourism • Arts & Culture <ul style="list-style-type: none"> ○ Town Hall ○ Royal Spa Centre & Theatre ○ Royal Pump Rooms ○ Art Gallery & Museum ○ Arts development
Decarbonisation	Councillor Lowell Williams ⁱ	Strategic Director Dave Barber	<ul style="list-style-type: none"> • Low Cost Low Carbon Energy Programme: council public buildings and the wider public • General Fund Assets Management • Relocation • Housing development and new homes programme: LCLCE aspects
		Housing Lisa Barker	<ul style="list-style-type: none"> • Retrofitting and renewables on Council housing
Place	Councillor Chris King ⁱⁱ	Place, Arts and Economy Phil Clarke	<ul style="list-style-type: none"> • Building Control (Warwick & Rugby) • Development Management <ul style="list-style-type: none"> ○ Enforcement ○ Land Charges ○ Conservation

			<ul style="list-style-type: none"> • Planning Policy & Delivery <ul style="list-style-type: none"> ○ Local Plan & Planning Policy ○ Development ○ Major Sites Implementation
		Strategic Director Dave Barber	<ul style="list-style-type: none"> • Housing development programme (delivery)
Safer, Healthier and Active Communities	Councillor Jim Sinnott	Community Protection Marianne Rolfe	<ul style="list-style-type: none"> • Environmental Health & Licencing <ul style="list-style-type: none"> ○ Environmental protection ○ Food safety ○ External Health & Safety ○ Licensing • Community Safety <ul style="list-style-type: none"> ○ CCTV & Emergencies ○ Community Safety ○ Safeguarding • Corporate Health & Safety • Private Sector Housing <ul style="list-style-type: none"> ○ HEART
		Customer & Digital Services David Elkington	<ul style="list-style-type: none"> • Community Health & Wellbeing
		Head of Neighbourhood Services Zoe Court	<ul style="list-style-type: none"> • Sports & Leisure <ul style="list-style-type: none"> ○ Leisure Contracts ○ Outdoor Sport ○ Active Communities ○ Business Support
Neighbourhood	Councillor Will Roberts ⁱⁱⁱ	Head of Neighbourhood Services Zoe Court	<ul style="list-style-type: none"> • Bereavement Services <ul style="list-style-type: none"> ○ Oakley Wood Crematorium & Cemeteries • Contract Services <ul style="list-style-type: none"> ○ Parks and Open Spaces Maintenance ○ Off Street Parking ○ Refuse & Recycling Collections

			<ul style="list-style-type: none"> ○ Public Conveniences ○ Contract Support ○ Business Support ○ Sherbourne Recycling Shareholder ● Green Spaces <ul style="list-style-type: none"> ○ Public Open Spaces and Play Areas ○ Wildlife Habitats
		Strategic Director Dave Barber	<ul style="list-style-type: none"> ● Biodiversity
Housing	Councillor Helen Adkins ^{ivv}	Housing Lisa Barker	<ul style="list-style-type: none"> ● Housing Revenue Account ● Housing Needs <ul style="list-style-type: none"> ○ Homelessness/ Temporary Accommodation ○ Housing Advice & Allocations ○ Rough Sleeper Initiative ● Landlord Operations <ul style="list-style-type: none"> ○ Building & Estates Services ○ Lifeline ○ Fire Safety ● Retrofitting and renewables on Council housing ● Housing Strategy (client) <ul style="list-style-type: none"> ○ Housing Development Programme ○ New Affordable Housing ● Business Development & Change, within Housing Service <ul style="list-style-type: none"> ○ Regulatory Co-ordination ● Milverton Homes, Joint Ventures & WDC Development (client) <ul style="list-style-type: none"> ○ Milverton Homes Shareholder ● Assets <ul style="list-style-type: none"> ○ Compliance ○ Repairs & Maintenance Facilities ○ Technical Surveying & Contractors ○ Fire Safety & Building Safety ● Asset Management Strategy

		Strategic Director Dave Barber	<ul style="list-style-type: none"> • Housing development programme (business cases)
People and Organisational Development	Councillor Jessica Melrose	Customer & Digital Services David Elkington	<ul style="list-style-type: none"> • Application Support • Helpdesk & Technical Support • Infrastructure Services • Geographical Information Systems (GIS) <ul style="list-style-type: none"> ◦ Digital Mapping Services ◦ Local Land & Property Gazetteer (LLPG) ◦ Street Naming & Numbering • Transformation • Benefits & Customer Services
		People & Communications Tracy Dolphin	<ul style="list-style-type: none"> • Human Resources <ul style="list-style-type: none"> ◦ Corporate Human Resources ◦ Employee relations ◦ People Management ◦ Corporate Payroll • Learning & Development • Equality, Diversity & Inclusion • Marketing & Communications <ul style="list-style-type: none"> ◦ PR & Social Media ◦ Design ◦ Website • Print Room
Resources	Councillor Jonathan Chilvers ^{vivii}	Finance Andrew Rollins	<ul style="list-style-type: none"> • Accountancy <ul style="list-style-type: none"> ◦ Grants & Loans Systems • Audit & Risk <ul style="list-style-type: none"> ◦ Corporate Fraud Investigation ◦ Corporate Insurance ◦ Internal Audit ◦ Risk Management • Procurement & Creditors

			<ul style="list-style-type: none"> • Exchequer <ul style="list-style-type: none"> ○ Council Tax & Business Rates ○ Rates Collection • Financial support of HRA, Milverton Homes and Joint Ventures
		Strategic Director Dave Barber	<ul style="list-style-type: none"> • Housing development programme: finance
Strategic Leadership	Councillor Ian Davison	Chief Executive Chris Elliott & Deputy Chief Executive Darren Knight	<ul style="list-style-type: none"> • Corporate strategy • Strategic Partnerships
		Governance Services Graham Leach	<ul style="list-style-type: none"> • Information Governance • Civic & Committee <ul style="list-style-type: none"> ○ Public Council, Cabinet & Committee Meetings ○ Councillor Support ○ Chairman Support • Electoral Services <ul style="list-style-type: none"> ○ Electoral Registers ○ Public Elections & Referendums • Policy Performance & Complaints <ul style="list-style-type: none"> ○ Corporate Support • Shared Legal Service
		Strategic Director Dave Barber	<ul style="list-style-type: none"> • Strategic Programmes ^{viii} <ul style="list-style-type: none"> ○ Climate Emergency Action Plan ○ Capital Projects & Programme Delivery ○ Sports Delivery Programme ○ Town Centre Projects

Endnotes summary:

Shareholder	The Cabinet Member responsible for reserved matters relating to Council wholly owned or partially owned subsidiaries.	<p>Milverton Homes Ltd - Shareholder Board</p> <p>Development Strategy and Programme Forum (To agree the approach and programme for delivery)</p>	<ul style="list-style-type: none"> • Cabinet Member for Housing (Chair) • Cabinet Member for Resources • Cabinet Member for Decarbonisation
		Housing Development Delivery Board (Once programme agreed to oversee the development programme)	<ul style="list-style-type: none"> • Cabinet Member for Place (Chair) • Cabinet Member for Resources • Cabinet Member for Decarbonisation
Strategic Programmes	Leader of the Council will be strategic Lead. The delivery of these workstreams will be the responsibility of the relevant Cabinet member.		

Endnotes Summary to Appendix G:

ⁱ Member of the Milverton Homes Shareholder Board, Housing Development Strategy & Programme Forum and Housing Development Delivery Board

ⁱⁱ Housing Development Delivery Board Chair

ⁱⁱⁱ Sherbourne Recycling Shareholder - Cabinet Member responsible for reserved matters

^{iv} Chair of the Milverton Homes Shareholder Board and Chair Housing Development Strategy & Programme Forum

^v Milverton Homes Shareholder - Cabinet Member responsible for reserved matters

^{vi} Member of the Housing Development Strategy & Programme Forum and Housing Development Delivery Board

^{vii} Member of the Milverton Homes Shareholder Board

^{viii} Leader of the Council will be strategic Lead. The delivery of these workstreams will be the responsibility with the relevant Cabinet member.

WARWICK DISTRICT COUNCIL

Minutes of the meeting of Warwick District Council held at Shire Hall, Warwick, on Thursday 30 January 2025, at 6.03pm.

PRESENT: Councillor Margrave (Chairman); Councillors Adkins, Aizlewood, Armstrong, Barton, Boad, Browne, Chilvers, Cron, Davidson, Davison, Day, K Dickson, R Dickson, Dray, Falp, C Gifford, B Gifford, Gorman, Kenedy, King, Kohler, Matecki, Melrose, Milton, Payne, Phillips, Redford, Roberts, Rosu, Russell, Sinnott, Tangri, C Wightman, P Wightman, Williams and Yellapragda.

65. Apologies for Absence

Apologies for absence were received from Councillors Billiald, Collins, Hales, Harrison, Luckhurst and Syson.

66. Declarations of Interest

Minute Number 69 - English Devolution White Paper and Minute Number – 71 Notices of Motion

Councillor Aizlewood declared an interest as a Burton Green Parish Councillor.

Councillors Barton and Margrave declared an interest as Whitnash Town Councillors.

Councillor Boad declared an interest as a Royal Leamington Spa Town Councillor.

Councillors Browne, Dray, Gorman, Sinnott, C Wightman, and P Wightman declared an interest as a Warwick Town Councillor.

Councillors Chilvers and Matecki declared an interest as Warwickshire County Councillors.

Councillors K Dickson, R Dickson, Kennedy, and Milton declared an interest as a Kenilworth Town Councillor.

Councillor Falp declared an interest as a Witnash Town Councillor and a Warwickshire County Councillor.

Councillor B Gifford declared an interest as a Royal Leamington Spa Town Councillor and as a Warwickshire County Councillor.

(The Audit and Standards Committee had previously considered a report approving dispensation in respect of Councillors who were elected to more than a single authority. In this instance, it was considered that the decisions being taken were not directly related or impacted on other Councils and therefore Councillors only needed to record their roles on other Councils for information.)

Councillor Melrose declared an interest as an employee of Reading Borough Council.

67. Minutes

It was confirmed that the minutes of the meeting of the Council held on 18 December 2024 would be presented to Members for approval during the 19 February 2025 Council Meeting.

68. Communications & Announcements

The Chairman informed Council that he had attended the funeral of Rose Winship, the former Head of Cultural Services who had passed away on 21 December 2025. Rose had worked for the Council for over 35 years, having originally started as a lifeguard. Rose was a highly valued member of staff, respected by both her work colleagues, Councillors and the many local sport and community organisations with whom she worked. She had left a great legacy for Warwick District Council and would be remembered fondly. The service was very well attended by friends, family, colleagues and former colleagues. As a mark of respect to Rose Winship the Chairman led Council in a minute's silence.

The Chairman stated that the 30 January 2025 Council meeting was the final meeting of Warwick District Council (WDC), be it Council, Cabinet or a Committee, that would take place at Shire Hall. As Councillor Seccombe, Leader of Warwickshire County Council, was present, thanks were formally placed on record to Warwickshire County Council (WCC) for hosting WDC while building works were taking place at the Town Hall, and also to all WCC and WDC employees who worked hard to enable the arrangements to run smoothly.

The Chairman thanked the Leader and Portfolio Holders for agreeing not to make any statements under agenda item 8 – Leader and Portfolio Holders' Statements and agreement through Group Leaders (on behalf of their Groups) that no questions would be asked under item 9 – Questions to the Leader of the Council and Portfolio Holders' Statements.

69. English Devolution White Paper

The Chairman reminded Council he had invited speakers to address the meeting to aid the Council understanding the potential impact of the English Devolution White Paper on Warwick District and help it form a view on the proposals.

The Invited Speakers were as follows:

- Jim McMahon OBE MP (Minister for Local Government and English Devolution);
- Councillor Izzi Seccombe (Leader of Warwickshire County Council);
- Councillor Susan Juned (Leader Stratford-on-Avon District Council);
- Councillor Michael Moran (Leader of Rugby Borough Council);
- Councillor Christopher Watkins (Leader of Nuneaton & Bedworth Borough Council);
- Councillor David Wright (Leader of North Warwickshire Borough Council);
- Sir Jeremy Wright (MP for Kenilworth & Southam);
- Matt Western (MP for Warwick and Leamington);
- Representatives of the 24 Town and Parish Councils and the Parish meeting in Warwick District;
- Representative from Warwickshire and West Midlands Association of Local Councils; and
- Up to 10 Members of the Public.

The Chairman invited those speakers in attendance to offer their statements.

Councillor Seccombe, Leader of Warwickshire County Council, provided a verbal statement. Councillor Seccombe expressed an intention to continue pushing for an individual devolution package for Warwickshire as opposed to linking with a bigger strategic authority. It was preferable to create a single unitary authority that was non-mayoral and would allow Warwickshire to remain a non-constituent member of the West Midlands Combined Authority (WMCA).

Councillor Seccombe explained that Central Government had a strong preference for creating one local authority over a large geography. It was expected that by 3 February 2025, WCC would receive communication from Central Government regarding whether a new unitary Council would be fast-tracked for Warwickshire.

Councillor Seccombe justified the rationale for putting Warwickshire forwards when Central Government sought expressions of interest for those desiring devolution on the quickest time scale. This was to allow Warwickshire the greatest chance of shaping a suitable authority. It was not a question of if there were to be a reorganisation of Local Government, it was a question of when this were to happen. Thus, it was more appropriate to "go early". Councillor Seccombe also defended her decision to postpone the May 2025 County Council election because it was what was necessary.

Councillor Coles, on behalf of the Leader of Stratford-on-Avon District Council, provided a verbal statement. Councillor Coles supported the collaboration between Warwickshire's District Councils who had worked together to express concern over both the lack of consultation and the postponement of the May 2025 County Council elections. This was due to discontentment with the model proposed by WCC being based on an outdated report.

Councillor Coles expressed concern over the difficulty in ensuring that Local Government was based on sensible social and economic footprints since there were distinct areas of Warwickshire. The distinctions between the areas would create difficulties if there were to be one large Council covering Warwickshire.

Councillor Coles reiterated her disappointment regarding the postponement of the May 2025 elections. Elections were the price paid for democracy and not something that could be put aside for convenience.

Councillor Coles recognised the potential for opportunities resulting from devolution that should be explored. However, Warwickshire's District Councils should be involved in such conversations and should have been involved from an earlier point.

Councillor Watkins, Leader of Nuneaton & Bedworth Borough Council, provided a written statement read out by the Chairman. Councillor Watkins expressed that he was not opposed to the principle of devolution or Local Government reform. There were recognisable opportunities within this principle. However, Warwickshire were not ready to join the priority programme which would see the county on a fast-tracked plan for devolution. This was a rushed decision that risked omitting opportunities for Warwickshire to thrive as part of the most suitable model.

Councillor Watkins had made representations to Central Government alongside Leaders of Districts and Boroughs within Warwickshire to provide Warwickshire with time to undertake work related to reform.

Councillor Watkins placed the communities, cultures, and senses of place that formed Warwickshire at the heart of their statement. There was hope that for the

sake of all residents in Warwickshire, the various options for Local Government organisations would be duly explored to establish the right outcome.

Sir Jeremy Wright, MP for Kenilworth & Southam provided a written statement read out by the Chairman. Sir Jeremy Wright offered their apologies for their absence. Sir Jeremy Wright stated that a unitary status could be advantageous. The advantages were financial with regards to improved coordination between planning and economic development and in providing greater clarity and simplicity to residents regarding the responsibilities of Councils.

Sir Jeremy Wright stated that it was, however, not in the best interest of Kenilworth and Southam residents for Warwickshire to be members of the WMCA. Therefore, membership with the WMCA should not be a requirement of the new unitary authority.

Sir Jeremy Wright explained that it was undesirable for a unitary status to be imposed by Central Government in an unreasonably short time scale. This would inhibit both sufficient planning for change and obtaining support from residents for said change.

Matt Western, MP for Warwick & Leamington, provided a written statement read out by the Head of Governance and Monitoring Officer. Matt Western stated that the proposed transformative changes would see largest transfer of power out of Westminster to England's regions in a generation. This would rebuild local government, making it more effective. This would also save taxpayer money that could be invested into public services and improve accountability with fewer politicians. It was clear that Central Government were inclined to move quickly, Matt Western therefore sought assurances that WCC was also able to move quickly with its devolution efforts.

Matt Western explained that devolution was a key opportunity for Warwickshire and thus Warwickshire District and Boroughs should work collaboratively to determine the best approach to devolution.

Matt Western stated that the public should be presented with options and should hear the benefits of Central Government's devolution proposals. This was especially important as many residents relied on Council services daily. Their livelihoods were directly impacted by the effectiveness of these services.

Matt Western expressed that there were numerous options for how devolution could be structured in Warwickshire, and each should be considered. Whether Warwickshire was included in the first phase of devolution or not was in the hands of Central Government. However, this could be influenced by public feedback and the preparedness of Local Councils. It would have been preferable to have seen more time for consideration.

Ja'Neen Day, Chief Executive of Warwickshire & West Midlands Association of Local Council's (WALC) provided a written statement which was summarised by the Head of Governance and Monitoring Officer. The Chief Executive of WALC sought to offer reassurance that WALC was an independent and advisory body to Parish and Town Councils. WALC would therefore continue to work with and listen to their members and bring forward opportunities that they saw fit.

Councillor Wellsted, Member of Bishop's Tachbrook Parish Council, provided a verbal statement. Councillor Wellsted expressed concerns over the dangers of a unitary authority equating to a loss of connection between authorities and

residents. Although there were opportunities for saving money and becoming more strategic, Parish Councils would be adopting additional responsibilities that they had not requested. The risks associated with these additional responsibilities being thrust on Parish Councils could not be overlooked.

Councillor Wellsted also raised concerns over the origins of money to solve local issues. WDC were holding on to money that was owed to Bishop's Tachbrook. The concern was where such money would derive from if the Council were to become unitary.

Councillor Marsh, Member of Kenilworth Town Council and Town and Parish representative for WDC's Audit and Standards Committee, provided a verbal statement. Councillor Marsh explained that he had witnessed how active Town and Parish Councils could contribute positively to local communities.

Councillor Marsh recognised that residents were confused by the existing structure of Town and County Councils which created fragmentation and left Local Government uncoordinated. Therefore, plans to streamline Local Government could offer beneficial opportunities. Nevertheless, the changes should not be driven at the expense of meaningful engagement and democratic accountability that the delay of the May 2025 County Council elections would create.

Councillor Marsh expressed that Town and Parish Councils should form part of the proposed changes to ensure decision making was kept close to local communities. Kenilworth Town Council, for example, had acted as a catalyst for opportunities and safety. Therefore, Local Councils having greater responsibility could encourage residents to take pride in and get involved with their local community. Nevertheless, devolution could bring challenges to Town and Parish Councils, more training and resources would be required.

Councillor Marsh stated that cancelling the May 2025 County Council elections would evade accountability. This would also penalise Town and Parish Councils who would become liable for the costs.

Councillor McAllister, Member of Royal Leamington Spa Town Council, provided a verbal statement. Councillor McAllister explained that holding regular elections was an essential part of the democratic process. There were concerns over the large cost to Town Councils if Central Government were to agree with the fast tracking of unitary as requested by WCC. However, devolution presented opportunities for Town Councils to adopt non-statutory services and Leamington Town Council was ambitious in what it would like to deliver. Decisions that affected residents were best made as close as possible to the communities impacted. Therefore, there was hope for future constructive discussions involving Town Councils.

Councillor Jacques, a member of the Public, provided a verbal statement. Councillor Jacques stated that models for devolution which minimised the risks to the public should be favoured given the tight timescales. Warwickshire's diversity was supported by the existing two-tier system, this should not be lost in the new model. The new model should avoid assuming a "one size fits all" approach. This would create issues because of the clear distinctions between North and South Warwickshire. Non-statutory services were essential to meeting the needs of residents and should not be impacted negatively by the new model. A unitarised model would provide benefits such as economies of scale. This model should realise the benefits through exploiting the well-established working relationships.

Councillor Jacques explained that residents were generally happy with unitary but were discontent with the delay of elections.

Councillor Holland, a member of the Public, provided a verbal statement. Councillor Holland supported the proposal for unitary of Warwickshire Councils. A unitary Council would see the replacement of WCC as well as District and Borough Councils. This would create an increase in Councillors. Within unitary, Parish and Town Councils would have an increasingly important role, they should be preparing for this eventuality. The new unitary council should note that Warwick was not the centre of decision making, this should instead be the residents. A unitary Council would avoid residents falling down gap between different councils which must be resolved.

Sam Jones, a member of the Public, provided a verbal statement. Sam Jones questioned the judgement of the Leader of Warwickshire County Council and suggested that the request to delay of the 2025 County Council elections was out of a fear of facing the electorate. The rights of residents would be suppressed if the elections were to be delayed as they would be unable to decide who governed them.

The Chairman thanked the speakers and opened the item up to questions from Members.

In response to questions from Members, the Leader of Warwickshire County Council, explained that:

- it was preferable to create a new Local Government authority. This would be a single county statutory authority that was non-mayoral and would allow a non-constituent membership of the WMCA to continue. This would see the creation of a new statutory authority that was also a unitary authority;
- the statements used to justify the decision to apply to postpone the May 2025 County Council Elections were somewhat outdated as the case had updated slightly;
- it was clear that Central Government wanted to use functioning economic geographies as a guiding light when considering options. Health geography was also a contending factor mentioned by Central Government. The footprint of Warwickshire's health geography saw Coventry and Warwickshire bound together. This was despite the demise of LEPs (local enterprise partnerships) as a value of what had been created between Coventry and Warwickshire was recognised and would continue to grow, allowing support to be delivered to businesses;
- Central Government had not indicated any blueprint on what the bigger strategic authorities should look like. This justified the rationale for being proactive to secure a model for Warwickshire that would be most suitable;
- Parish and Town Councils were a vital element of the work that Local Government provided. It was thus important to consult with Town and Parish Councils to ensure that the impact of any decisions made would be suitable for them. However, any consultation would be carried out by the Minister for Local Government and English Devolution, as outlined in the English Devolution White Paper. An invitation for a consultation would not be refused by WCC if it were to be offered;
- there were risks associated with the potential changes to Local Government and the potential transformation would be challenging. However, as well as being aware of the risks, it was crucial to be aware of the potential rewards;

- the cost of local government reorganisation was projected to be £500 Million across the country. However, the opportunities were estimated to equate to savings of over £2 billion;
- if Local Government was to be designed from scratch, the model that was currently in use would not be used as it created confusion;
- there were great opportunities for synergetic advantages from services sitting alongside one another in a new strategic authority that did not currently sit closely because of the existing Local Government structure;
- the priority was to create a larger Council that maintained local delivery;
- services would continue to be delivered on a locality basis;
- it was important to be open minded to allow the potential for Local Government restructuring to become an opportunity to create a future for Warwickshire that was desirable;
- there had been no discussion of becoming a full member of the WMCA;
- the current model being considered was one of a strategic, unitary, non-mayoral authority;
- the existing relationship between WCC and the WMCA was fundamentally beneficial to the six Councils involved, this relationship should thus continue;
- there was a functioning economic and health geography established between Coventry and Warwickshire;
- WDC were bound into the WMCA through certain areas such as the gigafactory;
- a proposed alternative model for Local Government restructure should consider the impact it may have on the WMCA relationships;
- the potential for Warwickshire to remain a non-constituent member of the WMCA in the proceeding stages of devolution was not impossible but it could compromise the position of the Council;
- the County Council believed the model of business they had was working well;
- of the six Councils engaged with the WMCA, WDC had financial interest in remaining in the WMCA, this would also be applicable to other Councils and was thus worth considering;
- there was no absolute model that could be taken forwards, this was more likely to be defined at the next stage;
- there would be an increased number of Councillors in a new Council for a single unitary;
- it was unclear what proposals were to be taken forward;
- consideration of previously used models was the only way to identify potential models;
- everything WCC did was in collaboration with others, collaboration was valued above all else;
- the new Council would be one designed to allow everyone to have a voice;
- more responsibilities were being bounced on to Town and Parish Councils, some of whom were prepared to embrace such responsibilities;
- there would be a quicker response time when operating as one Council;
- the future of Local Government should be about the residents;
- there was not an immediate answer for who would be responsible for the cost of delaying the May 2025 County Council election which was projected to cost between £750,000 and £1 million;
- the County Council were awaiting a letter from Central Government which would provide further information regarding the potential delay of the May 2025 County Council elections; and
- once WCC had received communication from Central Government, they could provide information to interested parties.

(Councillors Aizlewood and Cron left the meeting at the end of this item)

(At 7.39pm, the Chairman adjourned the meeting for a comfort break)

70. **Petitions**

The Chairman stated that there would be no business to consider under agenda Item 6 – Petitions.

71. **Notices of Motion**

The Council considered a Notice of Motion brought forward for debate by Councillors Boad, Davison, Day, Falp, and Melrose.

It was proposed by the Chairman and duly seconded by Councillor Boad that Council Procedure Rule 13(5) be suspended for this item, to enable Councillors to speak on a single Motion, or amendment, under this item more than once.

Following further discussion between Group Leaders the Motion as set out on the agenda had been revised and was proposed by Councillor Davison and seconded by Councillor Boad as follows:

“This Council notes the Decision of the Leader of Warwickshire County Council (WCC) to request the WCC elections are delayed for a year and endorses the joint letter from the Leaders of this Council, North Warwickshire Borough Council, Nuneaton & Bedworth Borough Council, and Stratford-on-Avon District Council in response.

That Council endorses working with Councils (County District/Boroughs, Towns and Parishes) across Warwickshire to look at the options for appropriate service delivery models for unitary status, taking into account the views of residents, this must consider:

1. Protecting the level of services currently delivered to the community of Warwick District by this Council;
2. The geography, population and economic and community footprint of Warwickshire;
3. Warwickshire’s relationships with its neighbours; and
4. Views on which strategic authority the Council would be best to look at aligning with”.

This Council notes the proposed allocation of £25k with the budget papers being considered by Cabinet next week to support this work.

This Council asks the Chief Executive and Leader, in conjunction with Stratford-on-Avon District Council, to explore the following potential options:

1. Join the existing West Midlands Combined Authority as a full (constituent) member.
2. Join a new Coventry/Solihull/Warwickshire strategic authority.
3. Join a new Warwickshire/Oxfordshire/Buckinghamshire/West Berks/Reading/Wokingham/Bracknell/Slough/Windsor and Maidenhead strategic authority (M40/Chiltern Line corridor).
4. Join a new Warwickshire/Worcestershire/Gloucestershire/Herefordshire strategic authority that might include Shropshire.

This Council notes that whatever we do to progress these proposals, all of them have serious challenges, other Councils will have different views, and the final decision rests with Government”.

Councillor Matecki proposed that the motion should be amended to read “this Council noted the Decision of the Leader of Warwickshire County Council (WCC) to request the WCC elections were delayed for a year and ~~endorsed~~ **noted** the joint letter from the Leaders of this Council, North Warwickshire Borough Council, Nuneaton & Bedworth Borough Council, and Stratford-on-Avon District Council in response.” This was duly seconded by Councillor Phillips and on being put to the vote was lost.

Councillors Davison, Falp, Adkins, Boad, Sinnott, Milton, Kohler, Day, Armstrong, Phillips, Redford, R Dickson, Kennedy, Chilvers, Melrose, Matecki, Payne and King addressed the Council on this item.

Resolved that

- (1) the Decision of the Leader of Warwickshire County Council (WCC) to request the WCC elections be delayed for a year and endorsed the joint letter from the Leaders of this Council, North Warwickshire Borough Council, Nuneaton & Bedworth Borough Council, and Stratford-on-Avon District Council in response, be noted;
- (2) the work with Councils (County District/Boroughs, Towns and Parishes) across Warwickshire to look at the options for appropriate service delivery models for unitary status, taking into account the views of residents, including consideration of the following, be endorsed:
 - i. protecting the level of services currently delivered to the community of Warwick District by this Council;
 - ii. the geography, population and economic and community footprint of Warwickshire;
 - iii. Warwickshire’s relationships with its neighbours; and
 - iv. views on which strategic authority the Council would be best to look at aligning with;
- (3) the proposed allocation of £25k within the budget papers being considered by Cabinet on 6 February 2025 to support this work, be noted;
- (4) the Chief Executive and Leader, in conjunction with Stratford-on-Avon District Council, to explore the following potential options:
 - i. join the existing West Midlands Combined Authority as a full (constituent) member;
 - ii. join a new Coventry/Solihull/Warwickshire strategic authority;

- iii. Join a new Warwickshire/Oxfordshire/Buckinghamshire/West Berks/Reading/Wokingham/Bracknell/Slough/Windsor and Maidenhead strategic authority (M40/Chiltern Line corridor);
 - v. join a new Warwickshire/Worcestershire/Gloucestershire/Herefordshire strategic authority that might include Shropshire; and
 - vi. join any other feasible option that was identified; and
- (5) whatever was done to progress these proposals, all of them had serious challenges, other Councils would have different views, and the final decision rested with Government, be noted.

72. **Common Seal**

The Common seal was not required for the decision taken by Council that evening and therefore its affixation was not proposed by the Chairman.

(The meeting ended at 9.23pm)

CHAIRMAN
19 February 2025

Cabinet

Excerpt of the Minutes of the meeting held on Thursday 6 February 2025 in the Town Hall, Royal Leamington Spa at 6.00pm.

Present: Councillors Davison (Leader), Adkins, Chilvers, King, Melrose, Roberts, Sinnott, and Williams.

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

94. **Apologies for Absence**

Apologies for absence were received by Councillor Billiald.

95. **Declarations of Interest**

There were no declarations of interest made in respect of the Part 1 items.

Part 1

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

98. **General Fund Revenue and Capital Budget 2025/26**

The Cabinet considered a report from Finance which informed Members on the General Fund Budget for Warwick District Council, which included proposals for growth, plus the Medium-Term Forecasts up to 2028/29. It would be presented to Full Council alongside a separate report recommending the overall 2025/26 Council Tax Charges for Warwick District Council.

The report presented a balanced budget for 2025/26, which the Council had achieved through the use of available reserves, as expected and outlined in the Medium-Term Financial Strategy approved alongside the 2024/25 Budget in February 2024. The Council made a prudent assumption that £1m of the Core Finance Settlement would be reoccurring and treated the remainder as non-recurrent to support non-recurrent additional activity and replenish reserve balances, and not to support ongoing core revenue spending. The budget factors in the second year of the Councils £2.5m change programme, with £0.7m of recurrent delivery targeted. The first year of the change programme (2024/5) met its £0.3m target.

In advance of the report to approve the 2025/26 Council Tax Charges going to Council, a 2.99% increase had been recommended by officers, in line with the Medium-Term Financial Strategy (MTFS) which was last approved in February 2024.

By law, the Council had to set a balanced budget before the start of the financial year. As part of this process, it had to levy a Council Tax from its local taxpayers to contribute to financing General Fund expenditure.

It was prudent to consider the medium term rather than just the current and next financial year in the context of strategic planning and decision making, to align with the Corporate Strategy. Hence, Members received a five-year Medium Term Financial Strategy (MTFS) which detailed the Council's financial plans, Capital Programme, and Reserves Schedule, which covered the period 2024/25-2028/29.

The Local Government Act 2004, Section 3, stated that the Council had to set an authorised borrowing limit. The CIPFA Code for Capital Finance in local authorities stated the Council should annually approve Prudential Indicators. These would be included in the Annual Treasury Management Strategy report to Cabinet and Council in March 2025.

The Chief Financial Officer was required to report on the robustness of the estimates made and the adequacy of the proposed financial reserves. This statement was provided as Appendix 1 in the report.

The report was structured to build up and present a holistic view of the Council's finances for Members to assist them in considering the Budget and Council Tax proposals and associated matters. The report was structured as follows:

- 2025/26 Revenue Budget – details of main items included within the proposed 2025/26 budget.
- 2025/26 Government Funding announcements confirmed since the Draft budget were presented in December 2024, including the final Local Finance Settlement.
- Business Rates – details of main drivers which impacted upon the Council's share of Business Rates, including future policy assumptions.
- Council Tax – proposals for Warwick District Councils level of council tax for 2025/26.
- New Homes Bonus and Funding Guarantee allocations.
- Medium-Term Financial Strategy (MTFS) – revenue projections for the Council which covered the period 2024/25 – 2028/29, based upon Member decisions and the latest financial assumptions.
- Reserves and Balances – details on the funds held by the Council, that outlined how they would be used over the MTFS period and their forecast uncommitted balances.
- Capital Programme – details of Council's capital projects and how they were to be funded.
- Proposals for the allocation of one-off funding to support non-recurrent activity.
- Planned and Preventative Maintenance Programme (PPM) – agreement to the plan for 2025/26.
- Proposals for the second homes premium Council Tax charge.

In December 2024, the 2025/26 draft base budget was presented to Members. This reflected an unbalanced position at that stage of the process, with a forecast deficit of £3.525m, with provision made to balance the budget using General Fund Volatility reserves if necessary.

At the time of presenting the draft position to Members, central Government funding, including the Local Finance Settlement, had not been outlined at Council level. Therefore, only £1m had been included on a recurrent basis.

Provisional allocations had been shared and were covered in greater detail in section 1.3 of the report.

Budget changes (Growth) totalling £1.682m had already been included in the base budget. At the time of the draft report, this left a further £0.8m of proposals awaiting a decision. Whilst some of these required further analysis with the service areas, a final decision was delayed until the Council received details on the Local Finance Settlement to ensure that funding would be available to support the requests.

Further proposals had subsequently been added following the announcement of the Finance settlement, which focused on meeting the Council's Strategic priorities.

The Executive Team met with Cabinet to review the outstanding proposals put forward, and had recommended the inclusion of the following:

	Recurrent £	Non-recurrent £
Budget change (growth) requests approved	£0.110m	£0.984m

A summary of the Non-Recurrent items could be found in Appendix 8 to the report.

The 2025/26 budget showed a deficit of £2.5m. This was in line with the MTFs approved by Members in February 2024 when the budget was last set, and aligned with the expectations of the Change Programme, which was approved alongside the budget.

The key drivers of the change to the position since it was last reported in December (a deficit of £3.525m), included:

- 25/26 Budget Changes (growth)
- Additional top-ups to reserves
 - o £1m to General Fund Volatility Reserve (specifically to offset reduction in expected Fees and Charges income from 2026/27)
 - o £0.5m to Service Transformation Reserve
 - o £0.7m to Corporate Asset Reserve
 - o £0.3m to Energy Generation Projects Reserve
 - o £0.071m to Climate Change Reserve
- Removal of services grant, as longer received in Local Finance Settlement - £0.024m

Offset by:

- Inclusion of Non-Recurrent Local Finance Settlement funding, which consisted of:
 - o New Homes Bonus - £1.529m
 - o Funding Guarantee – an additional £0.347m, as £1m was previously included.
- National insurance Compensation Grant - £0.197m

- Extended Producer Responsibility (EPR) funding for waste management - £0.954m
- The inclusion of business rates overperformance, with any change to the Business Rate Retention system not expected to happen until 2026/27 at the earliest - £2m
- Council Tax Base increase - £0.059m
- Change to Collection Fund balance - £0.170m

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

Appendix 2b to the report included details of the breakdown of the Budget over the Council's individual services.

The Chancellor announced the 2024 Autumn Statement on 30 October. This gave some early indicators for how local Government funding was expected to be distributed through the finance settlement.

It confirmed that there would be a 3.2% real-terms increase in Core Spending Power (CSP) for the whole sector in 2025-26. This would include £1.3bn additional grant funding, of which at least £600m would be directed to social care.

At the time it was unclear whether District Councils would receive an increase in-line with the sector.

The Provisional Local Government Finance Settlement was subsequently released on 18 December 2024.

This set out that District Council's would not be receiving a 3.2% increase, with Warwick District Council's cash increase equating to just 0.3%. However, this increase was dependent upon Council Tax being increased by the full amount of 2.99%. The Council Tax principles of the Finance Settlement had been set out in section 1.5 in the report.

Cap compensation would be paid to mitigate for lost income which arose from the decision to freeze the small business rating multiplier in 2025/26.

The Services Grant introduced in 2022/23 had now been abolished. WDC received £0.024m in 2024/25.

For some years the future of New Homes Bonus (NHB) had been subject to review, which added to uncertainty to its continuation.

However, as part of the stability, this had included NHB allocations for 2025/26 of £1.529m. There was no legacy payments attached to these new allocations.

In addition, to bridge the gap and to ensure that all Council's saw a minimum 0.3% increase in their core spending power (before taking into consideration any local decisions on Council Tax), a further one-off Funding Guarantee allocation of £1.347m would be received.

The Council had also received confirmation of an increase to the Homelessness Prevention Grant, and extra funding from the Extended Producer Responsibility for Packaging scheme, a funding stream designed to encourage manufacturers to shift to more environmentally friendly packaging that could be recycled effectively. However, there was uncertainty over these funding streams at this point, and therefore they had only been included on a single year basis.

The Council would continue to use NHB and the Funding Guarantee to fund one-off items, or to support the top-up of reserve balances. This was in view of the uncertainty over future allocations (with Government indicating that a redistribution of funding, including the first multi-year settlement in years, would take place from 2026/27), so it had been prudent not to use this funding to support core revenue expenditure, with this revenue only factored into the Medium-Term Financial Strategy once it had been agreed for each year, with the exception for £1m at outlined in section 1.2.2 of the report. The proposal for their use was outlined in sections 1.2.6, 1.10 and Appendix 8 of the report.

Funding reforms and changes in funding distribution, including the Fair Funding Review and Business Rates baseline reset, had been assumed to take place from 2026/27. Business Rates were discussed in section 1.4 of the report.

Under the current Business Rate Retention scheme, 50% of rates collected were retained within local government (40% to Warwick District Council / 10% to Warwickshire County Council), with a series of tariffs and top-ups to redistribute the revenue between local authorities to reflect the individual "needs" of authorities, and to distribute revenue to non-billing authorities. For some years the Government had been planning a move to a 75% scheme to give local authorities more incentive to encourage local businesses on the basis that the local Council's would get to retain a greater proportion of the tax revenue.

The other planned change to the Business Rate Retention system was for there to be a "Re-set" of the Baselines. Under the system, each authority had a Baseline and would get to retain a proportion of the additional tax revenues above this. Authorities such as Warwick District Council had benefitted from this since the scheme began and operated well above Baseline. If there was a re-set to the Baseline, this would reduce the business rates that the Council retained substantially. For the fifth consecutive year the re-set had been delayed, with it was now expected to be from 2026/27 at the earliest. Therefore, any delay in changing the baselines was seen to be of benefit to the Council. However, the MTFS did account for a steep decrease in the Council's forecast Business Rate income from 2026/27, where it was expected that District Council's would be impacted the most from any change.

While the details of any reform remained unknown, typically there would be some form of transitional funding available to Council's that were negatively affected. However, for prudence, the MTFS assumed for a 'worst-case' scenario, with this position subject to continual review as and when more information became available.

The Business Rate Retention scheme was very complex, with many components and parameters which drove the funding, and the timing of that funding, that Council's received. The Council's Business Rate Retention projections were based on figures provided by Local Government Futures, a specialist consultancy that many local authorities subscribed to. This information was supplemented with local knowledge from being part of a Business Rates Pool with other Council's across Coventry and Warwickshire.

The Council was part of the Coventry and Warwickshire business rates pool. This had meant that any tariff payable was made through the pool to central Government, along with the other Warwickshire Council's (including the County Council) and Coventry City Council. The operation of the Coventry and Warwickshire pool had meant that the tariff payments made by the Council were reduced and more business rates income could be kept locally. The members of the pool had once again agreed to remain within the pool going forward into 2025/26.

Given the large fluctuations in the business rates, and the difficulty in projecting the revenue, it was important that the Council continued to retain a "Volatility Reserve". Any business rates income received in the year above the agreed baseline was allocated to the reserve. In future years, it might be necessary to fund any shortfall to the baseline from the reserve.

As part of the Finance Settlement (section 1.6 in the report) the Government had confirmed that for District Council's, the element of Council Tax could increase by the higher percentage of 2.99% or £5 for 2025/26. As 2.99% was higher than £5 for this Council, this was the maximum increase in Council Tax for 2025/26 that was allowed for. Any increase above this level would require a local referendum.

Increasing the Council Tax by the maximum would protect the Council's tax base and maximise Council Tax revenue. If the Council agreed a lesser increase than 2.99% (or no increase), this would erode the tax revenue of Warwick District Council from 2025/26 in perpetuity. A 2.99% increase would generate an additional £0.318m in 2025/26. If Council Tax was not increased, the Council's revenue income for all future years would be suppressed by at least this amount. With the Council having to find further revenue savings in future years, the savings to be found would be that much greater. If savings in service provision were not found, it would be necessary to make reductions in services to enable the Council to be able to agree a balanced Budget in future years.

The Tax Base for 2025/26 had now been agreed at 59,720 for Band D dwellings, which represented an increase of £1,439 from the prior year's tax base, and above the forecast used by the Government in setting the Local Finance settlement. The figures also reflected the actual impact on the changes to the Local Council Tax Reduction Scheme introduced in 2023/24.

The 2024/25 estimated Council Tax balance in respect of Council Tax income for the current year had recently been reviewed. This gave a total estimated surplus balance of £0.684m as of 31 March 2025. This

balance had to be shared with the major preceptors in 2025/26, with this Council's element being £0.70m. Estimating the tax base was invariably difficult, and frequently resulted in a deficit or surplus balance which would need to be financed subsequently. The current economic conditions, and the actual impact on the changes to the Local Council Tax Reduction Scheme introduced in 2023/24 had increased the challenge of estimating the tax base with increased levels of certainty. The model used to forecast the tax base was continually revised to take into consideration current economic and sector conditions, which included changes to stamp duty legislation.

The Medium-Term Financial Strategy (discussed in section 1.7 in the report) assumed Council Tax increases for future years of 2.99% per annum from 2025/26. Any departure from this would increase the level of the future deficit, and the values required to be achieved within the change programme.

Therefore, the officer recommendation within this report was for District Council's element of Council Tax for 2025/26 to be increased by 2.99%. On this basis, the 2024/25 Council Tax for each band would be as follows:

	£
Band A	125.07
Band B	145.91
Band C	166.76
Band D	187.60
Band E	229.29
Band F	270.98
Band G	312.67
Band H	375.20

Members should bear in mind their fiduciary duty to the Council Taxpayers of Warwick District Council. Members had a duty to seek to ensure that the Council acted lawfully. They were under an obligation to produce a balanced budget and must not knowingly budget for a deficit. Members must not come to a decision that no

reasonable authority could come to, balancing the nature, quality and level of services that they consider should be provided, against the costs of providing such services. By increasing the Council Tax by the maximum amount permitted, Members would be ensuring the Council was limiting where possible the size of the financial deficit, and that it was maximising the amount of Council Tax it could receive in-year to support continued delivery of agreed services.

could come to, balancing the nature, quality and level of services that they consider should be provided, against the costs of providing such services. By increasing the Council Tax by the maximum amount permitted, Members would be ensuring the Council was limiting where possible the size of the financial deficit, and that it was maximising the amount of Council Tax it could receive in-year to support continued delivery of agreed services.

For some years the future of New Homes Bonus (NHB) had been subject to review, which added to uncertainty to its continuation.

It was expected that NHB payments would end in 2022/23. However, due to the 'holding' nature of the Finance Settlement, NHB allocations had once again been included, with £1.529m to be received in 2025/26. There was no legacy payments attached to these new allocations.

In addition, to bridge the gap and to ensure that all Councils saw a minimum 0.3% increase in their core spending power (before taking into consideration any local decisions on Council Tax), a further one-off funding guarantee allocation of £1.347m would be received.

The Council would continue to use NHB and now the Funding Guarantee to fund one-off items, or to support reserves. This was in view of the uncertainty over future allocations, so it had been prudent not to use this funding to support core recurrent revenue expenditure, with this revenue only factored into the Medium-Term Financial Strategy once it had been agreed for each year. The proposal for their use was outlined in section 1.10 and Appendix 8 of the report.

The MTFS was last formally reported to Members in December 2024 as part of the Draft Base Budget report. Once the changes that had taken place through the Budget Setting process (sections 1.2 – 1.6 in the report, with the major changes highlighted) had been incorporated into the Strategy, the position of the MTFS was as follows:

	2024/25	2025/26	2026/27	2027/28	2028/29
	£m	£m	£m	£m	£m
Deficit-Savings Req(+)/Surplus (-) future years (as at Dec 24)	0.264	3.525	0.496	-0.210	-0.674
Deficit-Savings Req(+)/Surplus (-) future years (as at Feb 24)	0.291	2.500	0.064	-0.122	-0.689

Section 1.10.3 in the report proposed how the deficit would be covered through the use of reserves. The below table showed the MTFS once this had been actioned:

	2024/25	2025/26	2026/27	2027/28	2028/29
	£m	£m	£m	£m	£m
Deficit-Savings Req(+)/Surplus (-) future years	0.0	0.0	0.064	-0.122	-0.689

As part of the MTFS position above, a number of key assumptions had been included:

- a 2.99% Council Tax increase per annum;
- a 2% tax base increase per annum;
- a 3% (CPI+1%) increase per annum on authority controlled and agreed fees and charges from 2026;
- inflation of 3% from 2026/27, covering salaries and major contracts;

- revenue expenditure costs associated with additional forecast borrowing;
- the removal business rates growth from 2026/27, based upon the expectation that a business rates reset would take place as part of Local Government Finance Reform; and
- delivery of the change programme.

As part of the Council's Change programme, an independent fees and charges review was commissioned in 2024. 10 key areas of fee generation were identified for review, to identify opportunities for income generation and/or improved cost recovery, which took into consideration factors such as market position, policy framework, strategic priorities and commercial opportunities.

The review identified that it would become increasingly difficult to achieve the 10% fee income increases previously included within the MTFS last reported in February 2024, and that a policy more closely aligned with inflation would be most deliverable.

Therefore, in conjunction with service areas, the assumptions within the MTFS had been updated, to reflect a forecast 3% (CPI+1%) increase per annum on authority controlled and agreed fees and charges from 2026, in line with the new policy.

Some service areas with potential to generate additional income above this forecast, such as green waste and parking, were included in the assumptions.

Provision had been made from the finance settlement to offset the gap from the change in fee income assumptions (see 1.2.9 in the report).

Regarding the Change Programme, the Council's Corporate Strategy made a clear commitment to ensure continued financial sustainability. To contribute this priority and the Council's medium-term financial strategy, there would be an organisational change programme, which would set out the approach and timeframe to achieve financial efficiencies needed. The Change Programme business case - the case for change, would be presented to Cabinet in March 2025 for approval. The Change Programme would have senior Cabinet and officer sponsorship and oversight.

The Council was also maximising returns from its investments, through the Local Housing Company and by ensuring reserves were invested when not required. In addition, agreed borrowing was only taken upon need, and where possible, 'internal borrowing' from reserve balances was used to minimise the associated revenue cost. This would be discussed in greater detail as part of the updated Treasury Management Strategy, which would be presented to Cabinet in March 2025, with current performance having last been reported to Audit and Standards Committee in January 2024.

Members had previously agreed that £1.5m should be the minimum level for the core General Fund Balance. This balance supported the Council for future unforeseen demands upon its resources. In order to consider a reasonable level of general reserves, a risk assessment had been

completed (Appendix 4 to the report). This showed the requirement for maintaining this minimum balance to mitigate against the risks that had been identified, where other funding was not available.

The unallocated General Fund Balance was currently forecast to be £2.8m, and therefore exceeded the agreed minimum level.

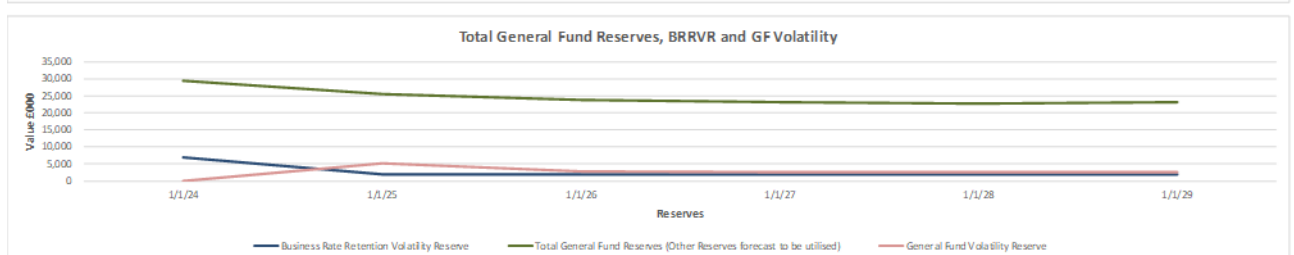
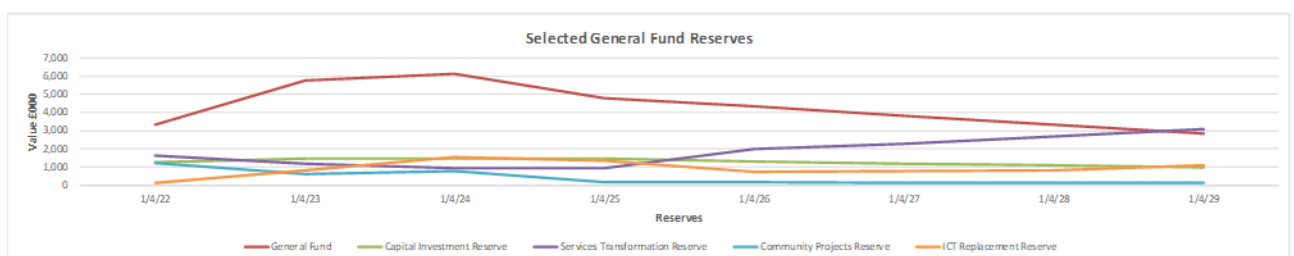
The Business Rate Retention Volatility Reserve (BRRVR) was used over prior years to deliver a balanced budget. However, to ensure this reserve remained available for its primary purpose of smoothing business rate receipts, any overperformance above a £2m balance had been reallocated to the General Fund Volatility Reserve. Business rates were discussed in section 1.4 of the report, which included the expected changes to Business Rate Retention which had been delayed over the last few years. With the result of the expected changes in mind, it was essential that the Council moved away from its reliance on overperformance receipts to balance the budget in future years, with the Change Programme in March due to outline how the Council planned to address the ongoing deficit position.

A change programme delivery reserve was established from 2024/25 with £0.500m initially allocated. This would be used on an 'invest to save' basis to enable delivery of schemes within the change programme that might require an initial investment in order to deliver recurrent savings.

The Head of Finance had delegated authority to enable drawdown from the Equipment Renewal Reserve within the agreed schedule. Any further requests or requests above the agreed schedule would require Member approval.

Below was a summary of the key reserve balances available for use by the Council before additional commitments:

General Fund Reserve	Notes	1/4/22	1/4/23	1/4/24	1/4/25	1/4/26	1/4/27	1/4/28	1/4/29
		Actual £000	Actual £000	Actual £000	Actual £000	Estimate £000	Estimate £000	Estimate £000	Estimate £000
General Fund	Minimum agreed balance £1.5m	3,341	5,739	6,109	4,804	4,323	3,823	3,323	2,823
Capital Investment Reserve	minimum agreed balance £1.0m	1,256	1,456	1,456	1,456	1,283	1,183	1,083	983
Services Transformation Reserve		1,632	1,198	932	953	2,008	2,273	2,673	3,073
Community Projects Reserve		1,210	616	756	183	158	133	133	133
ICT Replacement Reserve		132	829	1,553	1,343	728	766	818	1,080
General Fund Volatility Reserve	Transfer from BRRVR to leave £2m	0	0	0	5,172	2,774	2,604	2,604	2,604
Business Rate Retention Volatility Reserve	£2m agreed balance ahead of anticipated Business Rate Reset in 2025/26 is achieved.	18,110	11,485	6,913	2,000	2,000	2,000	2,000	2,000
Total General Fund Reserves (Other Reserves forecast to be utilised)		34,443	31,080	29,333	25,454	25,685	23,078	22,808	23,175



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

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

The Capital Programme had been updated throughout the year as new and amended projects had been approved. Appendix 7 to the report, consisting of 4 parts, detailed both the General Fund and Housing Investment Programme (HIP) Capital programmes, along with their associated funding. Appendix 6 to the report detailed the variations to the capital programme as new schemes had been approved and projects had been updated.

Slippage and savings on existing schemes were also detailed within Appendix 6 to the report.

The HIP and associated funding was included within Appendices 7 to the report parts 2 and 4. Additional borrowing was the primary source of funding for new construction and acquisition projects. The HIP would be presented again as part of the HRA Business Plan report due in March 2025.

The Council did have some balances and funding which it was able to use to fund specific projects and service demands. The sums available could be used to fund 'one-off' items only. Any initiatives that would result in a recurring cost to the Council need to be accommodated within the revenue budget. The proposed usage of these funds and balances were detailed in the report.

For 2025/26, it was proposed that funding from the General Fund Volatility Reserve was used to cover the £2.5m deficit, to enable a balanced budget to be presented.

A General Fund Volatility Reserve (GFVR) was established during the 2024/25 Budget Setting Process to enable the Medium-Term Financial Strategy to be balanced over future years, until a forecast surplus position was achieved from 2026/27. Business rates overperformance continued to be used to top up this reserve.

The GFVR had a balance of £5.172m (after the 2024/25 budget was balanced) and would be used to cover the forecast 2025/26 deficit of £2.5m.

The Council's policy was for the General Fund Reserve Balance to be maintained at a minimum level of £1.5m, as discussed in paragraph 1.8.1 in the report. This minimum level had been maintained for 2025/26.

The Service Transformation Reserve was to be used to support one-off costs associated with the change in delivery of services. As of 31 March 2025, the forecast balance was £0.953m, with an annual recurrent top up of £0.400m to the reserve from 2025/26 from forecast core-settlement allocations. In addition, a further non-recurrent £0.500m had been allocated to the reserve following final confirmation of the 2025/26 settlement.

The Change Programme Deliver Reserve was set up to support the implementation of schemes aligned to the Change Programme, with the expectation that these should bring recurrent benefit to the Council, either through increased income or service efficiency. It still had £0.500m remaining from its initial allocation of £0.500m provided in the 2024/25 budget.

As outlined in section 1.6 in the report, the Council would receive £2.876m in 2025/26 as part of the Local Finance Settlement, made up of New Homes Bonus (£1.529m) and a Funding Guarantee payment (£1.347m).

Appendix 8 to the report outlined how this funding was to be used, primarily to support non-recurrent funding requirements.

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

The proposed budget allocation for 2025/26 was based on a review of the current PPM data by officers within the Assets Team, in consultation with building managers from other services which held or operate specific assets. The Proposed Corporate Property & Planned Preventative Maintenance (PPM) Programme works 2025/26 was set out at Appendix 11 to the report.

For 2025/26, the total PPM budget was £0.709m. This would be funded using £0.413m from the Annual Revenue PPM budget and a £0.296m drawdown from the Corporate Assets Reserve. The Council made a significant top up to the Corporate Asset Reserve in 2023/24 of £3m, and a top-up from the core settlement in 2024/25 of £0.686m, which left sufficient capacity in the reserve (£1.478m) to address emerging issues. Further detail on the PPM schedule and funding was set out in Appendix 9 to the report.

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

Section 11b of the Local Government Act 1992 had been updated to allow a local authority to amend how they charged the empty property premium. From 1 April 2024, Warwick District Council introduced a charge of an additional 100% after a property had been empty for one year instead of two, with the other bands remaining unchanged.

The second change was that LAs would be able to charge up to an additional 100% premium on all furnished second homes in the District. These were essentially homes not occupied but kept furnished as 'second homes' by their owners, not rented out, just used by the owners as holiday homes etc.

For the second homes premium, a billing authority's first determination under this section had to be made at least one year before the beginning of the financial year to which it related. Warwick District Council gave notification as part of the 2024/25 Council Tax notice which was published following resolution at Council in February 2024, so as to enable the policy to come into force from 1 April 2025.

It was anticipated that the introduction of this premium charge would impact approximately 400 properties and increase the Council Tax received by Warwick District Council as the collecting authority by approximately £0.700m, which would be distributed amongst the preceptors in the normal way but providing Warwick District Council with a forecasted £0.057mk per annum.

A separate report seeking approval for this change and its applicable policy would be presented alongside the Budget in February 2024.

In terms of alternative options, Council did not have an alternative to setting a Budget for the forthcoming year. Members could, however, decide to amend the way in which the budget was broken down or not to amend the current year's Budget. However, the proposed 2025/26 budget sought to reflect the decisions made by Members and make appropriate recommendations. Any changes to the proposed budgets would need to be fully considered to ensure all implications (financial or otherwise) were addressed. If any Member was considering suggesting changes to the proposed Budget, these proposals should be discussed (in confidence) with the Head of Finance beforehand to ensure all implications were considered, including funding. If appropriate, alternate Budget papers could be prepared for consideration by Council.

The Budget Review Group thanked officers for their hard work in putting together the report. The Group noted the importance of the change programme and savings expected to be delivered through this. Members requested Cabinet look into the potential of a cyber-attack and the risk profile of this. They expressed concerns around inflation and explored confidence in reserves. The Group asked that the HRA business plan be

brought forward alongside the base budget in future for Councillors to understand the budget within the context of this

Councillor Chilvers proposed the recommendations in the report.

Recommended to Council that

- (1) the proposed 2025/26 revenue budget as detailed in section 1.2 in the report, be noted, and the shortfall on the year of £2.5m is addressed using the General Fund Volatility Reserve, be noted;
- (2) the Council Tax charges for Warwick District Council for 2025/26, before the addition of Parish/Town Councils, Warwickshire County Council and Warwickshire Police and Crime Commissioner precepts, for each band with an increase at band D of 2.99%, be approved;

	£
Band A	125.07
Band B	141.91
Band C	166.76
Band D	187.60
Band E	229.29
Band F	270.98
Band G	312.67
Band H	375.21

- (3) the reserve projections and allocations to and from the individual reserves as detailed in Section 1.8 in the report, including the ICT Replacement, Equipment Renewal and Planned and Preventative Maintenance (PPM) Schedules, be approved;
- (4) the General Fund Capital and Housing Investment Programmes as detailed in section 1.9 of the report, and Appendices 7 parts 1 and 2 to the report, together with the funding of both programmes as detailed in Appendices 7 parts 3 and 4. Changes to the programme are outlined in Appendix 6, be approved;
- (5) the allocation of project funding outlined in Section 1.10 and summarised in Appendix 8 to the report, be approved; and
- (6) the 2025/26 Corporate Property Repair and Planned and Preventative Maintenance (PPM)

Programme totalling £0.709m as outlined in Appendix 9 and section 1.11 to the report, funded from a drawdown from the Corporate Asset Reserve of up to £0.296m, be approved. Members should also note the five-year programme presented in the appendix to the report, and how this programme can be accommodated by the Corporate Asset Reserve.

Resolved that

- (1) the introduction of the second homes premium charge with effect from 1 April 2025, be approved. The charge relates to Council Tax and is outlined in section 1.12 in the report; and
- (2) the impact on the Medium-Term Financial Strategy (MTFS) due to changes detailed within the report, how these changes are expected to be accommodated through the delivery of an organisational change programme, due to be presented to Cabinet in March, be noted.

(The Portfolio Holder for this item was Councillor Chilvers).

Forward Plan Reference 1,479

99. Housing Revenue Account (HRA) Budget 2025/26 (including Rent Setting)

The Cabinet considered a report from Finance. Each year local authority housing landlords were required to set rents and budgets for the forthcoming financial year.

The report informed Members on the Council's financial position for the Housing Revenue Account, bringing together the latest and original Budgets for 2024/25 and 2025/26. The report presented a balanced budget for 2025/26, with a forecast requirement of £4.073m from the Housing Revenue Account (HRA) Capital Investment Reserve (CIR). This was presenting an increased requirement from the CIR of £1.136m from that presented in December 2024.

The report made recommendations in respect of Council tenant housing rents, garage rents, and other HRA charges for 2025/26.

From April 2020, a new National Rent Policy came into effect, which included the ability for Councils to increase rents annually by up to (CPI+1%) at September per annum. It was proposed that the Council would increase rents for Social Rent dwellings by (CPI+1%) at the September 2024 rate of 1.7% + 1% meaning a total rent increase of 2.7% from April 2025.

After a short consultation, in the Autumn Statement on 17 November 2022 the Chancellor of the Exchequer announced that a one year 7% Rent Cap would be applied in the place of the National Rent Policy, using a Direction to the Regulator of Social Housing and advised this would support people in Social & Affordable Housing in England with the cost of living crisis by limiting the increase in their rents. CPI at that time was at 11.7% and costs (energy, materials, services) were spiraling. The Government had not enabled the position prior to the cap to be recovered resulting in the loss of millions of pounds to the social housing sector over time.

Details of current rents and those proposed because of these recommendations were set out in Appendix 1 to the report. From April 2016, Target Formula rents were applied when a dwelling became void and re-let, existing tenancies prior to this policy change continued under the historic rent regime with inflation linked in line with national rent policy. Appendix 1 to the report contained the average rents for both Target Formula Rent and Historic Rent policy dwellings.

A comparison of the Council's proposed 2025/26 rents to Local Market Rents, National Formula Rent Caps and Local Housing Allowance Rents was set out in Appendix 2 to the report. The Council's Social Rents were 42% lower than the Local Average Weekly Market Rent. This meant that the Council's housing service reduced the cost of living for tenants, allowing more money to be spent in the wider economy and reducing the social welfare costs of helping lower income tenants afford their rent.

From April 2016 landlords were permitted to set the base rent as the Target Social Rent (also known as Target Formula Rent) for new Social Tenancies. These tenancies were subject to agreed rental policy to comply with the Welfare Reform and Work Act 2016. New lettings for social rent properties that took place between 24 February 2025 and 31 March 2026 (after the rent increase notification had been sent to current tenants,) would be let at the post April target rent, based on previous year's figures, this would affect approximately 40 new tenants.

The Council adopted the policy to introduce Target Formula Social Rents on new tenancies issued upon a dwelling becoming void and re-let. This phased approach equated to approximately 400 dwellings per year transferring from the prior social rent policy to Target Formula Rents.

Existing tenancies commencing prior to April 2016 would remain on the prior rent policy with rents being inflated by (CPI+1%) for 2025/26, in line with Target Social Rents Dwellings.

New Affordable Rented Housing tenancies within the HRA would continue to have their rents set in line with the National Affordable Housing Rate which was 80% of the Local Market Rent, in line with planning permission and grant approvals from Homes England (where these applied).

Prior to 2020 existing Affordable Housing tenancies were set at a special "Warwick Affordable Rent" which was a mid-point between Social and Affordable rent. Any existing historic tenancies would continue to pay 'Warwick Affordable' rents for the remainder of their tenancy to ensure

there were no negative financial implications for existing tenants.

Affordable rents and 'Warwick Affordable' rents would be inflated in line with national rent policy at (CPI+1%) at September, meaning total rent increasing to 2.7% from April 2025.

Shared Owners purchased a percentage of the property from the Council and were required to pay rent on the proportion of their home which they did not own.

Up until 2024, Shared Ownership rents used to be increased once a year by the Retail Prices Index (RPI+0.5%) in line with the Homes England Lease Agreements in place, however, the Government recognised that RPI was an outdated measure of inflation, with the Government committed to it phasing out of usage by the end of the decade.

On 12 October 2023, it was announced by the Department for Levelling up, Housing and Communities that rents for new Shared Owners could instead be increased once a year by no more than the Consumer Prices Index (CPI+1%). This reform brought Shared Ownership rents into line with the limit that normally applied to annual rent increases in other forms of social housing.

Rents for new shared ownership tenancies would be increased annually by (CPI+1%) which would be 2.7% from April 2025, and existing Shared Ownerships would remain on (RPI+0.5%) which would be 4.1%.

Garage Rent increases were not governed by National Rent Policy Guidance. In 2020/21, as part of the HRA Rent Setting Report, Cabinet approved Garage Rents to be increased by 10% per year over a five-year period with following years being inflated by CPI. The Council did not have a formal policy for the setting of rents for garages, but the points below contributed to the decision to increase the rents.

Two different rent charges applied to garages depending upon whether the renter was an existing WDC tenant or not. There were also parking spaces and cycle sheds which were charged for.

Market Research showed that in the private sector, garages were being marketed in the District with rents ranging from £80-£105 per month depending on quality and location (local market valuations last reviewed January 2024). The average monthly rent for a Council garage was currently £55.19.

The HRA owned a number of dwellings that were sub-leased to the Council's General Fund to be used as Temporary Accommodation. The reason for the dwellings being sub-let was that Homelessness was a General Fund function and needed to be financed separately from the HRA Ringfence which meant the HRA could not cross subsidise General Fund costs and vice versa in line with legislation.

The way the Lease Financing worked was that the HRA charged the General Fund an annual lease charge based on the weekly rent that would be charged for a Temporary Accommodation Dwelling. The General Fund Temporary Accommodation Team allocated the Temporary

Accommodation occupants and levied an occupation charge which was then collected and paid into the General Fund. At year end, an internal transfer was made by the Accountancy Team to enable the General Fund to transfer enough to the HRA to pay for the annual lease charge.

Most of the Temporary Accommodation charge was funded by tenants claiming Housing Benefit due to the nature of the service.

During the 2021/22 Social Housing Rent Regulator's inspection of the HRA Rents, it became apparent that the HRA dwellings were being sublet to the General Fund as Temporary Accommodation were deemed to have low rents. Although Temporary Accommodation fell outside of the Social Rent Regulators Remit, it was stated that it was good practice to have an annual rent review in place and a firm inflation policy adopted where the HRA owned the stock being sub-let to the General Fund.

There was no official National Rent Policy where Temporary Accommodation was concerned as providers varied greatly across the sector from B&B's, Hotels, Private Landlords, local authorities and Housing Associations, so one flat rate of rental inflation had not been legislatively applied to this sector.

During the 2023/24 financial year a full review of the HRA Temporary Accommodation Rents was completed to comply with the Social Rents Regulator's suggestions, and a consultation took place in January 2024 with the Local Benefits Office, where it was discovered rents were undercharged and should be increased to £117.69 for a one-bed property, £147.69 for a two-bed property and £173.08 for a three-bed property.

The lease agreements between the HRA and General Fund would be updated to factor in these new revised rents and an annual agreed inflation policy would be implemented.

To ensure that these rents did not fall below acceptable levels again, they would need to be inflated annually. After researching other Social Housing and Temporary Accommodation providers to seek the most appropriate inflation policy, it was recommended that the rental inflation policy adopted by the Council's HRA for leased HRA Temporary Accommodation properties was CPI+1% in line with the Council's Social Rent Policy, with a locally set cap being put in place of 90% of the Local Housing Allowance Rate for the local area in November each year and linked to the relevant property size which tied up with housing benefit eligibility rules linked to temporary accommodation rents.

This annual inflation policy would ensure the rents would remain affordable to tenants but would give assurance that the Council was recovering its costs for leasing HRA housing stock to the General Fund and Temporary Accommodation Tenants.

In determining the 2024/25 Base Budget, the over-riding principle was to budget for the continuation of services at the agreed level. The following adjustments needed to be made to the 2024/25 Original Budgets:

- removal of any one-off and temporary items;

- addition of inflation (contractual services and pay only);
- addition of previously agreed growth items;
- addition of unavoidable growth items; and
- inclusion of any identified savings.

The table at 1.36 in the report summarised the figures in Appendix 3 to the report and showed how the 2025/26 HRA base budget had been calculated.

In December 2024, the 2025/26 draft base budget was presented to Members. This reflected a balanced position at that stage of the process, with a forecast deficit of £2.937m, with provision made to balance the budget using the HRA Capital Investment Reserve.

A further £1.136m of budget changes had subsequently been added to the budget, bringing the requirement on the HRA CIR to £4.073m to balance the budget.

Key drivers of the change in budget included:

- Extension to waking watch into 2025/26 - £0.599m. Work was underway to provide an alarm solution in the respective high-rise sites which, when concluded, would negate the requirement to provide a waking watch. Supply constraints had meant that work to conclude the alarm installation would continue through into 2025.
- Extension to security at school sites in Kenilworth pending development decision - £0.292m.
- A scheme to provide an allocation towards the provision of flooring to support vulnerable tenants who started WDC tenancies - £0.100m per year for 2 years.

While a number of budget changes had already been included to meet service redesign requirements, a new target operating model was currently being developed and alongside this, a review of the Assets and Housing service was underway. These pieces of work would see the functions integrate to enable improved customer pathways and outcomes. Any changes to the funding requirements would be brought forward at the earliest available opportunity.

Appendix 3 to the report showed the HRA Expenditure and Income budgets which were noted in the above paragraphs, and the Expenditure and Income were added together to create a Net Income from Services Total.

There was also a further section in Appendix 3 to the report titled "Appropriations" which showed how the operational surplus was then used to fund the "below the line" costs such as paying the interest on loan financing, contributions to and from HRA reserves and capital financing recognition. This was accounted for differently to the General fund budgets but was a set format outlined by national accounting guidance from the Chartered Institute of Public Finance (CIPFA).

The Key Drivers for changes in Appropriations budgets were as follows:

- an Increase of £3.474m on Interest on Balances Costs. This represented the increasing borrowing to support the HRA's capital programme year-on-year;
- an Increase of £0.699m in Capital Financing;
- an increase contribution from HRA Reserves of -£3.873m; and
- a Reduction of £0.787m in Retirement Benefit Contributions.

Ultimately the increase in operational costs linked to the regulatory cost increases plus the external loan borrowing costs had caused a need to bring in £4.1m HRA reserves to balance the budget of the Housing Revenue Account.

Due to the current Economic instability external Public Works Loan Board (PWLB), borrowing was a lot higher than forecast so when external loans were being drawn down to fund the HRA's contractually committed capital expenditure the loan financing costs would vary depending on the rates at the time of the loan being agreed.

New Council dwellings did start generating income from handover and had been financially appraised to show the rents would cover the loan repayments. Extra unexpected costs linked to the housing regulator improvements were impacting the HRA's ability to cover these increase loan financing costs and the extra income from the new dwelling rents was partially being taken up to fund the new staff costs and contracts linked with the regulatory improvements.

The HRA's capital programme had always planned on relying on external borrowing to fund its housing development schemes but the Council deferred taking out this external borrowing for a number of years. This was due to treasury management strategies which allowed for 'internal borrowing', for which the interest was paid to the General Fund rather than to PWLB. Rates were lower than those charged by PWLB meaning that both the borrower, and the General Fund investor received benefit. However, this had meant that now when the time had come to borrow externally the interest rates were high and therefore shorter-term loans were being used to keep the interest rates as low as possible and enable the HRA to refinance loans where possible, and when the time was right, to more preferable rates. It was nevertheless having an impact on the HRA negatively.

A number of assumptions had been made in setting the budgets for 2025/26 as follows:

Inflation had been applied in line with specific guidance for each expenditure type, for instance the Gas and Electricity inflation had been advised by ESPO the Commercial Energy Broker that the Council bought its energy from.

Other inflation factors such as for the major works had been inflated depending on the contract, staff costs had been inflated in line with the National Local Government annual pay agreement and where no clear inflation factor was apparent a % estimate had been applied to general budgets where applicable.

In 2023/2024, a rent cap of 7% was applied to social and affordable housing and shared ownership for a period of one year which meant that

the increase in income did not cover the costs of the increased inflation on other operation costs and had an ongoing knock-on effect to the HRA budgets as the lost income compounded. As mentioned previously, the rent cap had now been lifted allowing WDC to inflate rents by the National Rent Policy rates of (CPI+1%) for Social and Affordable Housing, (RPI+0.5%) for existing Shared Ownership in 2025/2026.

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

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

The Current Balance of the HRA CIR was £20.120m, there were numerous demands on this reserve particularly from new regulatory costs, New Build Development schemes, Climate Change and Fire Safety works. The CIR was also being used to support the Major Repairs Reserve as that had been used in full in recent years to support the ongoing improvement works on the Council's Housing Stock. The full impact of having to drawdown from the HRA CIR would be documented in the forthcoming HRA Business Plan Report being presented to March 2025 Cabinet, which would also set out how a more sustainable position could be achieved to move away from a reliance on reserves to balance the in-year budget.

Costs for electricity, gas, water, and laundry facilities were provided at some sheltered housing schemes and were recovered as a weekly charge. These utility charges were not eligible for Housing Benefit. Tenants were notified of these charges at the same time as the annual rent increased. Appendix 4 to the report contained the charges for 2025/26 which would commence on the 1 April 2025.

A policy of full cost recovery was adopted in the report to Cabinet "Heating, Lighting and Water Charges 2018/19 – Council Tenants' on 7 February 2018." Recharges were levied to recover costs of electricity, gas, and water supply usage to individual properties within one of the sheltered and the five very sheltered housing schemes.

The costs of maintaining communal laundry facilities were also recharged at those sites benefiting from these facilities under the heading of miscellaneous charges.

Utility costs were reviewed in line with Council contracts to ensure affordability. The gas and electricity used to deliver communal heating and lighting was supplied under the provisions of the Council's energy supply contracts. Other measures such as installing Photovoltaic cells (solar panels) at James Court, Tannery Court, and Yeomanry Court in April 2012 assisted with reducing tenant's costs with the electricity generated reducing consumption from the national grid.

The charges necessary to fully recover costs for electricity, gas, water, and laundry facilities in 2025/26 were calculated annually from average

consumption over the last three years, updated for current costs such as average void levels, solar panel feed in tariff income, Biomass Boiler feed in tariff subsidy and adjusted for estimated inflation for the forthcoming year. The use of a three-year adjusted average ensured that seasonal and yearly variations were reflected in the calculation.

In recent years the cost of gas and electricity had increased. The Council's electricity contract was renewed in October 2024 and the gas contract was to be renewed in April 2025. At the end of 2023, prices stabilised and, in some cases, decreased. As part of these contract renewals, it had been predicted that Gas would decrease by 20% in 2025. Electricity was predicted to reduce by 25% from October 2024-September 2025 but after then a slight increase was expected, and these inflated costs were starting to reduce for 2025/26.

To protect the general public from the huge increases in energy costs the Government implemented an Energy Price Guarantee which protected customers from increases in energy costs by limiting the amount suppliers could charge per unit of energy used. It currently brought a typical household energy bill in Great Britain for dual-fuel gas and electricity down to around £1,928 per annum from January 2024.

Council tenants were on the ESPO business contract. Therefore, the total charges to be paid by Sheltered Housing tenants for their energy was below this cap noted in Appendix 4 to the report. Depending on the location and the number of bedrooms in the dwelling the total annual bills ranged from £585.00 - £1,398.80 which, at the top end of this range, was £529.20 less than the £1,928 Energy Price Cap.

The three-year average cost calculation shown in Appendix 4 to the report shielded tenants to some extent from the huge increases in gas and electricity bills which had been experienced over the last years.

However, in 2024/25 a further measure was taken to reduce the impact to tenants as it was also decided to forecast further increases based on a per property basis, % increase between 2022/23 to 2023/24, rather than use the previous year's mark up of 200% and 100%, this was a more accurate approach to setting budgets and had helped further reduce charges to tenants, however this still meant the Council's HRA had to meet any shortfalls in income caused by this policy change.

The total cost to the Council in 2025/26 had been calculated at £239,919.72 for Electricity, Heating, Lighting and Laundry and £44,141.74 for Water. This would be recovered by recharging tenants of applicable Sheltered Housing Schemes with the Service Charges being itemised on Appendix 4 to the report.

Service charges applied in two ways: a) where the Council owned multi-occupancy buildings and provided services such as heating, lighting and cleaning of communal areas, and b) where the Council owned buildings on an estate where external services such as maintenance of unadopted roads, play areas or green spaces were provided by a managing agent.

For sheltered schemes, the Council already applied a service charge in relation to heating and lighting and a total cost recovery approach applied.

There was, however, no charge for other services such as grounds maintenance, fire alarms and other such services to the sheltered schemes.

Across the remainder of the multi-occupancy dwelling stock, which constituted around half of the total stock, services which were commonly covered by service charges were not charged for separately.

This meant that the costs for these services were met from rents. There were drawbacks with this approach:

The HRA was missing out on additional income that could be generated by applying charges for service provision.

Rents were regulated by government policy and artificially constrained to increases of CPI +1% whilst energy prices and land management costs were more volatile and subject to market forces. This meant as energy costs rose, the proportion of rental income available to repay the 'mortgage' effectively reduced.

Government had, from time to time, further limited the rent rise that landlords could apply. An example of this was referenced at paragraph 1.4 in the report. There was no correlating government policy on the treatment of service charges meaning that landlords who had separated out costs of service charges from rent could apply a total cost recovery.

While most service charges would see increases annually to reflect the additional cost of providing the service linked to contract inflation, it might have been possible in some cases that service charges could reduce where contracts were reprocured in future years. Contracts would always be procured within the Council's Procurement policies with best value and quality to tenants being the main drivers awarding each contract, where such services were provided by the Council.

It was proposed to scope out the potential to separate service charges from rents and thereby provide some protection from government rent caps and restrictions going forward.

A number of new build housing developments had been purchased by the Council's HRA in recent years. At some sites, facilities which would ordinarily be adopted by the relevant local authority (who in turn would service and maintain), were being retained by the developer, and service charge levied to each household. These service charges were totally independent from Social/Affordable or Shared Ownership Rents. It was the intention of the Council for the HRA to pay the charges for properties and then seek reimbursement from occupants.

A phased introduction of Service Charges therefore needed to be approved in the HRA which was specific to each dwelling on each separate new build site where applicable.

The annual inflation policy of these contracts also needed to be approved and revised annually in line with actual contract inflation costs specific to each service charge contract in place to be inflated at the 1 April each year.

Service charges were calculated by splitting the cost of the service over the number of properties benefitting from that service and needed to be on a cost recovery basis i.e. charges must not make a profit, they were just to recover full contract costs that the Council's HRA would incur otherwise.

If a service charge was proposed to increase, it was because the current charge did not cover the full cost of providing that service. Different services might therefore have different proposed adjustments annually to better reflect their actual costs.

Service charges might increase or decrease separately from rents each year based on the actual services being provided and the costs incurred and would be based on actual expenditure for the preceding financial year where reasonably possible.

The Council would seek to recover 100% of the service charge costs being incurred to ensure that tenants that benefitted from the additional services being provided did not subsidise the service.

Service Charges were not covered by the same Government guidelines as rent setting; however, the guidelines were that service charges should be set on a reasonable and transparent basis and should reflect the service provided.

Where new or extended services were introduced, and an additional charge might need to be made, the Council would consult with tenants.

For Affordable Rent tenants, the service charge was included alongside the rent.

The service charges that formed part of the tenancy or occupation agreement would be highlighted in the agreement. There was no option to opt out of any specified charge.

The annual review of service charges would be an integral part of the budget setting process across the Council and subject to approval. Once agreed the new rent and charges would be implemented in the April of the next financial year.

The Council would give tenants four weeks written notice of any change in the level of service charges which normally would be prior to April and rent increases would be advised at the same time in line with Section 13(2) of the Housing Act 1988 where appropriate.

The purpose of the report was to produce budgets as determined under the requirements of the Financial Strategy, in line with current Council policies. Any alternative options / strategies would be the subject of separate report

The Council had discretion over the setting of Garage Rents. It would be possible to set Garage Rents higher than those proposed to maximise income, however, significantly higher rents might make Garages harder to let and so reduce income. Similarly, rents could also be reduced but this would reduce income to the HRA Budget when it was needed and not provide sufficient funds to maintain the garages in good condition.

The Council did have the discretion to decrease rents for existing tenants. However, following the negative impact of the previous rent policy of a four-year fixed -1% rental income reduction from 2016-2020, the negative impact of the Covid-19 Pandemic, and then the recent 7% rent cap not matching inflationary operational costs, any decreases would further reduce the level of income for the HRA, which in turn could impact upon the viability of the HRA to cover its operational costs, future projects and business requirements.

The Council did not have the discretion to change the rent schedule for existing Shared Ownership dwellings without permission from Homes England, which was determined by the existing terms of the lease.

The Council did have the discretion to reduce the heating charges charged back to tenants, however, as bills were now reducing full cost recovery would be implemented as there were already measures in place to shield tenants from the recent high utility cost increases.

The Budget Review Group thanked officers for their hard work in putting together the report. Members explored the decision to borrow monies externally to prevent the depletion of Council reserves and expressed the implications of this decision should be understood. The Group noted that this would be covered within the Treasury Management Strategy that will be brought to Cabinet at a later date but requested in future reports be brought together where possible in order for Members to see the bigger picture.

Councillor Adkins proposed the recommendations in the report.

Recommended to Council that the proposed increase to rents for all Social & Affordable tenanted dwellings (excluding Shared Ownership) for 2025/26 at 2.7% (CPI 1.7%+1%) at September 2024 as per the Regulator of Social Housing National Rent Policy increases, be approved.

(The Portfolio Holder for this item was Councillor Adkins).
Forward Plan Reference 1,511

100. **Preparing for the introduction of the Procurement Act 2023**

The Cabinet considered a report from Finance which provided a brief on the Procurement Act 2023 which was due to come into force on 24 February 2025. A consequential review of the Code of Procurement Practice had been undertaken and a new set of standing orders was recommended for approval.

Following the exit of the UK from the EU in 2020, the Government committed to reforming Public Procurement, initiated by the publication of the procurement reform green paper in December 2020. This led to the creation of the Procurement Act 2023 which was given Royal assent in October 2023 and the consequential Procurement Regulations 2024.

Both the Procurement Act 2023 and Procurement Regulations 2024

would come into force on 24 February 2025 and would supersede the Public Contracts Regulations 2015, Concession Contract Regulations 2016 and other related regulations. The Council was required by law to adopt internal requirements for procurement which was captured by the Council's Code of Procurement Practice. These were to be found in the [Council's constitution – rules of procedure](#). With the new legislation approaching, there was need to review the Code of Procurement Practice to align them with the new legislation. On review by the Strategic Procurement & Creditors Manager, it was concluded that the Code of Procurement Practice needed a substantial review and update to support the major changes being by the new legislation and the principles and requirements set out within it.

The Procurement Act 2023 and Procurement Regulations 2024 aimed to deliver the following improvements to public procurement over and above the current Regulations:

- consideration of Procurement throughout the entire commercial cycle, from 'cradle to grave';
- transparency and integrity;
- fair and Equal treatment for suppliers;
- performance monitoring and improved contract management;
- opening up opportunities to small businesses and social enterprise;
- the ability to exclude and bar suppliers in certain circumstances, including poor performance; and
- delivery of strategic national priorities by having regard to the National Procurement Policy Statement.

To achieve these, the following wholesale changes had been made:

- the term Procurement had been redefined to recognise all stages of the Commercial Cycle: Planning, Supplier engagement, Commissioning, Sourcing, Awarding, Contract Management, Contract Termination;
- increased scrutiny on Contract Management to ensure best practice, value for money, and Social Value benefits;
- increased transparency obligations throughout a Procurement Project by introduction of a new Central Digital Platform for suppliers and buyers to register and store their details and activity so that Procurement activities could be scrutinised. This would be supported by mandated notices which had been expanded to include Procurement Pipelines, Premarket engagement, Contract modifications, Contract Performance, and Procurement and Contract Terminations;
- more robust guidance on Conflicts of Interest and a requirement to record and report on these throughout a Procurement;
- the introduction of the Procurement Review Unit (PRU) to monitor compliance, investigate supplier complaints and persistent poor practice, maintain the central supplier debarment list; and
- increased opportunities for exclusion, whereby in specified circumstances, the Council needed to or might exclude bids received from suppliers due to their serious misconduct, unacceptable poor past performance, or other circumstances which determined whether it was appropriate to award a public contract

to a particular supplier. Serious cases of misconduct would be monitored by the PRU for inclusion on the central debarment list which the Council needed to consult once quotes or tenders were received and then during the lifetime of the contract.

The focus of the legislation remained on competition and 'Value For Money' but had changed the emphasis from considering only financial value to a need to also consider non-financial benefits and Social Value when evaluating suppliers bids.

For clarity, as with the existing legislation, many of the legislative provisions applied only to procurement projects above certain thresholds. The most common thresholds were currently set at £213,477 (incl. VAT) for goods and services and £5,336,937 (incl. VAT) for works. Whilst the majority of the Council's contracts would be below these thresholds, some of the provisions and objectives, particularly around engagement of SMEs and transparency, which would apply to 'below threshold' procurement.

The legislation was not retroactive, except for transparency requirements on supplier payments. All procurements formerly commenced (published) prior to the Procurement Act 2023 and Procurement Regulations 2024 coming into force on 24 February 2025 would be governed by the relevant prior regulations. The Procurement Act 2023 and Procurement Regulations 2024 would only apply to procurements projects (and the resulting contracts) published post 24 February 2025. The Code of Procurement Practice had been updated to recognise the impact of this.

In preparation for the Procurement Act 2023 and Procurement Regulations 2024, the Council had undertaken the following:

- created a Procurement Reform Action plan which identified actions needed to meet the new legislation (see Appendix 1 to the report);
- introduced a SLT Procurement subgroup to contribute to the successful implementation of the actions stated within the Procurement Reform Action Plan;
- resurrected the Procurement Champions members group to provide oversight and support for the Procurement Reform Action Plan and Council procurement activity; and
- review training requirements for officers and Members and disseminate training provided by the Cabinet Office in preparation for the legislative changes.

The most urgent item on the Procurement Reform Action plan was the review and revision of the Council's Code of Procurement Practice and the review of the Procurement Strategy. Future reviews that would be reported to Cabinet in due course were the introduction of a Corporate Social Responsibility Statement and a Sustainable Sourcing Policy and review of the following existing policies:

- Social Value Policy
- Equality in Procurement Policy

The Local Government Act 1972 required Councils to adopt contract standing orders which the Council had named the Code of procurement

Practice. These were set by Councils according to their own requirements and cover, for example – authority to procure, procedure according to value, required documentation and other relevant matters. The current Code of Procurement Practice could be found in the [Council's constitution – rules of procedure](#).

The current Code of Procurement Practice was last fully reviewed and updated in 2018 to make it clearer and more accessible. It was then updated with minor changes in 2021 to accommodate actions to help meet the Council's Climate Change Action Plan. Despite the robust nature of the current Code of Procurement Practice, the wholesale changes identified in 1.2.2 in the report had required a major revision of the Code of Procurement Practice to ensure it provided sufficient support for officers and Members in meeting the new legislative obligations. Accordingly, the new Code of Procurement Practice had been prepared and was attached in Appendix 2 to the report.

Key changes within the new Code of Procurement Practice were:

- The new Code of Procurement Practice had been revised to recognise the re-definition of Procurement as referencing the whole commercial lifecycle approach as well as the additional obligations that accompanied this. The intention was the document was supporting officers and Members in understanding their obligations under the new legislation, as well as defining accountabilities for each stage of the Procurement (Commercial) cycle due to the devolved structure of procurement within the Council. Although accountability for all procurement activities outside of sourcing a contract lay within Service area, it was still recognised that further input and guidance might be required from the central Procurement function and/or legal services.
- Changes to the internal thresholds with regard to undertaking competitive processes would come into force by no later than the 1 September 2025, to enable training to be implemented for officers on achieving Best Value and fulfilling governance obligations linked to the Procurement Act 2023 including the requirement to record decision making as soon as practicable.
- Changes to the internal thresholds exemptions to streamline operational procurement for service areas.
- Review of transparency obligations and notice publication requirements.
- The introduction of a more robust Conflict of Interest requirement with increased reporting and monitoring procedures.
- The redefinition of Supplier engagement and a more robust requirement for the undertaking, recording and publication of such activity.

At the time of writing the report, the impact of the above would affect the following, and might result in further reviews and reports on resources, capabilities and priorities:

- The Council currently had 291 contracts listed within its published contract Register, with a total annual commitment of £75,600,366. Of these contracts, 266 were for ongoing BAU requirements with a total annual commitment of £61,752,265. When replaced, the

increased transparency requirements would result in a minimum of three times the number of legal notices currently placed for these contracts.

- Of the BAU contracts, 61 were above the UK thresholds for the Public Contract Regulations 2015 and would fall under the additional obligations of the Procurement Act and Procurement Regulations 2024 when they came to be replaced. Most of them fell within Neighbourhood and Assets, and Finance.
- There were currently 49 planned procurement projects that would fall under the new legislation and its additional obligations.
- Of current contracts, 48 had been awarded through an exemption to the Code of procurement Practice, 10 of which would have fallen under the requirement to obtain Cabinet approval. With the exemption changes within the new Code of Procurement Practice, including the threshold change for cabinet approval, none of these exemptions would require Cabinet approval.

The current Procurement Strategy covered 2019 to 2023. It was updated in 2021 to incorporate aspirations within the Climate Change Action Plan.

The Procurement Strategy set out key objectives for the Council regarding procurement, to facilitate the achievement of the Council's objectives.

In 2023, the Council's corporate strategy was updated, setting out new objectives for the organisation which included several actions that could be facilitated through Procurement:

(1.2.1) Our medium-term financial strategy will set out the steps we will take to ensure we continue to be financially sustainable and can continue to invest across the district. This will include making better use of existing resources and consider how we can increase income generating opportunities.

(1.2.2) Our change programme will improve the efficiency and effectiveness of how the Council delivers services to ensure they remain responsive and accessible to customer needs.

(1.3.1) By reviewing how Council services are delivered and measuring performance will help ensure high quality services are being delivered across the Council.

(1.3.4) We will further develop our approach to commissioning and contract management across the Council to continue to ensure residents receive the best service possible and value for the taxpayer.

(1.4.1) Our People Strategy will help to attract the right people with the right skills the Council needs; this will help the Council become recognised locally, regionally and nationally as an employer of choice.

(1.5.2) We will continue to develop our approach for maximising social value through our place-shaping initiatives to recycle money within the District.

(2.1.1) Significantly improve the energy efficiency of Council buildings

and introduce renewable energy generation capacity where possible.

(2.5.1) By working in partnership locally, regionally and nationally, we will identify, evaluate and undertake initiatives to help local people reduce their energy needs'.

In addition, the Procurement Act 2023 had defined new Procurement objectives for the public sector, as well as legislating the National Procurement Policy Statement which would set out additional objectives from parliament.

To recognise these changes, the Procurement Strategy had been reviewed and updated to ensure that it set out how the Council would fulfil its local, national and legal objectives through Procurement. The Procurement Strategy 2024 to 2028 was set out in Appendix 3 to the report.

Key changes within the new Procurement Strategy were:

- a recognition of the new Procurement structure within the Council and the termination of the shared service arrangement with Warwickshire County Council Procurement;
- the setting out of WDC Procurement objectives to support the achievement of local, national and legal ambitions;
- the recognition of the National Procurement Policy Statement for consideration in addition to the Procurement Strategy objectives;
- an increased emphasis on the adoption and use of procurement best practice across the Council, in particular with regard to contract management and performance monitoring; and
- an update in all actions for achieving defined priorities.

The proposal to revise the key decision threshold was brought forward for consideration to provide alignment of policy and key decisions to make it a more streamlined process. This increase was considered reasonable alignment based on the measures that were required for contracts above this value.

The proposal to revise the requirements for a contract to be sealed was to balance the benefits of sealing a contract against the additional time and cost of sealing a contract.

A standard contract 'signed under hand' was legally enforceable up to six years upon the resolution of the contract. A sealed contract, however, could be enforced the contract for up to 12 years.

Service contracts and most goods contracts by their nature had a finite impact aligned to the term of the contract. Any requirements to enforce a contract beyond its resolution would be sufficiently covered within the standard six years provided by a contract signed underhand. However, Works contracts and some product contracts for long-life plant equipment whereby contract considerations might apply up to 10 years or more beyond the original contract term.

Currently, the Constitution required all contracts above the UK threshold for Goods and Services to be sealed. Although contracts were now sealed

electronically, it required additional time, legal resource and electronic sealing costs to seal a contract. As there was no benefit from sealing Service contracts and most product contracts, retaining this requirement for sealing was not cost effective.

It was therefore proposed that the Constitution was amended to align the requirements for the sealing of a contract to just apply to contracts for which the sealing process would create legal benefit, such as for Works contracts and Product contracts whereby the lifecycle of the product exceeded six years.

Alternative options had been considered, but Procurement regulations were mandatory, so no alternative options were available.

Councillor Chilvers proposed the report as laid out.

Recommended to Council that the adoption of updated Code of Procurement Practice and Corporate Procurement Strategy, be approved, with immediate effect, unless stated, and the Constitution is amended accordingly. With the key emphasises being:

- To increase the threshold for Cabinet approval of exemptions to the UK threshold for Goods and Services.
- To moving the £10,000 thresholds to £50,000 with the ability to direct award contracts providing best value is evidenced, with this to commence no later than 1 September 2025.
- To enforce the completion of a timely Procurement Project initiation Document (PPID) for all procurement projects of £25,000 and above, to ensure Procurement Act 2023 governance if fulfilled.
- The Monitoring Officer be given delegated authority to approve the Procurement Conflicts of Interest assessment specified within the Procurement Act, in consultation with the relevant Head of Service.
- The Monitoring Officer be given delegated authority, in consultation with the Chief Executive, Section 151 Officer, Internal Audit and Risk Manager, Chair of Audit and Standards, Portfolio Holder for Resources, and the relevant Head of Service, to exclude suppliers from a procurement project due to identification of an unfair advantage as defined in the Procurement Act Guidelines.

Resolved that

- (1) authority be delegated to the Monitoring Officer, in consultation with the Head of Finance, Portfolio Holder for Resources, and Chair of Audit & Standards Committee, to make changes to the new Code of procurement Practice to reflect any additional or revised guidance published prior to the Procurement Act go live date;
- (2) the value of a Key Decision, as defined in the Constitution be revised to the value of the Goods & Services Threshold within the act (currently c.£177k excluding VAT) to provide consistency around key decisions on procurement that require Cabinet approval;
- (3) authority be delegated to the Monitoring Officer to revise the Key Decision value recorded in the Constitution to align with the UK threshold for Goods & Services) as and when it is revised by Government; and
- (4) the requirement for the sealing of contracts, as defined in the constitution, be revised to all Works contracts, and Goods contracts with a Whole Life Cycle of six years or more.

(The Portfolio Holder for this item was Councillor Chilvers).
Forward Plan Reference 1,481

101. Q2 Budget Monitoring and updated MTFS

The Cabinet considered a report from Finance which provided an update on the current financial position as at 30 June 2024, providing a full year forecast for the 2024/25 financial year, and for the medium term through the Financial Strategy. Key variances and changes were highlighted to inform Members, with some recommendations also being put forward for their consideration.

Quarter Three Update 2024/25 Report would be presented at Cabinet on 19 March 2025 Quarter Four (Outturn), and the 2024/25 Report would be presented at Cabinet on 3 September 2025 in line with the publication of the draft Statement of Accounts 2025/26.

Current year variances - General Fund

A full review and full year forecast had been completed by all Cost Centre Managers to estimate the total financial commitment for this current year. Accountancy had supported managers in the preparation of these figures. As at 30 September 2024 (end of Quarter Two) there was an Adverse forecast variance of £0.291m after adjustment for Reserves for the 2024/25 financial year to 31 March 2025.

Department / Portfolio	Budget 2024/25	Forecast 24.25 Q2	Q2 Variance	Reserves	Adjusted Variance after reserves
General Fund	£000	£000	£000	£000	£000
Customer & Digital Services	1,279	1,448	169	0	169
Finance	2,118	1,466	(652)	0	(652)
Housing Services - GF	3,860	3,696	(164)	(173)	9
Neighbourhood & Assets	8,785	9,340	555	0	555
People and Communication	40	25	(15)	(3)	(12)
Place, Arts & Economy	11,296	11,088	(208)	0	(208)
Safer Communities, Leisure & Environment	6,610	6,827	217	(10)	227
Strategic Leadership	2,578	2,824	246	43	203
General Fund Total	36,566	36,714	148	(143)	291

A breakdown of changes between Quarter One and Quarter Two by Portfolio is shown below.

Movement Between Q1 and Q2	Q1 Variance after Reserves	Q2 Variance after Reserves	Movement
General Fund	£000	£000	£000
Customer & Digital Services	305	169	(136)
Finance	(69)	(652)	(583)
Housing Services - GF	103	9	(94)
Neighbourhood & Assets	217	555	338
People and Communication	(32)	(12)	20
Place, Arts & Economy	(343)	(208)	135
Safer Communities, Leisure & Environment	(44)	227	271
Strategic Leadership	127	203	76
General Fund Total	264	291	27

Earmarked Reserve Movements in Q2

Proposed Earmarked Reserve Movements at Quarter Two		
General Fund		£000
Election Expenses Reserve	Drawn down of underspent Grant from 2023/25	(51)
Climate Change Reserve	Underspend / Overspend in year to Earmarked Reserve	8
Tennis Maintenance Reserve	Underspend / Overspend in year to Earmarked Reserve	10
Working for Warwick Reserve	Underspend / Overspend in year to Earmarked Reserve	3
HMO Funded Work	Underspend / Overspend in year to Earmarked Reserve	(46)
Homelessness Prevention Reserve	Underspend / Overspend in year to Earmarked Reserve	219
		143

A summary by Portfolio of major variances was provided below:

List of major Variations		Q2 £000	Favourable (F) / Adverse (A)	Q1 £000	Change £000
Customer & Digital Services					
1.1.2.1	Benefits - Homelessness Rent Rebates	173	A	304	(131)
Finance					
1.1.3.1	Revenues	0	F	(50)	50
1.1.3.2	Audit, Risk & Insurance	1	A	(15)	16
1.1.3.3	Contingency Budgets	(687)	F	0	(687)
1.1.3.4	Audit Fees	30	A	0	30
Housing Services - General Fund					
1.1.4.1	Private Sector Housing	(55)	F	110	(165)
1.1.4.2	Choice Base Lettings	18	A	0	18
1.1.4.3	Community Partnership	53	A	0	53
Neighbourhood & Assets					
1.1.5.1	Waste Collection Contract – SMRF	450	A	280	170
1.1.5.2	Estate Management	25	A	31	(6)
1.1.5.3	Business Support & Development	11	A	11	0
1.1.5.4	Car Parks	(79)	F	(108)	29
1.1.5.5	Waste Management	91	A	0	91
1.1.5.6	Grass Cutting	29	A	0	29
1.1.5.7	Compliance Management	6	A	0	6
1.1.5.8	Bereavement Services	13	A	0	13
People & Communication					
1.1.6.1	Apprentice Incentive scheme funding	(33)	F	(32)	(1)
1.1.6.2	Human Resources General	21	A	0	21
Place, Arts & Economy					
1.1.7.1	Royal Spa Centre	(219)	F	(229)	10
1.1.7.2	Women's Cycle Tour	(30)	F	(30)	0
1.1.7.3	South Warwickshire Local Plan	(21)	F	(21)	0
1.1.7.4	Royal Pump Rooms	(26)	F	(28)	2
1.1.7.5	LEP Contribution Growth Hub	(16)	F	(36)	20
1.1.7.6	Development Control	143	A	0	143
1.1.7.7	Building Control	(96)	F	0	(96)
1.1.7.8	Town Hall	137	A	0	137
1.1.7.9	Policy & Projects	(36)	F	0	(36)
1.1.7.1	Parish Neighbourhood Plans	(22)	F	0	(22)
1.1.7.1	Economic Development	(13)	F	0	(13)
Safer Communities, Leisure & Environment					
1.1.8.1	Community Safety	32	F	(67)	99
1.1.8.2	Licensing & Registration	19	A	14	5
1.1.8.3	Edmondscote Sports Track	10	A	10	0
1.1.8.4	Client Monitoring	23	A	0	23
1.1.8.5	Green Space Development	99	A	0	99
1.1.8.6	Outdoor Recreation	10	A	0	10
1.1.8.7	CCTV	6	A	0	6
Strategic Leadership					
1.1.9.1	Kenilworth School	221	A	243	(22)
1.1.9.2	Abbey Fields Cycle Route	(140)	F	(140)	0
1.1.9.3	Shared Legal Services	130	A	111	19
1.1.9.4	Corporate projects - Linen Street Feasibility	(27)	F	(50)	23
1.1.9.5	CS Team	(1)	F	(28)	27
1.1.9.6	Democratic Representation	(7)	F	(10)	3

As part of the vacancy factor process for Q2, a full year forecast of all salary budgets had been completed and the vacancy factor calculations had been made. This forecast that 97.35% of the General Fund Vacancy Factor (£0.826m) had been met. This left the remaining £0.497m to be completed for the current year.

Agency use was offset against staffing underspends across service areas and was therefore factored into the vacancy factor calculations. However, it should be noted that agency use was forecast to be over budget by £0.312m in 2024/25. A review on the use of agency staffing was due to be carried out as part of ongoing work reviewing establishments as part of the Change Programme.

An increase in Homelessness Rent Rebates for which the authority did not receive full government subsidy. The number of residents who claimed this allowance, and the duration for which they claimed it, had increased in recent years, while the subsidy had remained at a level set back in 2011 (Local Housing Allowance Rate). Further work would take place to look at the accommodation in which people were placed, and whether there was more that could be done to reduce durations, particularly in accommodation such as hotels and B&B's which were not fully reimbursed by the subsidy.

At budget setting in February 2024, contingency budgets were set to mitigate the unknown rising costs of contracts linked to inflation. These were held and managed centrally by the Head of Finance. In Q2, the contingency budgets had been fully utilised to offset some of the increased expenditure reflected in the report and therefore showing in a favourable underspend in the Finance Service.

Increased cost of External Audit for the completion of the 2021/22 and 2022/23 Statement of Financial Accounts, was partly due to the additional work required due to the change of Financial System mid-year of 2021/22, and extra scrutiny required from our External Auditors.

Private Sector Housing

An increase was anticipated from grant repayments due to house sales. Budget adjustment to other grants and contributions occurred as the Warwick University post was no longer required.

Choice based lettings

Income from using home choice was no longer available.

Community Partnerships

There had been an overspend in salary as an additional employee was transferred to the establishment from Tenancy management. A budget growth was considered in Q3.

Neighbourhood & Assets.

Waste Collection Contract – The budget and MTFs made provision for an expected rebate of £1m for recycling that was sold by the Materials Recycling Facility (MRF), which WDC was an owner along with seven other local authorities. However, it had emerged over the last year that some of the forecasts included in the original business case did not reflect ongoing costs and challenges of delivering the service.

In Quarter One the Budget target was reduced to £0.550m using contingency budgets held for this purpose. It was expected that the rebate would be £0.100m, a £0.450 under-delivered against the 2024/25 budget. The rebate was low due to the set up and actual costs of haulage, higher non sellable waste and lower tonnage across the shareholders.

This was an issue not exclusive to WDC, with all shareholding Councils experiencing similar problems due to incorrect financial information being given upon which decisions had been made, including setting the budget. WDC were still awaiting further details related to the Business Plan and schedule for rebates and this would be assessed in future monitoring reports and Budget Setting.

Estate Management

A number of wider estates management matters required consultancy.

Business Support & Development

There had been increased expenditure on waste disposal.

Car Parking income

After the Parking Service underwent an alignment in July 2024, the increase in Penalty Charge Notices (PCN) being issued were expected to stabilise. However, WDC continued to see record numbers of PCN's being issued, increasing income for this service.

Waste management

Forecasted an increase in costs due to the new cleaning contract in May 2024. Green waste income from the sale of the permit was estimated to be under budget, it was under a fees and charges review.

Grass cutting

Overspend due to additional machinery needed to hire for events in the final quarter of the year, Service Area manager to review in Q3 to propose savings within Services to mitigate this overspend.

Compliance Management - this was the annual fee for the security alarm system and monthly service charges. Budget to be reviewed and set for 2025/26.

Bereavement Services

Reduced income from rental of the lodge properties in the cemeteries as a review was being undertaken of an empty property that would need to be brought back to lettable standard.

People & Communications

The underspend would contribute towards the shared post apprentice to cover the Forestry apprentice Final year costs.

Human Resources General

Increase in Occupational Health charges. This would be reviewed in Budget setting 2025/26.

The Royal Spa Centre projected an increase in income to be from Non-WDC Shows this year. The predictions were based on income to date and previous year's outturn.

Budget was allocated from the Core Finance Settlement for the Women's Cycle Tour. This had unfortunately been cancelled in 2023. Despite funding being in place for 2024, the tour of Britain had not returned to Warwick, and instead visited other parts of Wales and England in June 2024. This funding would therefore be released back to reserves.

The Local Plan budget had been set aside to support a programme of work on the South Warwickshire Local Plan (SWLP) over several years. An estimate of costs was made when the SWLP was commenced in 2021, recognising that it would be needed over the lifetime of the project. Work was proceeding on the SWLP and, to date, costs had predominantly related to the cost of preparing the evidence base and public consultation. A revised timetable for the SWLP was agreed in November 2023 and this saw the SWLP being adopted in 2027. This project was also being funded by Stratford-on-Avon District Council and costs were being shared between the two authorities.

Royal Pump Rooms

There was an increased income forecast based on the previous year's outturn. This would be reviewed in Budget setting 2025/26.

LEP Contribution Growth Hub - funding for the Growth Hub in 2024/2025 was agreed to fund the level two service at £0.015m this year. The remaining amount in the EMR would be savings.

Development control

Additional costs on staffing were partly offset by underspends in established post. Income online to meet budgeted targets. In Building Control, there was a salary underspend from current vacant posts.

Due to the current works at the Town Hall for the future High Street Project, and the relocation of Riverside House, rental income and

charges had reduced as the space was not available to rent out. This budget had been addressed in the Budget Setting process for 2025/26.

There had been an increase in the Grant received from UKSPF.

Parish Neighbourhood Plans - the budget created in 2024/25 would not be used in year. This would be reviewed in budget setting 2025/26.

Economic Development – there had been general savings on service expenditure.

Safer Communities, Leisure & Environment

OPCC grants and Serious Violence grants to be received in 2024/2025 to fund salary costs. There had been an increase in costs for Hired Transport.

Licensing & Registration – forecasted income for Private Hire Services was revised to be lower than the budgeted income, this was impacted by the number of applications received, which had been lower than expected.

Edmondscote Sports Track - Athletics Track Idverde ground maintenance costs for the year. Budget to be reviewed at Budget setting 2025/2026.

There had been an increase in costs for Consultancy charges at Leisure Centres within the District.

Green space development.

There had been increased costs related to Agricultural Goods.

Outdoor Recreation

There had been increased costs in relation to Contracted Cleaning.

CCTV

There had been reduced income for CCTV viewing charges.

Strategic Leadership.

Kenilworth School - WDC acted as guarantor and the approved budget as of July 2023 was £1.5m. Following several months of checking and chasing WCC it had been established that WDC's unbudgeted liability for the school 278 highway costs was £243k. Going forward WDC would ensure that our interests were protected in future agreements, through agreed cost caps on any guarantees, protocols for cost escalation being in place and having a technical WDC representative on such project teams.

Abbey Fields Cycle Route - Consultation & Feasibility works to be completed in 2024/2025, works were expected to be completed in 2025/2026, this would most likely require EMR to 2025/2026.

At present, a number of positions with the shared legal team were being covered by agency/locum staff, to ensure that service provision could continue. However, these came at an additional cost, which was accepted could not be sustained and discussions on this were taking place between the Head of Law & Governance at SDC and Head of Governance at WDC. There was an expectation that this level should reduce, however, there was also significant demand with the legal team working at above capacity to meet the demands from WDC commercial work at this time.

This was a long, on-going project; the forecast was an estimate based on expected costs for existing work for 2023/2024. The remaining Budget would be requested by Embarked Reserve to transfer into the new financial year.

Democratic Representation

Expected increase on previous years, as a new location (Shire Hall) had been used; this would change when meetings moved back to Town Hall. Budget to be reviewed at budget setting for 2025/2026. Final project charges for Kenilworth Wardens were being reviewed, which included Business Plan and Valuations.

Members Allowance & Chair of Housing Security Committee.

Members Allowance (Recommendation 4 in the report). The uprating of Members allowances was dependent on the pay award offered to officers on scale point/nationally. The Current scheme read as follows: "The allowances identified in paragraphs 2 and 3 above shall be increased by the annual local government pay percentage increase as agreed each April (linked to spinal column point 38 of the NJC scheme) to be implemented the following May in that year from the date of the Council Annual Meeting". The pay award to officers on all scale points was £1,925 and was calculated as a percentage for scale point 38 this would be 2.78%. Officers had consulted with the Independent Remuneration Panel who had agreed with this interpretation.

Chair of the Housing Security Committee (Recommendation 5 in the report). The Allowance for Chair of Housing Scrutiny Committee was proposed as part of the paper establishing this Committee and officers were asked to consult with the Independent Remuneration Panel on this proposal. This consultation had taken place, and they were in agreement with the proposal recognising the key assurance role of the Committee and detailed involvement required of the Chair. In addition to this there was due to be a full review of allowances undertaken and completed to be built into the February 2026 budget report.

Current year variances – Housing Revenue Account (HRA).

Variations had been identified by the Accountancy Team in conjunction with the relevant budget managers, giving a full year variance of £0.282m.

Department / Portfolio	Budget 2024/25	Forecast 24.25	Q2 Variance	Reserves	Adjusted Variance after reserves
Housing Revenue Account (HRA)	£000	£000	£000	£000	£000
Housing Services - HRA	0	282	282	0	282
Housing Revenue Account Total	0	282	282	0	282

Changes for Quarter One to Quarter Two.

Movement Between Q1 and Q2	Q1 Variance after Reserves	Q2 Variance after Reserves	Movement
Housing Revenue Account (HRA)	£000	£000	£000
Housing Services - HRA	219	282	63
Housing Revenue Account Total	219	282	63

A summary of major variances is provided below:

List of major Variations	Q2 £000	Favourable (F) / Adverse (A)	Q1 £000	Change £000
Housing Revenue Account (HRA)				
1.2.2 Tenancy Management	159	A	158	1
1.2.3 Warwick Response	42	F	24	18
1.2.4 Housing Repairs - Responsive	64	A	78	(14)
1.2.5 Paining & Decoration	(300)	F	0	(300)
1.2.6 Waking Watch	205	A	0	205
1.2.7 Kenilworth Schools	101	A	0	101

As part of the Vacancy factor process for Q2, A full year forecast of all Salary budgets had been completed and the Vacancy factor calculations had been made. This forecast that 100.00% of the for HRA Vacancy Factor (£1.592m) had been met.

Tenancy Management – Current forecast of IT software cost based on last year’s outturn, and the annual software license fee was expected to be charged in September 2024. Budget for costs of IT software to be reviewed at budget setting for 2025/2026.

Warwick Response – Forecast for general fees and charges predicted yearly reduction resulted from private customers leaving with only Warwick District Council customers in properties, income generated from sales of sundry item was not as much as pre-covid.

Housing repairs – overspend on repairs and maintenance for Fire Prevention Works. Service Manager to review further for Quarter Three forecast and provide additional update.

Painting & Decoration - reduced expenditure in year to offset increased costs within the HRA which included Waking Watch and Kenilworth Schools.

Costs of providing a waking watch fire security service to high rise building, originally budgeted up to December 2024, the additional cost related to the service continuing until July 2025 (the report only included cost to end of March 2025), when all fire safety works would be completed. A provision in 2025/26 budget had been made for costs up to July 2025.

Cost of vacant possession of Council and Layes Lane School site, these included security and NNDR costs.

Medium Term Financial Plan (MTFS). Recommendation 3 in the report

The MTFS was last formally reported to Members in February 2024 as part of the Budget setting and Council Tax setting reports. At that stage the profile of revenue savings to be found was as follows:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Deficit-Savings Req (+)/Surplus (-) future years	0	4.475	2.434	(0.250)	(0.913)

Within the 2024/25 budget report, it was agreed that to balance the in-year budget that £4.475m be allocated from the GF Volatility Reserve.

	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Deficit-Savings Req (+)/Surplus (-) future years	0	0	2.434	(0.250)	(0.913)

In light of the variations highlighted in this report, the MTFS had been updated as outlined below:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Deficit-Savings Req (+)/Surplus (-) future years	0	0.291	2.500	0.163	(0.030)

As referenced in section 1.1.5.1 in the report, the impact of the updated Business Plan for the MRF would be reflected in future updates.

Officers continued to review ways of reducing the deficit, which included income generation, service efficiency and cost saving

schemes through the Change Programme Board.

Were the deficit to remain, it was recommended that this was met by the GF Volatility Reserve. There remained sufficient headroom within the reserve (£3.8m) to meet the forecast deficits for 2024/25 and 2025/26.

In addition to the variations discussed in section 1.1 in the report, since the budget was set, the Council had agreed to participate in the delivery of the West Midlands Investment Zone. As part of this, it had been agreed that Warwick District Council could invest up to £90.2m over 25 years of the business rates generated from the Segro Park and Whitley South sites in local growth initiatives (LGI's) across the District, offering the Council increased financial certainty for the future.

This report had been presented to Cabinet and reflected in the MTFs.

Capital Forecast 2024/25. Recommendation 4 in the report.

Capital currently forecast a reduction in funding requirement in year of £6.612m for General Fund and £7.484m for HRA. A full breakdown of Capital Variances was shown in Appendix 1 to the report.

Reserves

The table at 1.5.1 in the report presented the latest summary of available reserves. This reflected non-committed, and non-ringfenced balances as at Budget Setting reports approved at Cabinet February each Financial Year, and ranges from 1 April 2020 (Showing previous three years and current year) up to 1 April 2028 (the period covered by the current MTFs).

All Reserves included the final movements for 2021/22, 2022/23 and 2023/24 after the completion of these accounts (draft accounts for 2023/24).

All reserves did not include any adjustments in relation to the forecast final position, or movement to Earmarked Reserves for the 2024/25 financial year.

No alternative options were presented.

Councillor Chilvers proposed the recommendations in the report.

Recommended to Council that

- (1) the Members Allowances Scheme for 2024/25 is uprated by 2.78% and back dated to Annual Council on 14 May 2024 in line with the Paragraph 7 of the Members allowances scheme; and
- (2) the Chair of Housing Scrutiny is paid an allowance of £4,596.93 (before the uplift above).

Resolved that

- (1) the latest current year financial position for General Fund £0.291m adverse after adjustments for earmarked Reserves, and Housing Revenue Account £0.282m adverse, with the key variations that drive these positions, be noted;
- (2) the impact on the Medium-Term Financial Strategy (MTFS) due to changes detailed within the report, and how these changes are expected to be accommodated through the use of reserves, be noted; and
- (3) the current capital variations for schemes originally approved in February 2024 and approves all changes, be noted.

(The Portfolio Holder for this item was Councillor Chilvers).
Forward Plan Reference 1,475

(The meeting ended at 7:34pm)

Statement of the Chief Financial Officer

1. Role of the Chief Financial Officer

- 1.1. Under Section 151 of the Local Government Act 1972 and Section 114 of the Local Government Finance Act 1988, the Chief Finance Officer (CFO) is responsible for the proper administration of the Council's financial affairs.
- 1.2. The statutory duties of the CFO are set out in the Constitution of the County Council. This includes the requirement to report to the County Council, Cabinet, and external auditor if the Council's expenditure is likely to significantly exceed the available resources.
- 1.3. The Chartered Institute of Public Finance and Accountancy (CIPFA) has published a statement on the Role of the CFO in Local Government. The Statement requires that, to ensure that they can operate effectively and perform their core duties, the CFO:
 - is a key member of the leadership team, helping it to develop and implement strategy and to resource and deliver the authority's strategic objectives sustainably and in the public interest.
 - must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer-term implications, opportunities and risks are fully considered, and alignment with the authority's financial strategy; and
 - must lead the promotion and delivery by the whole authority of good financial management so that public money is always safeguarded and used appropriately, economically, efficiently, and effectively.

To deliver these responsibilities the CFO must

- lead and direct a finance function that is resourced to be fit for purpose; and
- be professionally qualified and suitably experienced.

2. Statutory Duty of the Chief Financial Officer

- 2.1. Section 25 of the Local Government Act 2003 places a statutory duty on the Chief Financial Officer to review the Medium-Term Financial Strategy (MTFS) and comment upon the robustness of the budget and the adequacy of the reserves to be held by the authority when determining its Council Tax.
- 2.2. Section 26 of the Local Government Act 2003 places an onus on the Chief Financial Officer to ensure the authority has established a minimum level of reserves to be retained to cover any unforeseen demands that could not be reasonably defined within finalising the proposed budget.

- 2.3. This information enables a longer-term view of the overall financial resilience of the Council to be taken.
- 2.4. Throughout the report, the CFO may be referenced as either the Head of Finance or Section 151 Officer.

3. Robustness of the Budget

- 3.1. The preparation of the budgets started back in August. As the Head of Finance, and being a qualified and experienced accountant, I have held full oversight on the process. The budgets have used the current year as their base, with the budget review process informing where these do not provide a reasonable basis for the following year. There has been a high level of scrutiny to the budget this year, along with budget monitoring throughout the year, from: -
 - Budget Managers and the Senior Leadership Team (SLT)
 - Portfolio Holders
 - The Cabinet through the various preceding reports set out in the background papers.
 - Scrutiny Committees
- 3.2. Consequently, I am satisfied that the budgets are prepared on a robust basis.
- 3.3. Whilst the budget has been prepared on a robust financial basis and will support delivery of the Corporate Strategy, a balanced budget has only been achieved using reserves totalling £2.5m to address a known reducing deficit position.
- 3.4. In preparing the Budget, regard has been given several factors including funding availability; risks and uncertainties; inflation; priorities; demography and service pressures. As capital investment decisions have a direct impact on the council's revenue budget, particularly relating to borrowing costs, the Capital Programme has been reviewed to ensure that its delivery remains viable and affordable.
- 3.5. In view of the current economic climate facing the Council along with the whole of the public sector, many budgets have again not been increased at levels to match the current rate of inflation. This has also come on the back of years where the budget has been prepared and impacted by the Global Pandemic and the impact of the UK leaving the EU. Government support relating to the pandemic has now ceased, and while the Autumn Statement and Local Finance Settlement provided some short-term stability, the 0.3% increase provided in core spending power is well below the levels of increases seen across service areas in net expenditure costs.

- 3.6. Therefore the management of these net expenditure costs will be essential to ensure best value can be achieved. This will be supported through the change programme, and service areas working with support services such as IT, HR, Finance and Procurement to ensure best value is achieved.
- 3.7. Consideration has been given to how the budget aligns with the Corporate Strategy, last updated in November 2023. Due consideration has been given to reconciling the over-arching financial strategy with corporate priorities and hence all the proposals have been developed as an integral part of service planning.
- 3.8. Regard has been given several factors including funding availability; risks and uncertainties; inflation; priorities; demography and service pressures. As capital investment decisions have a direct impact on the council's revenue budget, particularly relating to borrowing costs, the Capital Programme has been reviewed to ensure that it remains deliverable and financially viable within the MTFS.
- 3.9. Contingencies have been included within the budgets, to mitigate against the impact of unexpected changes in-year (see section 4.8).

4. Adequacy of Reserves

- 4.1. The Adequacy of Earmarked Reserves has been reviewed as part of the budget process. While the balances presented in the report and supporting appendices are considered adequate to enable the council to set a balanced position for 2025/26, strategic reserves are projected to remain at around £20m by 2029 after considering for planned commitments, and before balancing future budgets using the General Fund Volatility Reserve.
- 4.2. The Code of practice on local authority accounting requires the purpose, usage, and basis of transactions of earmarked reserves to be identified clearly. This is set out in Appendix 5 of this report.
- 4.3. The reporting of reserve balances has continued to be improved during 2024/25, following member feedback from Overview and Scrutiny committee initially received during 2023/24, to ensure improved transparency (section 1.8 of the covering report). In accordance with best practice on reserves and balances these have therefore been reviewed as part of the annual budget preparation. In addition, there are forecasts for future years which are reflected in the MTFS. In considering the level of reserves in addition to the cash flow requirements CIPFA recommends that the following factors are considered: -

Budget assumptions	Financial standing and management
The treatment of inflation and interest rates	The overall financial standing of the authority (level of borrowing, debt outstanding, council tax collection rates).
Estimates of the level and timing of capital receipts	The authority's track record in budget and financial management.
The treatment of demand led pressures	The authority's capacity to manage in-year budget pressures.
The treatment of efficiency savings/productivity gains	The strength of financial information and reporting arrangements.
The financial risks inherent in any significant new funding partnerships, major outsourcing deals or major capital developments	The authority's virement and end of year procedures in relation to budget under/overspends at authority and departmental level.
The availability of other funds to deal with major contingencies	The adequacy of the authority's insurance arrangements to cover major unforeseen risks.

- 4.4. The CIPFA Resilience Index was launched in December 2019 compares the Council to other comparator authorities. This does not suggest any areas where the authority is notably at risk, with levels of ear-marked reserves providing much security in the short/medium term.
- 4.5. I have considered these matters and can advise members that they currently have a satisfactory level of reserves and balances to deliver a sustainable financial position over the medium term. However, this will only be achieved if delivery of the key assumptions underpinning the improved recurrent position are delivered.
- 4.6. Risks which may impact upon the Council's finances and the Budget, together with controls and mitigations, are set out in Section 5, and a risk assessment against the general fund reserve is set out in Appendix 4. The Council has self-insurance for small items but generally relies on external insurance for claims above £25,000, so there is no major risk in this area.
- 4.7. In making this assessment I have considered that a core contingency budget of £200,000 for 2025/26 should be sufficient to support the delivery of any unplanned unavoidable expenditure. In addition there is a further £1.6m Budget allocation to mitigate against any inflationary increases, including changes to major contracts or commitments.

5. Risks

- 5.1. The Council continues to face in-year budget risks. Primarily these relate to:
 - the current economic conditions (high inflation and interest rates).
 - the macroeconomic effects of world events, including war.
 - political uncertainty, noting this will be a General Election year.
 - the continued impact on the Council of the UK leaving the EU.
 - the legacy impact of the global pandemic.
- 5.2. The medium-term financial strategy has been prepared on a prudent basis given the uncertainties that face local government finance into the future. Whilst the 2025/26 budget has been prepared prudently, there are undoubtedly risks associated with it, linked to the current high levels of inflation, and increasing interest rates. However, with the level of reserves currently held, the Council should be able to manage any material changes from assumptions made throughout the year.
- 5.3. In considering future years, from 2026/27 there are significant uncertainties relating to any changes as a result of Local Finance reviews. The 2024 Autumn Statement indicated that funding policies, including the finance settlement and business rates will be reviewed, which are likely to have an impact on the Council and some of its main funding sources. In particular, the Council has been operating for the last couple of years on single year settlements from Central Governments. Local Authorities, including ourselves, will continue to engage with Central Government on this issue with our partners to lobby for multi-year settlements, which have been promised from 2026/27. These will enable us to more effectively plan over the Medium-Term, offering greater certainty on income levels which in turn will support the delivery of the Change Programme
- 5.4. One such funding source where there is still longer-term uncertainty relates to the Council's share of Business Rates linked to the Fair Funding Review and the long-expected reset of the Business Rate Retention Scheme. Prudent estimates for business rates retention have been included from 2026/27, assuming a baseline reset will remove any previous benefit the Council has received from overperformance from its core funding. The Council has made necessary provision for this change within the reserves it holds, in particular the Business Rate Retention Volatility Reserve
- 5.5. The immediate in-year budget risks to which the Council is exposed are moderate. There are currently additional risks in relation to the uncertain state of the economy, the impact this may have on the Council's income sources, and the risks associated with capital schemes. Contingency budgets and reserve balances are available to mitigate such risk (as previously outlined in sections 3 and 4).

6. Change Programme

- 6.1. The budget and Medium-Term Financial Strategy take into consideration Budget proposals originally agreed in December 2020, including the project support costs, and forecast recurrent savings associated with the relocation of offices from Riverside House.
- 6.2. In addition, as part of addressing the budget deficit position of the MTFS, assumptions have been included for delivery against the Change Programme from 2024/25, totalling £2.5m. The Change Programme delivered its £0.3m target in 2024/25, with work ongoing to ensure the target of £0.7m for 2025/26 is achieved, and is monitored through a quarterly change programme board.
- 6.3. Members need to be mindful of the underlying budget situation throughout their decision-making and ensure that the need to deliver a sustainable baseline financial position without the need to use reserves through organisational change is given due priority. This aligns with the Corporate Strategy as agreed in November 2023 through priority one.

Andrew Rollins

CFO / Head of Finance (Section 151 Officer)

February 2025

Appendices to Minute Number 98

General Fund Summary

Appendix 2

Department	Original Budget	Latest Budget	Original Budget	Variance	Variance
	2024/25	2024/25	2025/26	2024/25	2025/26
	£ B	£ C	£ D	£ C- B	£ D - B
Neighbourhood & Assets	6,871,500	8,253,700	5,600,400	1,382,200	(1,271,100)
Safer Communities, Leisure & Environment	6,612,300	6,128,400	6,422,700	(483,900)	(189,600)
Place, Arts & Economy	10,945,900	10,347,700	10,299,900	(598,200)	(646,000)
Finance	2,945,600	1,682,700	2,620,400	(1,262,900)	(325,200)
Housing Services - GF	3,689,300	3,725,200	3,013,500	35,900	(675,800)
Customer & Digital Services	1,314,700	887,900	1,339,400	(426,800)	24,700
People and Communication	(19,700)	(164,600)	(141,600)	(144,900)	(121,900)
Strategic Leadership	2,121,600	2,317,000	1,521,400	195,400	(600,200)
TOTAL GENERAL FUND SERVICES	34,481,200	33,178,000	30,676,100	(1,303,200)	(3,805,100)
Replacement of Notional with Actual Cost of Capital:					
- Deduct Notional Capital Financing Charges in Budgets	(6,097,000)	(6,097,000)	(6,112,900)	0	(15,900)
- Add Cost of Loan Repayments, Revenue Contributions and - Interest paid	3,335,100	3,335,100	3,335,100	0	0
Revenue Contributions to Capital	80,000	80,000	80,000	0	0
Contributions to / (from) Reserves	(740,300)	(2,817,200)	464,500	(2,076,900)	1,204,800
Net External Investment Interest Received	(6,353,500)	(6,353,500)	(6,353,500)	0	0
IAS19 Adjustments reversed	(3,440,600)	(60,500)	(60,500)	3,380,100	3,380,100
Employee Benefits Accruals reversed	0	0	0	0	0
Contributions to / (from) General Fund	0	0	0	0	0
NET EXPENDITURE FOR DISTRICT PURPOSES	21,264,900	21,264,900	22,028,800	0	763,900
Less Revenue Support Grant	0	0	0	0	0
Less Business Rate Income	(7,362,500)	(7,362,500)	(6,728,700)	0	633,800
Less General Grants	0	0	(1,151,000)	0	(1,151,000)
Less New Homes Bonus	(902,000)	(902,000)	(1,528,500)	0	(626,500)
Funding Guarantee	(2,462,400)	(2,462,400)	(1,347,000)	0	1,115,400
Less Lower Tier Services Grant	0	0	0	0	0
Services Grant	(22,000)	(22,000)	0	0	22,000
Collection Fund (Surplus) / Deficit	99,900	99,900	(70,400)	0	(170,300)
Surplus / (Deficit) for the Year		0	0	0	0
NET EXPENDITURE BORNE BY COUNCIL TAX - WARWICK DISTRICT COUNCIL	10,615,900	10,615,900	11,203,200	0	587,300
Aggregate Parish Council Expenditure	2,308,300	2,308,300	TBC	0	0
COMBINED DISTRICT AND PARISH EXPENDITURE BORNE BY COUNCIL TAX:	12,924,200	12,924,200	11,203,200	0	587,300
Warwickshire County Council Expenditure	95,360,800	95,360,800	TBC	0	
Warwickshire Police and Crime Commissioner Expenditure	15,957,700	15,957,700	TBC	0	
BORNE BY COUNCIL TAX	124,242,700	124,242,700	11,203,200	0	587,300

Medium Term Financial Strategy

Appendix 3 (i)

	2024/25	2024/25	2025/26	2026/27	2027/28	2028/29
	£'000	latest £'000	£'000	£'000	£'000	£'000
Net Cost Of General Fund Services	34,481	33,418	30,676	24,041	23,604	23,416
Investment Interest	-6,354	-6,354	-6,353	-4,714	-3,845	-3,845
Other Financing Adjusments	-6,862	-5,799	-2,294	-2,371	-2,398	-2,162
Net Expenditure after adjustments	21,265	21,265	22,028	16,955	17,361	17,408
NNDR (Business Rate Retention, including SBR grant)	-7,363	-7,363	-6,729	-4,126	-4,126	-4,126
Collection Fund Balance	100	100	-70			
New Homes Bonus	-902	-902	-1,529			
Funding Guarantee	-2,462	-2,462	-1,347	-1,000	-1,000	-1,000
Services Grant	-22	-22				
Other Grants and Government Funding			-1,151			
Amount being from Council Tax	10,616	10,616	11,203	11,830	12,235	12,283
Band D Equivalent	176.86	176.86	182.15	187.60	193.21	198.98
% increase on previous year	-	-	2.99%	2.99%	2.99%	2.99%
Net Expenditure after adjustments	21,265	21,265	22,028	16,955	17,361	17,408
Total Grant and Council Tax Income	-21,265	-21,265	-22,028	-16,891	-17,483	-18,097
Deficit-Savings Required(+)/Surplus(-) future years	0	0	0	64	-122	-689
Change on previous year	0	0	0	64	-186	-567

Medium Term Financial Strategy

Appendix 3 (ii)

Appendices to Minute Number 98

	2024/25 £'000	2024/25 latest £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000
Base Cost of General Fund Services	35,250	34,481	33,418	30,676	23,977	23,726
Inflation on Controllable Expenditure	1,137	0	672	831	855	900
Recurring Growth	-1,062	-2,859	-477	1,454	-17	617
Items funded from Reserves	2,413	651	1,063	691	717	481
Total New time limited growth/savings	3,398	1,145	3,367	-5,245	-6,360	-7,262
Less previous year 1 Off/Time Limited Growth	-6,655	0	-7,367	-4,430	4,554	5,643
Net Cost of General Fund Services	34,481	33,418	30,676	23,977	23,726	24,105
Less:Capital Financing Charges	-6,097	-6,097	-6,113	-6,113	-6,113	-6,113
Less IAS19 included above	-3,440	-60	-61	-61	-61	-61
Controllable Expenditure	24,944	27,261	24,502	17,803	17,553	17,931
Financing Charges etc.						
Loan repayments etc	3,335	3,335	3,335	3,335	3,335	3,335
Revenue Contributions to Capital	80	80	80	80	80	80
Contributions to/from reserves	-740	-3,057	464	387	360	596
External investment interest	-6,354	-6,354	-6,353	-4,714	-3,845	-3,845
Total Financing Charges etc	-3,679	-5,996	-2,474	-912	-70	166
Net Expenditure	21,265	21,265	22,028	16,891	17,483	18,097
NNDR redistributed	-7,363	-7,363	-6,729	-4,126	-4,126	-4,126
Services Grant	-22	-22				
	0		-1,151			
New Homes Bonus	-902	-902	-1,529	0	0	0
Funding Guarantee	-2,462	-2,462	-1,347	-1,000	-1,000	-1,000
Collection Fund Balance 23-24	100	100	-70			
Total AEF/Collection Fund	-10,650	-10,649	-10,826	-5,126	-5,126	-5,126
Council Tax borne expenditure	10,615	10,616	11,203	11,766	12,357	12,972
Equivalent to Band D Council Tax	182.15	182.15	187.60	193.21	198.98	204.93
% increase on previous year	2.99%	2.99%	2.99%	2.99%	2.99%	2.99%
Council Tax Base	58,281	58,281	59,720	60,900	62,100	63,300

APPENDIX 4

Risks Influencing the Level of General Fund Balance

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

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
General Fund Reserves			
Art Gallery Gift Reserve To provide finance for major Art Gallery and Museum purchases linked to the specific conditions imposed by the original gift of the money to the Council	Items to be financed from this reserve are charged to the Art Gallery and Museum Account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	The Head of Safer Place, Arts & Economy Services has delegated authority to make such purchases as necessary from this reserve subject to reporting retrospectively to the Executive. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	This reserve is reviewed during the final accounts process but as the reserve was created by a private donation and has conditions of use attached to it, levels and potential closure are not applicable
Building Control Reserve The fee earning part of the Building Control service should not make a loss over a rolling three year period. This reserve has been created to assist in this with annual surpluses being paid into it and any annual losses being funded from it. It also funds any improvements required in the service.	Annual surpluses / deficits are credited / debited to this reserve as necessary. If funding improvements e.g. IT, reserve makes the necessary contribution to either the General Fund or Capital Financing as appropriate.	Approval for expenditure to be met from this reserve is delegated to the Head of Place, Arts and Economy Services and Head of Finance, in consultation with the relevant portfolio holder. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Business Rate Retention Volatility Reserve	Reserve established to provide finance for "smoothing out" future retained Business Rate revenues.	Executive to approve usage.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Capital Investment Reserve To provide finance for the Council's General Fund capital programme not met by other resources such as capital receipts, revenue contributions to capital (RCCO), external contributions, other reserves.	This reserve provides the balancing figure for financing the Council's General Fund capital programme and the relevant amount is transferred to the Capital Adjustment Account as part of the final accounts process. Annual "repayments" in respect of recently financed schemes are made to the reserve from the General Fund.	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any variation to this figure will be formally agreed by the Executive either as part of the final accounts process or as part of the normal process of revising the General Fund Capital Programme. In addition the reserve is monitored by Finance on a regular basis to provide information for reviews of capital programme resources.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the Estimates and Final Accounts processes where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure. In addition the adequacy of the reserve is reviewed as part of the financial strategy and capital programme setting processes. Normal practice is to keep the level at around £1,000,000.
Car Parks Repairs and Maintenance Reserve	Reserve created from car parks revenue repairs and maintenance budget in order to provide resources for future years.	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Cemetery Land Purchase Reserve	To purchase land for cemetery extensions	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any variation to this figure will be formally agreed by the Executive either as part of the final accounts process or as part of the normal process of revising the General Fund Capital Programme. In addition the reserve is monitored by Finance on a regular basis to provide information for reviews of capital programme resources.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Community Projects Reserve	Reserve created from 2017/18 New Homes Bonus to provide finance for various District wide community projects.	Approval for project spend will be way of reports to the Executive.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Corporate Assets Reserve	To provide finance for refurbishment of facilities following Stock Condition Surveys.	Subject to future Executive reports, approvals from the reserve have been delegated to SAG and the Section 151 Officer in consultation with the Strategic Director and Finance.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Covent Garden Multi Storey Reserve	Balance repurposed towards the 'Future High Street Fund'.	Authority to spend is delegated to the Head of Finance in line with the actual lost net income and debt charges. Executive to be informed of the use of the reserve and its balance.	The level and continuing need for the reserve was reviewed by Finance in conjunction with the S151 Officer, where a recommendation was made to Cabinet for the balance to be repurposed towards the 'Future High Street Fund'
Election Expenses Reserve To provide finance to fund the expense incurred in holding the District Council elections every four years.	The cost of the election is charged to a service account and a contribution from this reserve is credited to the General Fund from this reserve as part of the final accounts process. In the years where no election is held an annual contribution of £30,000 is made to the reserve..	The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Enterprise Projects Reserve	Reserve is used to smooth surpluses / deficits	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes, with delegations over usage agreed by Executive (August 2017) to the Head of Place Arts & Economy Services up to £20k..	Reserve reviewed by Finance as part of budget estimates and closedown procedures.
Equipment Renewal Reserve To finance a rolling programme of equipment and property replacement and renewal.	Revenue Items to be financed from this reserve are charged to the service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Items proposed to be financed from this reserve are first approved by the Executive. Use of reserve is subsequently controlled by SMT, which considers a business case requesting release of funding from the reserve and may approve, if appropriate, followed by approval from Chief Executive and relevant portfolio holders. The standard business case template to be used for SMT's consideration was presented and approved by the September 2011 Executive.	Reserve reviewed as part of Estimates and closedown procedures. Balance increased on basis of Executive approval.
Harbury Lane Reserve	A reserve has been created over a number of years to fund this project.	The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.	The level and continued requirement of this reserve will be reviewed by Finance in conjunction with the Chief Executive and the Leader.
Homelessness Prevention Reserve	From Government grants received in 18/19 and 19/20 towards Homelessness Prevention. A balance of £40k is committed for Rough Sleepers Initiative Interventions.	The Head of Housing Services has delegated authority to draw down from the Reserve in conjunction with the Service Portfolio Holder, Head of Finance and Finance Portfolio Holder.	This money is ring-fenced to prevent or deal with homelessness, with the funding being allocated to the reserve until Council has determined how this money will be spent.
ICT Replacement Reserve To provide finance for the Council's ICT Replacement programme	This reserve has been established in order to provide certainty of finance for the Council's ICT replacement programme.	The ICT Services Manager has delegated authority to spend from this reserve in consultation with the Head of Finance and relevant Portfolio Holders	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer and ICT Manager essentially three times a year: a) when the Financial Strategy is updated b) at budget setting and c) final accounts where depending on the need. A recommendation to the Executive can include increasing / decreasing the balance or complete closure. In addition the adequacy of the reserve is taken into account when revising the capital programme.

Summary of Reserves and Balances

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<p>Insurance Reserve To provide finance to cover the Council's self insurance against potential claims and to pay for security improvements to the Council's General Fund properties. The reserve also holds sufficient funds to cover any potential claim with regard to the Municipal Mutual Insurance "clawback" re previous claims settled.</p>	<p>Self insurance claims and Security Improvements are charged to the service accounts and the comparable amount is credited to the General Fund from this reserve as part of the final accounts process.</p>	<p>The Insurance Officer has authority to spend up to £15,000 (£1,000 per project) in any one year on security improvements. Items above these thresholds have to be authorised by the Head of Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>
<p>Investment Volatility Reserve</p>	<p>Set up to capture a portion of the gain on corporate equity funds to be used to smooth possible future fluctuations</p>	<p>Authority to spend from this reserve is delegated to the Head of Finance.</p>	<p>The use of this reserve will be included within future Budget reports to be agreed by the Executive.</p>
<p>Leisure Options Reserve</p>	<p>This reserve has been established to cover such items as the reduction in income whilst the Leisure Centre refurbishment programme is under way and also the first year and a half's debt charges arising from the prudential borrowing for this project. The reserve will also fund the re-profiling of the contractor concessions arising from the outsourcing of the Leisure Centres operation.</p>	<p>Authority to spend from this reserve is delegated to the Head of Finance in line with the actual lost income and debt charges incurred.</p>	<p>The continuing need for the reserve will be reviewed by Finance in conjunction with the S151 Officer and Head of Cultural Services, and depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>
<p>Local Plan Delivery Reserve</p>	<p>The reserve is used for items of work required to help the implementation of the Local Plan. This would include detailed work on a specific proposal to help turn it from a proposal to reality.</p>	<p>Approval to spend from this reserve is delegated to the Chief Executive, Head of Finance and Head of Place Arts & Economy Services in consultation with the Deputy Leader (responsible for the Local Plan) and all group leaders.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>
<p>Other Commuted Sums Reserve Commutated Sums are received from developers in respect of the adoption of public open space or other facilities to be maintained at the Council's expense.</p>	<p>Credits are made annually to the General Fund based on (usually) 1/13th of the capital sum starting from the year in which the maintenance of the facility begins. This date notified by the relevant Service Area.</p>	<p>The General Fund Estimates and its financing is approved by the Executive. This sets the contribution to / from this reserve. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.</p>	<p>The balance on this reserve is dictated by receipts from developers.</p>
<p>Planning Appeal Reserve Originally created to provide finance to cover the costs incurred by the Council with regard to appeals against its planning decisions. The Reserve also now pays for issues relating to planning policy, for example the costs associated with the Local Plan, and associated research.</p>	<p>Items to be financed from this reserve are charged to the Planning service account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.</p>	<p>Approval for expenditure to be met from this reserve is proposed to be delegated to the Head of Place Arts & Economy and Head of Finance, in consultation with the relevant portfolio holder. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>
<p>Planning Investment Reserve</p>	<p>Creation of a reserve into which the 20% uplift in planning fees will be allocated.</p>	<p>To be apportioned by the Head of Finance.</p>	<p>The level and continuing need for the reserve is reviewed by Finance followed by a recommendation to the Executive can include increasing / decreasing the balance or complete closure</p>
<p>Public Amenity Reserve</p>	<p>To provide finance for play area and public open space improvements</p>	<p>The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any further upward variation in the contribution would have to be approved by the Executive either as part of a report on the particular scheme in question or as part of a revision of the capital programme during the budget monitoring process. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.</p>	<p>The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.</p>
<p>Public Open Spaces Planning Gain Reserve</p>	<p>Expenditure from this reserve will be charged to service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.</p>	<p>The Head of Neighbourhood Services, in agreement with the Head of Finance, has delegated authority to spend from this reserve.</p>	<p>This reserve is reviewed during the final accounts process but as the reserve was created from S106 contributions which generally have conditions of use attached to them, levels and potential closure are not applicable</p>

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Services Transformation Reserve	Reserve created to enable services to continue to be provided pending delivery of required savings and to finance "Fit For the Future" schemes so as to help the Council secure the savings needed in its Medium Term Financial Strategy.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Tourism Reserve To provide finance for initiatives relating to the Council's ongoing promotion of tourism	Items to be financed from this reserve are charged to the service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Authority to spend delegated to Deputy Chief Executive in consultation with the Place Arts & Economy Services Portfolio Holder, Finance Portfolio Holder and S151 Officer.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Digital By Default Reserve	Reserve created to enable digitalisation of services to continue to be provided pending delivery of required savings and to finance "Fit For the Future" schemes so as to help the Council secure the savings needed in its Medium Term Financial Strategy.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Climate Change Reserve	Reserve created to respond to the Climate Emergency Declaration for Council services and across the District.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Community Emergency Response Fund Reserve	Reserve created to respond to the COVID-19 pandemic.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Newbold Benches Donation Reserve	To be used in accordance with the wishes of the benefactor on benches and tree planting at Newbold Comyn.	Head of Service to ensure sums spent in accordance with donation conditions.	Use of the Reserve to be reviewed annually until fully disbursed.
Ukrainian Resettlement Inspections Reserve	Paid to the Council to fund the inspection of properties for the Ukrainian resettlement scheme	The responsibility for the authorisation of expenditure from this reserve is the Head of the Housing Service and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The reserve can only be used to fund staff carrying out inspections under this scheme. Unutilised balances would have to be repaid.
Working for Warwick Reserve	Reserve set up to carry forward the employee benefits from the 'Working For Warwick' package to future years	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Energy Generation Projects Reserve	Reserve created to investigate and forward-fund energy generation projects that will be cost neutral over the medium-term	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Change Programme Delivery Reserve	Reserve created to support initial investment required to deliver the organisational change programme	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
GF Volatility Reserve	Reserve established to provide finance for "smoothing out" the General Fund balances to ensure there is enough funding available to balance the deficit budgets presented in the MTFs, using business rates overperformance (while ensuring the BRRVR maintains a balance of £2m)	Executive to approve usage.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Tennis Maintenance Reserve	To provide budget for Tennis court maintenance when required, created by surplus income within each year.	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Biodiversity Reserve	Created from New Homes Bonus budget for 'Trees for Future', This Reserve will support projects and initiatives to enhance biodiversity including tree planting, as prioritised through the planned review of the Trees For Our Future project.	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
HMO Equalisation Reserve	This Reserve is to support the HMO Licence Service, the majority of Licences are received in the first two years of the 5 year programme, Funds to be drawn down to support services in the final three years.	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Waste Management Contract Reserve	The reserve will support the Waste Contract and Sherbourne MRF. The reserve has been created by additional Government Grant 'Extended Provider Responsibility' in 2025/26.	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Housing Revenue Account (HRA)			
Housing Capital Investment Reserve To provide finance for new build projects.	To provide finance for new build projects.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan in order to achieve the required number of new build homes.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan .
Major Repairs Reserve To provide funding for major capital works to the Council's housing stock	The relevant amount required to finance the HRA capital programme is transferred to the Capital Adjustment Account as part of the final accounts process.	The contribution made from this reserve towards capital expenditure is dictated by the developing needs of the HRA Self Financing Business Plan and will be reviewed as part of the formal Business Plan governance process.	The operation of this reserve will be reviewed as part of the ongoing monitoring of the Self Financing Business Plan.
Housing Revenue Account balance To provide a contingency reserve to protect the HRA against any unexpected and adverse revenue or capital cash flows arising during the year.	The balance will be applied as necessary to finance housing landlord revenue or capital budget variations.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan. The Self Financing Business Plan is based on maintaining a minimum £1.5m balance (uplifted each year for inflation).
HRA Early Retirement Reserve To provide finance to cover the pension one off costs to the HRA as a result of the early retirement of Housing officers and to provide finance to cover redundancy costs properly chargeable to the HRA.	Items to be financed from this reserve are charged to the HRA during the year and notified to Finance. An appropriate amount is then transferred to the HRA as part of the final accounts process.	Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure

Summary of Reserves and Balances

Appendices to Minute Number 98

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<i>HRA Rough Sleeping Initiative Reserve</i>	To fund a rough sleeping initiative at the William Wallsgrove hostel, from Government grant received in 2018/19.	To match-fund expenditure incurred by the HRA, up to the level of the Reserve.	The reserve will be reviewed as part of the wider housing and homeless strategies of the Council

Appendices to Minute Number 98

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2025/26 to 2029/30	Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000	Estimated Balance 1/4/2029 £000
GENERAL FUND RESERVES - EARMARKED						
Art Gallery Gift Reserve	Balance on this reserve includes monies transferred from Art Fund Reserve. Currently there is no expenditure to be met from this reserve. External donations of approximately £1k per annum will be credited to this reserve.	139	140	141	142	143
Building Control Reserve	The surpluses from this 'trading account' are used to support the service costs.	427	427	427	427	427
Business Rate Retention Volatility Reserve	Reserve set up to 'smooth' receipt of business rate income. Covid-19 grants since 20/21 have distorted the previous trends. Expected to be a Government Business Rate re-set in 2025/26.	2,000	2,000	2,000	2,000	2,000
Capital Investment Reserve	The reserve will receive £100k top ups in respect of RUCIS capital schemes in 21/22 and 22/23. £1m is the minimum balance recommended for this reserve.	1,456	1,283	1,183	1,083	983
Car Parking Repairs and Maintenance Reserve	Reserve created in order to provide resources for future years repairs and maintenance programmes. It is currently funding replacement pay & display ticket machines.	122	122	122	122	122
Cemetery Land Purchase Reserve	Reserve established to provide finance for the purchase of land for cemetery extensions. Currently no such purchases are included in the General Fund Capital Programme. Future contributions to the reserve will be provided for by a surcharge imposed on out of area burial fees.	48	48	48	48	48
Community Projects Reserve	Reserve created from New Homes Bonus to provide finance for various District-wide community projects. Being topped up in 2023/24 with £500k from New Homes Bonus / Funding Guarantee.	183	158	133	133	133
Corporate Assets Reserve	Reserve created to provide finance for refurbishing facilities following stock condition surveys. It includes General Fund contributions of £500k from 22/23, which are necessary to maintain balances. Drawdown from reserve is subject to future Executive reports.	2,440	1,953	2,160	2,397	2,694
Covent Garden Multi Storey Reserve	Balance being repurposed towards the 'Future High Street Fund'.	-	-	-	-	-
Election Expenses Reserve	£35k per annum will be credited to the reserve to help defray the costs of General Elections and £105k subsequently released toward funding the General Elections, based on a 4-year cycle.	54	107	174	4	71
Enterprise Projects Reserve	Reserve being reduced to cover legal commitments only.	50	50	50	50	50
Equipment Renewal Reserve	Projects will be approved by SMT, Chief Executive and relevant Portfolio Holders prior to going ahead. The reserve will receive top ups of £100k per annum and is being used to support a number of projects detailed in Appendix 7.	35	70	160	250	340
Harbury Lane Reserve	This reserve will provide funding towards the proposed travellers site in Harbury Lane	84	-	-	-	-
Homelessness Prevention Reserve	From Government grants received in 18/19 and 19/20 towards Homelessness Prevention.	1,169	1,169	1,169	1,169	1,169
ICT Replacement Reserve	This reserve is to provide for planned ICT replacements and revenue costs. The reserve will be topped up by £250k p.a., plus a one-off £500k from the ICT Alignment Reserve in 2022/23 and £1m from General Fund balances in 2023/24, but is projected to become negative at the end of 2025/26.	1,343	728	766	818	1,080
Insurance Reserve	This reserve will be used to cover self insurance against claims and to provide finance for security improvements to mitigate future claims.	274	274	274	274	274
Investment Volatility Reserve	Set up to smooth possible future fluctuations on equity funds and other treasury investments.	100	100	100	100	100
Leisure Options Reserve	Balance from Phase 1 of leisure improvements, plus funds for Phase 2. New Homes Bonus contributions totalling £740k across 20/21 and 21/22.	267	267	66	66	66
Local Plan Delivery Reserve	The reserve is funding the Tachbrook Country Park capital budget	44	44	44	44	44
Other Commuted Sums Reserve	Contributions of around £29k will be made to the General Fund each year to fund maintenance of adopted land. In addition, the reserve will fund part of the cost of the Green Spaces Team Leader. New developer	1,337	1,080	929	777	626
Planning Appeal Reserve	This is funding consultancy for Local Plan, HS2, Kenilworth development brief and site development officer salary etc. costs	319	269	140	10	10
Planning Investment Reserve	This reserve will receive income from the uplift in planning fees. Various posts e.g. temporary Senior EHO, Development Monitoring Officer, CIL Officer etc. are being funded from this reserve	-	-	-	-	-
Public Amenity Reserve	This reserve will provide the finance for the play equipment capital programme. £270k was added from New Homes Bonus in 22/23.	-	-	-	-	-
Public Open Spaces Planning Gain Reserve	Reserve receives a reduced amount of S106 planning development contributions for one-off improvement of Public Open Spaces. It contributes towards capital play area improvements.	181	160	161	163	164
Services Transformation Reserve	Current approvals from this reserve include contribution to a number of capital projects, 'Transforming Our Workplace' and various temporary posts. The reserve received a top-up from the New Homes Bonus, and the balance on the Service Alignment Reserve in 2022/23, and is used to smooth funding between financial years	953	2,008	2,273	2,673	3,073
Tourism Reserve	Established to help fund tourism initiatives within the District	27	-	-	-	-
Digital By Default Reserve	Used for digitisation projects.	23	-	-	-	-
Climate Change Reserve	Tackling the climate emergency declaration.	67	130	130	130	130
Community Emergency Response Fund Reserve	Funds for Covid-19 community support	2	-	-	-	-
Newbold Benches Donation Reserve	Donation from a member of public for benches and tree planting	6	6	6	6	6
Ukrainian Resettlement Inspections Reserve	Paid to the Council to fund the inspection of properties for the Ukrainian resettlement scheme	25	25	25	25	25
Working For Warwick Reserve	Reserve set up to carry forward the employee benefits from the 'Working For Warwick' package to future years	194	194	194	194	194

Appendices to Minute Number 98

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2025/26 to 2029/30	Balance 1/4/2025 £000	Estimated Balance 1/4/2026 £000	Estimated Balance 1/4/2027 £000	Estimated Balance 1/4/2028 £000	Estimated Balance 1/4/2029 £000
G M Commuted Sums Admin Reserve		-	-	-	-	-
Tennis Maintenance Reserve	To provide budget for Tennis court maintenance when required, created by surplus income within each tear.	26	26	26	26	26
Biodiversity Reserves	This fund will support projects and initiatives to enhance biodiversity including tree planting, as prioritised through the planned review of the Trees For Our Future project.	978	1,391	1,391	1,391	1,391
Change Programme Delivery Reserve	Reserve created to support initial investment required to deliver the organisational change programme	500	500	500	500	500
Energy Generation Projects Reserve	Reserve created to investigate and forward-fund energy generation projects that will be cost neutral over the medium-term	500	800	800	800	800
Waste Management Contract Reserve	The reserve will support the Waste Contract and Sherbourne MRF. The reserve has been created by additional Government Grant 'Extended Provider Responsibility' in 2025/26.	-	954	954	954	954
HMO Equalisation Reserve	Reserve established to provide future year funding of the HMO service, where licence fees are received in advance and expenditure is seen over future years.	105	105	105	105	105
General Fund Volatility Reserve	Reserve established to provide finance for "smoothing out" the General Fund balances to ensure there is enough funding available to balance the deficit budgets presented in the MTFs, using business rates overperformance (while ensuring the BRRVR maintains a balance of £2m)	5,172	2,774	2,604	2,604	2,604
GENERAL FUND RESERVE TOTAL		20,650	19,362	19,255	19,485	20,352
	Change in GF reserves (+ increase / - decrease)		-1,288	-107	230	867
BALANCES						
General Fund	A core balance of at least £1.5m after liabilities will be maintained as a contingency reserve.	4,804	4,323	3,823	3,323	2,823
Housing Revenue Account (HRA):						
Housing Capital Investment Reserve	Under self financing, this reserve provides the finance for investment in new housing stock	24,093	20,120	16,534	13,450	11,286
Major Repairs Reserve	Under Self Financing this reserve provides the major element of funding for capital maintenance works to the Council's housing stock.	4,262	960	1,699	2,577	3,523
Housing Revenue Account balance	To provide a contingency reserve to protect the Housing Revenue Account against adverse in year revenue or capital cash flows arising from unexpected major repairs etc.	1,500	1,500	1,500	1,500	1,500
Housing Early Retirements Reserve	Contributions of £20k in each year will be made.	21	21	21	21	21
Lifeline Funding for Assistive Technology Reserve	North Warwickshire Borough Council paid WDC as part of the transfer of their Lifeline customers over to WDC's Lifeline service. This reserve is ringfenced to be used to upgrade the Lifeline connections as the customers migrated over the next 2 years.	21	21	21	21	21
HRA Rough Sleeping Initiative Reserve	To support provision of temporary accomodation and services	262	262	262	262	262
HRA TOTAL		30,159	22,884	20,037	17,831	16,613

CAPITAL VARIATIONS

	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	TOTAL £'000's
ORIGINAL BUDGETS PER 2024/25 BUDGET BOOK:						
Original General Fund Capital Budgets	24,677.9	2,912.8	1,365.3	460.0	N/A	29,416.0
TOTAL	24,677.9	2,912.8	1,365.3	460.0		29,416.0

ORIGINAL GENERAL FUND CAPITAL BUDGETS PER 2024/25 BUDGET BOOK	24,677.9	2,912.8	1,365.3	460.0	Not published	29,416.0
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Items slipped from 2023/24 and added to 2024/25 Budgets (see Final Accounts Report 2023/24 for detail on individual schemes)	1,966.0	N/A	N/A	N/A	N/A	1,966.0
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Items brought forward from 2024/25 to 2023/24 (see Final Accounts Report 2023/24 for detail on individual schemes)	-450.0	N/A	N/A	N/A	N/A	-450.0
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TOTAL adjustments arising from Final Accounts Report:	1,516.0	N/A	N/A	N/A	N/A	1,516.0
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INCREASES TO SCHEMES:

Castle Farm LC New Building	647.6					647.6
CCTV Cameras (UKSPF)	14.2					14.2
Play Area Disabled Improvements		41.0				41.0
Community Stadium	55.8					55.8
Hatton Park Play Area	45.0					45.0
Tach Brook Country Park	77.0					77.0
Frontline Vehicle Fleet (SDC/WDC)	214.5					214.5
Spa Centre Lights and Radio Microphones	1.7					1.7
Pump Rooms Roof Repair and Restoration	1,897.3					1,897.3
Kenilworth School loan	153.0					153.0
TOTAL Increase to Schemes:	3,106.1	41.0				3,147.1

NEW APPROVALS:

Server Infrastructure				220.0		220.0
Desktop Infrastructure					40.0	40.0
Virtual Server Estate					100.0	100.0
Infrastructure General					15.0	15.0
Network devices LAN & WAN					15.0	15.0
Physical Server Replacement				90.0	10.0	100.0
AV Kit			15.8			15.8
Rural & Urban Initiatives					100.0	100.0
Recycling & Refuse Containers					80.0	80.0
Newbold Comyn LC Solar Panels	234.0					234.0
Abbey Fields LC New Building		12,550.0	911.9			13,461.9
Myton footpath/cycleway-should have been slippage from 23/2	47.0					47.0
Commonwealth Games-should have been slippage from 23/24	50.0					50.0
Student Voice App Software (UKSPF)	14.6					14.6
Fallow Hill Community Room items(UKSPF)	3.7					3.7
Emergency Contact (UKSPF)- slippage moved to revenue	-13.0					-13.0
Victoria Park Paddling Pool Improvements	368.0	65.0				433.0
St.Nicholas Park Paddling Pool	334.5	54.6				389.1
Newbold Comyn Cycle Hub	65.0					65.0
Interactive Futures (UKSPF)	10.0					10.0
TOTAL New Approvals:	1,113.8	12,669.6	927.7	310.0	360.0	15,381.1

CAPITAL VARIATIONS

	2024/25 £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	TOTAL £'000's
TOTAL General Fund New/Increases to Capital Approvals during 2024/25:	4,219.9	12,710.6	927.7	310.0	360.0	18,528.2
SLIPPAGE/BUDGET B/FWD - Changes to start dates or delays on projects mean that it is proposed to slip resources into future years/bring forward from future years - identified as part of budget review process:						
Mobile Phone Replacement		30.0	-30.0			
Replacement of Member IT Kit		30.0	-30.0			
Regulatory Services Software	-300.0	250.0	50.0			
Software/Digital - Strategy Seed Funding	-136.8	136.8				
UPS		20.0	-20.0			
AV Kit	-4.3		4.3			
Abbey Fields LC New Building	-9.9		9.9			
St. Nicholas Park All Weather Pitches Carpet Replacement	-350.0	350.0				
Air Quality Sensors Warwick Hospital Car Park	-3.2	3.2				
Air Quality Sensors Oakley Grove Phase 3/Land off Harbury Lane & Oakley Wood Rd	-3.2	3.2				
Eagle Recreation Ground Improvement Works	-22.5	22.5				
Athletics Facility Relocation-budget b/fwd from 23/24	50.0					50.0
Myton footpath/cycleway	-100.0	100.0				
PA system Front of House/Backstage	-55.0	55.0				
Play Area Disabled Improvements	-60.0	60.0				
Skate Park in St. Nicholas Park		-38.8	38.8			
Pump Rooms Roof Repair and Restoration	-2,118.3	2,118.3				
Tach Brook Country Park	-1,265.9	932.2	333.7			
Community Stadium Project	-200.0	200.0				
Future High Street-Sorting Office	-3,100.8	3,100.8				
Castle Farm Sports Pitch Drainage	-73.0	73.0				
TOTAL General Fund Capital Slippage identified during 2024/25:	-7,752.9	7,446.2	356.7			50.0
SCHEMES DELETED / REDUCED / SAVINGS/VIREMENTS:						
Play Area Improvements				-200.0		-200.0
Voice of IP telephone system	-47.0		-30.0			-77.0
Network	-3.4					-3.4
Contact Centre	-38.0					-38.0
Abbey Fields LC Demolition-virement to main project	-99.2					-99.2
Abbey Fields LC New Building-virement from demolition			99.2			99.2
Newbold Comyn Pavilion Refurbishment-project aborted	-26.5					-26.5
Central Ajax Football Club-saving	-1.5					-1.5
CCTV Server Upgrade (UKSPF)	-3.2					-3.2
CCTV Cameras (UKSPF)	3.2					3.2
Improvements to lighting in parks and open spaces (UKSPF)	-76.5					-76.5
Student Voice App Software (UKSPF)	31.3					31.3
ASB App X React (UKSPF)	45.2					45.2
Play Area Improvements	-145.5		-520.0			-665.5
Sabin Drive Play Area	-4.1					-4.1
Address barriers to accessing education and training courses (UKSPF)	12.0					12.0
Develop activities (Spark and Ignite)(UKSPF)	-12.0					-12.0
Lillington Health Hub	-31.4					-31.4
Future High Street-Town Hall	-1.4					-1.4
TOTAL General Fund Reductions / Savings:	-398.0		-450.8	-200.0		-1,048.8
PROPOSED GENERAL FUND CAPITAL PROGRAMME FOR BUDGET BOOK:	22,262.9	23,069.6	2,198.9	570.0	360.0	48,461.4
	-6.5	0.0	0.0			

General Fund Capital Programme

Appendix 7 Part 1

	Latest Budget 2024/25 £'000	Proposed Expend. 2025/26 £'000	Proposed Expend. 2026/27 £'000	Proposed Expend. 2027/28 £'000	Proposed Expend. 2028/29 £'000	TOTAL 2024/25 to 2028/29 £'000
Capital Programme Summary						
Climate Change	75.0					75.0
Customer & Digital Services	1,279.1	1,080.8	424.5	390.0	180.0	3,354.4
Safer Communities, Leisure & Environment	10,409.4	13,134.4	1,221.8			24,765.6
Finance Portfolio	100.0	100.0	100.0	100.0	100.0	500.0
Neighbourhood & Assets	2,994.7	5,453.6	452.6	80.0	80.0	9,060.9
Place, Arts & Economy	7,411.2	3,300.8				10,712.0
Total General Fund Capital Programme	22,269.4	23,069.6	2,198.9	570.0	360.0	48,467.9
Climate Change						
Hydrogen Hub (UKSPF)	75.0					75.0
Total Climate Change	75.0	-	-	-	-	75.0
Customer & Digital Services						
Desktop infrastructure	200.0	125.0	40.0	40.0	40.0	445.0
Mobile Phone Replacement		30.0				30.0
Virtualisation Servers	10.0					10.0
Virtual Server Estate	60.0				100.0	160.0
Infrastructure general	14.5	14.5	14.5	15.0	15.0	73.5
Backup solution	100.0					100.0
Voice of IP telephone system	20.0		50.0			70.0
Server Infrastructure	10.0			220.0		230.0
Network	60.0	14.5	180.0	15.0	15.0	284.5
Contact Centre	20.0		60.0			80.0
Physical server replacement	56.0	10.0	10.0	100.0	10.0	186.0
UPS		20.0				20.0
Development, Building Control and LLPG Replacement.	350.0					350.0
Replacement of Member IT Kit		30.0				30.0
Regulatory Services Software		300.0	50.0			350.0
Revenues and Benefits Replacement or Renewal		400.0				400.0
Software/Digital - Strategy Seed Funding	200.0	136.8				336.8
Software/Digital - GIS	70.0					70.0
Cyber Security Posture	93.6					93.6
AV Kit	15.0		20.0			35.0
Total Customer & Digital Services	1,279.1	1,080.8	424.5	390.0	180.0	3,354.4
Safer Communities, Leisure & Environment						
Castle Farm sports pitch drainage		73.0				73.0
Newbold Comyn LC Solar Panels	234.0					234.0
St. Nicholas Park All Weather Pitches Carpet Replacement		350.0				350.0
Abbey Fields LC New Building	8,598.5	12,550.0	1,021.0			22,169.5
Abbey Fields LC Demolition	10.2					10.2
Castle Farm LC New Building	562.6					562.6
Kenilworth Leisure Centre Sites Fit Out Costs Abbey Fields			200.8			200.8
Central Ajax Football Club	111.4					111.4
Athletics Facility Relocation	238.0					238.0
Myton footpath/cycleway	47.0	100.0				147.0
Commonwealth Games	50.0					50.0
Spa Centre Replacement Seating						
Spa Centre Lights and Radio Microphones	81.4					81.4
Cinema projector	40.0					40.0
PA system Front of House/Backstage		55.0				55.0
Assembly Rooms at Pump Rooms Replacement Chairs	30.8					30.8
CCTV Cameras (UKSPF)	87.1					87.1
Improvements to lighting in parks and open spaces (UKSPF)	141.5					141.5
Fallow Hill Community Room items(UKSPF)	3.7					3.7
ASB App X React (UKSPF)	45.2					45.2
Student Voice App Software	45.9					45.9
The Crest (UKSPF)	8.3					8.3
Everyone Active (UKSPF)	0.2					0.2
Brunswick HLC (UKSPF)	20.0					20.0
Establish 'an active neighbourhood' to prioritise the movement of people over motor traffic (UKSPF)	20.0					20.0
The Gap(UKSPF)	20.0					20.0
Air Quality Sensors Warwick Hospital Car Park	6.8	3.2				10.0
Air Quality Sensors Oakley Grove Phase 3/Land off Harbury Lane & Oakley Wood Rd	6.8	3.2				10.0
Total Safer Communities, Leisure & Environment	10,409.4	13,134.4	1,221.8	-	-	24,765.6
Finance						
Rural & Urban Initiatives	100.0	100.0	100.0	100.0	100.0	500.0
Total Finance	100.0	100.0	100.0	100.0	100.0	500.0
Neighbourhood & Assets						
Play Area Improvements	324.5	480.0				804.5
Play Area Disabled Improvements	40.0	101.0				141.0
Severn Acre Close Play Area	8.2					8.2
Sabin Drive Play Area	18.0					18.0
Glendale Drive Play Area	55.0					55.0
Hatton Park Play Area	97.6					97.6
Eagle Recreation Ground Improvement Works		22.5				22.5
Refugee Sculpture	9.4					9.4
Skate Park in St. Nicholas Park			38.8			38.8
Abbey Fields Management Plan	3.0					3.0
Pottertons Landscaping Works	2.9					2.9
Victoria Park Paddling Pool Improvements	368.0	65.0				433.0
St.Nicholas Park Paddling Pool	334.4	54.6				389.0
Pump Rooms Roof Repair and Restoration	1,000.0	2,118.3				3,118.3
Newbold Comyn Cycle Hub	65.0					65.0
Tach Brook Country Park	179.2	2,532.2	333.8			3,045.2
Recycling & Refuse Containers	80.0	80.0	80.0	80.0	80.0	400.0
Frontline Vehicle Fleet (SDC/WDC)	409.5					409.5
Total Neighbourhood & Assets	2,994.7	5,453.6	452.6	80.0	80.0	9,060.9
Place, Arts & Economy						
Barford Youth & Community Centre-Grant	250.0					250.0
Community Stadium Project	55.7	200.0				255.7
Kenilworth School loan	153.0					153.0
Future High Street-Town Hall	1,792.5					1,792.5
Future High Street-Former Stoneleigh Arms	2,590.0					2,590.0
Future High Street-Sorting Office	2,000.0	3,100.8				5,100.8
Signage (UKSPF)	8.0					8.0
Sustrans (UKSPF)	50.0					50.0
Creative Organisations (UKSPF)	25.0					25.0
Spark & Ignite (UKSPF)	20.2					20.2
Makers Hub (UKSPF)	20.0					20.0
Lights of Leamington (UKSPF)	70.0					70.0
Digital skills provision (UKSPF)	30.0					30.0
Anchor Space at Leamington Town Hall (UKSPF)	42.0					42.0
Develop activities (Spark and Ignite)(UKSPF)	8.0					8.0
Commission a programme of Public art (UKSPF)	5.0					5.0
Interactive Futures UKSPF	10.0					10.0
Leper Hospital regeneration	281.8					281.8
Total Place, Arts & Economy	7,411.2	3,300.8	-	-	-	10,712.0

Housing Investment Programme (HIP) 2024/25 to 2033/34

Appendix 7 Part 2

Activity Description	Actual Spend	Budgeted Spending Plan									
		2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total
Construction / Acquisition of Housing:	2024/25 Revised £'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's
Repurchase of Ex-Council Housing	1,167	500	500	500	500	500	500	500	500	500	5,667
Purchase of Property	15,000	11,000	11,000	11,000	4,268	0	0	0	0	0	52,268
Purchase of property	5,000	5,000	13,000	38	0	0	0	0	0	0	23,038
Purchase of property	5,000	7,000	5,000	5	0	0	0	0	0	0	17,005
Purchase of property	4,500	4,500	1,191	0	0	0	0	0	0	0	10,191
Purchase of property	200	1,300	0	0	0	0	0	0	0	0	1,500
Purchase of property	680	35	0	0	0	0	0	0	0	0	715
Purchase of property	2,635	11	0	0	0	0	0	0	0	0	2,646
Purchase of property	4,485	0	0	0	0	0	0	0	0	0	4,485
Purchase of property	1,659	0	0	0	0	0	0	0	0	0	1,659
Purchase of property	536	0	0	0	0	0	0	0	0	0	536
Purchase of property	201	0	0	0	0	0	0	0	0	0	201
Purchase of property - LAF 3	2,709	0	0	0	0	0	0	0	0	0	2,709
Total Construction / Acquisition of Housing	43,772	29,345	30,691	11,543	4,768	500	500	500	500	500	122,619
Improvement / Renewal Works:	2024/25 Revised £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	2032/33 £'000's	2033/34 £'000's	Total £'000's
Stock Condition Survey Works:											
Aids & Adaptations	647.1	647.1	647.1	647.1	647.1	647.1	647.1	647.1	647.1	647.1	6,471
Defective Flooring	59.3	59.3	59.3	59.3	59.3	59.3	59.3	59.3	59.3	59.3	593
Door Entry/Security/Safety Systems	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	150.0	1,500
Kitchen & Bathroom Fittings / Sanitaryware Replacement	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0	10,000
Electrical Fittings / Rewiring	612.4	612.4	612.4	612.4	612.4	612.4	612.4	612.4	612.4	612.4	6,124
Water Services	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	9.1	91
Structural Improvements	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	19.7	197
Improved Ventilation	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	47
Major Garage Works	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	24.6	246
Codependant Asbestos Removal	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	2,000
Special capital works - Lift Replacement	150.0	150	150	150	150	150	150	150	150	150	1,500
Capital Salaries for Improvement / Renewal Works	309.7	315.9	322.2	328.6	335.2	341.9	348.8	348.8	348.8	348.8	3,349
Total Stock Condition Survey Works	3,186.6	3,192.8	3,199.1	3,205.5	3,212.1	3,218.8	3,225.7	3,225.7	3,225.7	3,225.7	32,117.5
Climate Change & Environmental Works:											
Environmental - Roof Coverings	750.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	525.0	5,475
Environmental - Decarbonisation	750.0	750.0	750.0	750.0	750.0	750.0	500.0	750.0	750.0	750.0	7,250
Solar Panels - Roof Covering Works	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
Environmental - Window/Door Replacement	535.0	535.0	535.0	535.0	535.0	535.0	535.0	535.0	535.0	535.0	5,350
Environmental Central Heating Replacement	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8	12,398
Thermal Improvement Works	141.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	141.3	1,413
Environmental Works	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	75.0	750
Environmental Works: Tenant Participation Projects	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7	377
Total Climate Change Works	3,528.8	3,303.8	3,303.8	3,303.8	3,303.8	3,303.8	3,053.8	3,303.8	3,303.8	3,303.8	33,013.0
Fire Safety Works:											
Fire & Building safety in Multi Occupancy Use Blocks	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	30,000
Hi Rise Cladding Replacement 5x Hi-rises	9,944.0	9,944.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	19,888
Total Fire Safety Works	12,944.0	12,944.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0	49,888.0
Total Improvement/Renewal Works	19,659.4	19,440.6	9,502.9	9,509.3	9,515.9	9,522.6	9,279.5	9,529.5	9,529.5	9,529.5	115,018.6
Total Housing Investment Programme Expenditure	63,431.9	48,785.8	40,193.9	21,051.8	14,284.2	10,022.6	9,779.5	10,029.5	10,029.5	10,029.5	237,638.1

General Fund Capital Programme Financing 2024/25 to 2028/29

Appendix 7 Part 3

Source	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	2028/29 £'000	Total £'000
Internal / External Borrowing	409.5	3,100.8	-	-	-	3,510.3
Capital Receipts	3,778.3	200.0	-	-	-	3,978.3
External Contributions	8,457.3	4,353.1	1,354.7	-	-	14,165.1
Local Growth Initiative	5,608.8	12,550.0	-	-	-	18,158.8
Revenue Contributions to Capital Outlay	234.7	80.0	80.0	80.0	80.0	554.7
Service Transformation Reserve	183.6	-	58.8	-	-	242.4
Equipment Renewal Reserve	150.5	55.0	-	-	-	205.5
Public Amenity Reserve	445.2	480.0	-	-	-	925.2
Planning Public Open Space Reserve	10.4	22.5	-	-	-	32.9
Community Projects Reserve	300.0	-	-	-	-	300.0
Leisure Options Reserve	-	-	200.8	-	-	200.8
Corporate Assets Reserve	368.0	974.5	-	-	-	1,342.5
ICT Replacement Reserve	1,185.5	1,080.8	404.5	390.0	180.0	3,240.8
Enterprise Reserve	137.6	-	-	-	-	137.6
Covent Garden MSCP Reserve	900.0	-	-	-	-	900.0
Capital Investment Reserve	100.0	173.0	100.0	100.0	100.0	573.0
Funding	22,269.4	23,069.7	2,198.8	570.0	360.0	48,467.9

Housing Investment Programme (HIP) Financing Strategy 2024/25 to 2033/34

Appendix 7 Part 4

Housing Investment Programme (HIP) Financing:	2024/25 Revised £'000's	2025/26 £'000's	2026/27 £'000's	2027/28 £'000's	2028/29 £'000's	2029/30 £'000's	2030/31 £'000's	2031/32 £'000's	2032/33 £'000's	2033/34 £'000's	Total £'000's
Capital receipts: Buy Back	1,167.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	5,667.0
Capital Receipts: One for One replacement	5,160.0										5,160.0
HRA Capital Investment Reserve	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Repairs Reserve	9,521.2	10,402.4	6,502.9	6,509.3	6,515.9	6,522.6	6,279.5	6,529.5	9,429.5	9,429.5	77,642.2
S 106 Affordable Housing Contributions											0.0
Decent Homes Grant											0.0
Shared Ownership Sales Capital Receipts	5,219.4	3,045.1	3,754.5	477.5	0.0	0.0	0.0	0.0	0.0	0.0	12,496.5
LA Housing Fund 3 - Refugee scheme	668.2										668.2
Homes England - Refugee scheme	180.0										180.0
CWLEP Demolition Grant	200.0	1,000									1,200.0
HRA Additional Borrowing	41,316.1	33,838.3	29,436.5	13,565.0	7,268.3	3,000.0	3,000.0	3,000.0	100.0	100.0	134,624.2
Housing Revenue Account Related HIP Financing	63,431.9	48,785.8	40,193.9	21,051.8	14,284.2	10,022.6	9,779.5	10,029.5	10,029.5	10,029.5	237,638.1

Project funding

Appendix 8

	Funding source	2025/26	2026/27
Projects		£000	£000
Fixed term Capital Accountant (2 years)	NHB	72.3	73.3
Pennington Audit	NHB	10.4	
Staff cover	NHB	32.5	
Continue with the additional dedicated 'Rapid Response Unit'	NHB	135.0	
RRU for fly tipping			
CIL Officer	NHB	29.6	
Development Monitoring Officer and Site Delivery Officer (Coventry South)	NHB	31.2	
Principal Planners Regrade, Enforcement Officer	NHB	55.4	
Stoneleigh Arms	NHB	55.0	
Biodiversity Action Programme - actions identified in approved Action Plan for 2025/26	NHB	46.0	46.0
Leamington Transformation 2 years	NHB	50.0	50.0
St Michaels Place	NHB	72.0	
Devolution	NHB	25.0	
Kenilworth School Sites	NHB	200.0	
Total		814.4	169.3
Funding Source Summary			
New Homes Bonus 25/26		-814.4	-169.3

GF PPM - New 5 Year Plan - 2025/26 - 2029/30

**Appendix
9**

PPM Category	25/26 Budget Estimate	26/27 Budget Estimate	27/28 Budget Estimate	28/29 Budget Estimate	29/30 Estimate	5 Year Overall Totals
	£000	£000	£000	£000	£000	£000
Corp Operational Total	258	255	210	165	165	1,052
Non-Operational Total	70	70	80	70	70	360
Open Spaces Total	381	381	386	381	381	1,908
Total Total	709	706	676	616	615	3,320

Revised PPM 5 year Medium Term Financing Plan						5 Year Overall Totals
Funding Resources Analysis	2025/26	2026/27	2027/28	2028/29	2029/30	
	£000	£000	£000	£000	£000	£000
Corporate Assets Reserve Opening Balance	2,531	2,235	1,943	1,681	1,478	
Corporate Assets Reserve Annual Top Up - MTFS	0	0	0	0	0	
Contribution from Business Rate Retention Volatility Reserve	0	0	0	0	0	
Corporate Asset Reserve Balances	2,531	2,235	1,943	1,681	1,478	
PPM Base General Fund Budget	413	413	413	413	413	
Total Available Funding	2,944	2,648	2,356	2,094	1,891	
PPM Annual Budgets - Estimated Spend	-709	-706	-676	-616	-615	-3,320
Y/E Estimated Corp Assets Reserve Balance	2,235	1,942	1,680	1,478	1,276	

Title: The Setting of the Council Tax for the Area of Warwick District
Council 2025/26

Lead Officer: Andrew Rollins (01926 456013)

Portfolio Holder: Councillor Chilvers

Wards of the District directly affected: N/A

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

Summary

The report sets the Council Tax for the area of Warwick District, incorporating its own Budget which is borne by Council Tax, along with the precepts from the other authorities within the area.

Recommendations

- (1)** That the following, as set out in the General Fund Revenue and Capital Budget 2025/26 (Cabinet recommendations, 6 February 2025 and Appendix 3) be approved:-
 - (a) the Revenue Budgets for 2025/26
 - (b) the Capital Programme for 2025/26
 - (2)** That Council notes the amounts for the 2025/26 Warwick District Tax Base
 - (3)** That Council notes the amounts for Warwick District Council's 2025/26 Council Tax, including Parish / Town Council precepts (Appendix 1)
 - (4)** That Council notes the amounts for the 2025/26 Warwickshire County Council and Warwickshire Police and Crime Commissioner precepts
 - (5)** That Council approves the total Council Tax for the District for each band in each Parish / Town Council (Appendix 2).
-

Reasons for the Recommendations

1.1 Warwick District Tax Base

The Council notes the following amounts for the year 2025/26, in accordance with regulations made under Section 31B (5) of the Local Government Finance Act 1992:-

- a) 59,719.51 being the amount calculated, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 as amended, as its council tax base for the year.

Parish / Town Council	Tax Base 2025/26
Baddesley Clinton	115.77
Baginton	321.93
Barford, Sherbourne & Wasperton	973.85
Beausale, Haseley, Honiley & Wroxall	345.91
Bishops Tachbrook	2,918.27
Bubbenhall	314.17
Budbrooke	989.52
Burton Green	820.01
Bushwood (No Parish Council)	18.16
Cubbington	1,617.36
Eathorpe, Hunningham, Offchurch, Wappenbury	330.44
Hatton	1,042.47
Kenilworth	10,476.02
Lapworth	1,034.43
Leamington Spa	17,647.25
Leek Wootton	532.93
Norton Lindsey	226.25
Old Milverton & Blackdown	204.49
Radford Semele	1,075.44
Rowington	593.51
Shrewley	440.52
Stoneleigh & Ashow	461.79
Warwick	13,395.58
Weston-under-Wetherley	192.31
Whitnash	3,631.12
Total Warwick District Council Area	59,719.51

- b) Part of the Council's Area being the amounts calculated, in accordance with regulation 6 of the Regulations as amended, as the amounts of its council tax base for the year for dwellings in those parts of its area.

1.2 Calculation of Warwick District Council's Council Tax, including Parish / Town Council precepts.

That the following amounts be now calculated by the Council for the year 2025/26 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended:-

a) £109,482,977

being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2)(a) to (f) of the Act (Gross Expenditure including parish/town council precepts).

b) £95,974,930.82

being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act (Gross Income).

c) £13,508,046.18

being the amount by which the aggregate at 1.2(a) above exceeds the aggregate at 1.2(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax Requirement for the year.

d) £226.19

being the amount at 1.2(c) above divided by the amount at 1.1(a) above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its council tax for the year (Average Warwick District Council Tax, including parish/town precepts).

e) £2,304,666.29

being the aggregate amount of all special items referred to in Section 34(1) of the Act (Total parish/town council precepts).

f) £187.60

being the amount at 1.2(d) above less the result given by dividing the amount at 1.2(e) above by the amount at 1.1(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which no special item relates (Warwick District Council Tax excluding parish/town council precepts).

g) Part of the Council's Area

being the amounts given by adding to the amount at 1.2(f) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above 1.2(e) divided in each case by the amount at 1.1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate (Warwick District Council plus parish/town council's Council Tax for each parish/town council at Band D).

Parish / Town Council	Band D 2025/26 £
Baddesley Clinton	222.52
Baginton	247.98
Barford, Sherbourne & Wasperton	261.02
Beausale, Haseley, Honiley & Wroxall *	187.60
Bishops Tachbrook *	187.60
Bubbenhall	251.26
Budbrooke	233.08
Burton Green	236.32
Bushwood	187.60
Cubbington	233.19
Eathorpe, Hunningham, Offchurch, Wappenbury	242.59
Hatton	203.86
Kenilworth	215.46
Lapworth *	187.60
Royal Leamington Spa	215.77
Leek Wootton	272.04
Norton Lindsey	235.11
Old Milverton & Blackdown	227.70
Radford Semele	223.84
Rowington	226.35
Shrewley	210.40
Stoneleigh & Ashow	239.32
Warwick	239.12
Weston-under-Wetherley	260.66
Whitnash	282.04

- h) The amounts shown in Appendices 1 and 1a, attached, being the amounts given by multiplying the amounts at 1.2(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council in accordance with Section 36(1) of the Act as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands (Warwick District Council plus parish/town council Council's Tax for each parish/town council for each Band).
- i) It should be noted that Beausale, Haseley, Honiley & Wroxall, Bishops Tachbrook and Lapworth Parishes have not yet set a precept. As set out in Section 40(5) of the Act, "A precept under this section must be issued before 1st March in the financial year preceding that for which it is issued, but is not invalid merely because it is issued on or after that date". These are highlighted with an Asterisk in the above table.

1.3 Warwickshire County Council and Warwickshire Police and Crime Commissioner Precepts

That it be noted for the year 2025/26, Warwickshire County Council and Warwickshire Police and Crime Commissioner have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below:-

Band	Warwickshire County Council	Warwickshire Police & Crime Commissioner
	£	£
A	1,215.30	202.47
B	1,417.85	236.22
C	1,620.40	269.96
D	1,822.95	303.71
E	2,228.05	371.20
F	2,633.15	438.69
G	3,038.25	506.18
H	3,645.90	607.42

1.4 Total Council Tax for the District for each Band in each Parish / Town Council

That having calculated the aggregate in each case of the amounts at 1.2(g) and 1.3 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the amounts shown in Appendix 2 as the amounts of council tax for the year 2025/26 for each of the categories of dwellings shown.

1.5 The Cabinet papers for 6 February 2025 contain all the background information on the budget within Item 5, 'General Fund Revenue and Capital Budget 2025/26'. The recommendations in this report combine Warwick District Council's element of the Council Tax, with Council Tax levels agreed by Warwickshire County Council, Warwickshire Police and Crime Commissioner, and the town/parish councils for 2025/26. With all these constituent parts, the Council should now be in a position to set the overall levels of Council Tax for the District.

2 Alternative Options

2.1 No alternative options are presented

3 Legal Implications

3.1 The proposals are in line with current legislation where applicable.

4 Financial

4.1 The whole of the Council's budget is concerned with the financing of its priorities. The formal setting of the tax is the arithmetic and technical process

of aggregating the council tax levels set for each band by the County Council and the Police and Crime Commissioner with those required by this Council, including parish/town councils. The Chief Financial Officer reports directly to Council in order that the council tax can be set in accordance with section 30 of the Local Government Finance Act 1992.

5 Corporate Strategy

5.1 Warwick District Council has adopted a Corporate Strategy which sets three strategic aims for the organisation. Council Tax supports all strands of the Business Strategy by way of ensuring the necessary financial resources are in place.

5.2 Delivering valued, sustainable services.

The Council's Medium Term Financial Strategy seeks to allocate the Council's financial resources, including Council Tax, to ensure the Council's services continue to be provided in accordance with Council policies and priorities, and resources for projects are similarly prioritised.

5.3 Low cost, low carbon energy across the District.

Whilst this report does not directly include proposals relating to the above aim, the 2025/26 budget, including the Council's share of Council Tax, includes funding to support ongoing work to deliver low cost, low carbon energy across the District.

5.4 Creating vibrant, safe and healthy communities of the future.

The General Fund aims to support the provision of improved health and wellbeing within cohesive and active communities, housing needs being met for all and impressive cultural and sporting activities / events. They will support a dynamic and diverse local economy, with vibrant communities, improved performance / productivity of the local economy and increase levels of employment and prosperity.

6 Environmental/Climate Change Implications

6.1 There are no direct environmental or climate change implications arising as part of this report other than the proposed budget and reserve allocations as detailed in the report.

7 Analysis of the effects on Equality

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

8 Data Protection

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

9 Health and Wellbeing

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

10 Risk Assessment

10.1 The Council's Risks, Controls and Mitigations from the proposals are outlined in section 10 of the General Fund Revenue and Capital Budget 2024/25 Report (Cabinet 8 February 2024 – Item 5).

11 Consultation

11.1 The Warwick District Council element of Council Tax (1.2(f)) has been discussed as part of the General Fund Revenue and Capital Budget 2025/26 Report (Cabinet 6 February 2026 – Item 5).

Background papers:

General Fund Revenue and Capital Budget 2024/25 – (Cabinet 8 February 2025 – Item 5)

WCC and WPCC Precepts – received February 2025

Parish and Town Council Precepts – received December 2024 – February 2025.

Supporting documents:

Appendix 1 – Calculation of Warwick District Council Element including Special Expenses

Appendix 1a – District and Parish/Town Council precept by Band

Appendix 2 - Council Tax Calculations 2025/26 Warwick District Council including Warwickshire County Council And Warwickshire Police and Crime Commissioner precepts

Appendix 3 – General Fund Summary 2025/26 (updated to include precepts)

Budget and Council Tax 2025/26
Calculation of Warwick District Council Element including Special Expenses

	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
	£	£	£	£	£	£	£	£
Warwick District Council	125.07	145.91	166.76	187.6	229.29	270.98	312.67	375.20
PARISH/TOWN COUNCIL								
Baddesley Clinton	148.35	173.07	197.80	222.52	271.97	321.42	370.87	445.04
Baginton	165.32	192.87	220.43	247.98	303.09	358.20	413.30	495.96
Barford, Sherbourne & Wasperton	174.02	203.01	232.02	261.02	319.03	377.03	435.04	522.04
Beausale, Haseley, Honiley & Wroxall	125.07	145.91	166.76	187.60	229.29	270.98	312.67	375.20
Bishops Tachbrook	125.07	145.91	166.76	187.60	229.29	270.98	312.67	375.20
Bubbenhall	167.51	195.42	223.35	251.26	307.10	362.93	418.77	502.52
Budbrooke	155.39	181.28	207.19	233.08	284.88	336.67	388.47	466.16
Burton Green	157.55	183.80	210.07	236.32	288.84	341.35	393.87	472.64
Bushwood	125.07	145.91	166.76	187.60	229.29	270.98	312.67	375.20
Cubbington	155.46	181.37	207.28	233.19	285.01	336.83	388.65	466.38
Eathorpe, Hunningham, Offchurch, Wappenbury	161.73	188.68	215.64	242.59	296.50	350.41	404.32	485.18
Hatton	135.91	158.56	181.21	203.86	249.16	294.47	339.77	407.72
Kenilworth	143.64	167.58	191.52	215.46	263.34	311.22	359.10	430.92
Lapworth	125.07	145.91	166.76	187.60	229.29	270.98	312.67	375.20
Royal Leamington Spa	143.85	167.82	191.80	215.77	263.72	311.67	359.62	431.54
Leek Wootton	181.36	211.59	241.82	272.04	332.49	392.95	453.40	544.08
Norton Lindsey	156.74	182.86	208.99	235.11	287.36	339.61	391.85	470.22
Old Milverton & Blackdown	151.80	177.10	202.40	227.70	278.30	328.90	379.50	455.40
Radford Semele	149.23	174.10	198.97	223.84	273.58	323.33	373.07	447.68
Rowington	150.90	176.05	201.20	226.35	276.65	326.95	377.25	452.70
Shrewley	140.27	163.64	187.03	210.40	257.16	303.91	350.67	420.80
Stoneleigh & Ashow	159.55	186.14	212.73	239.32	292.50	345.69	398.87	478.64
Warwick	159.42	185.98	212.56	239.12	292.26	345.40	398.54	478.24
Weston-under-Wetherley	173.78	202.73	231.70	260.66	318.59	376.51	434.44	521.32
Whitnash	188.03	219.36	250.71	282.04	344.72	407.39	470.07	564.08
Proportion of Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

**Budget and Council Tax 2025/26
District and Parish/Town Council by Band**

	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
	£	£	£	£	£	£	£	£
Warwick District Council	125.07	145.91	166.76	187.6	229.29	270.98	312.67	375.20
PARISH/TOWN COUNCIL								
Baddesley Clinton	23.28	27.16	31.04	34.92	42.68	50.44	58.20	69.84
Baginton	40.25	46.96	53.67	60.38	73.80	87.22	100.63	120.76
Barford, Sherbourne & Wasperton	48.95	57.10	65.26	73.42	89.74	106.05	122.37	146.84
Beausale, Haseley, Honiley & Wroxall	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bishops Tachbrook	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bubbenhall	42.44	49.51	56.59	63.66	77.81	91.95	106.10	127.32
Budbrooke	30.32	35.37	40.43	45.48	55.59	65.69	75.80	90.96
Burton Green	32.48	37.89	43.31	48.72	59.55	70.37	81.20	97.44
Bushwood								
Cubbington	30.39	35.46	40.52	45.59	55.72	65.85	75.98	91.18
Eathorpe, Hunningham, Offchurch, Wappenbury	36.66	42.77	48.88	54.99	67.21	79.43	91.65	109.98
Hatton	10.84	12.65	14.45	16.26	19.87	23.49	27.10	32.52
Kenilworth	18.57	21.67	24.76	27.86	34.05	40.24	46.43	55.72
Lapworth	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Royal Leamington Spa	18.78	21.91	25.04	28.17	34.43	40.69	46.95	56.34
Leek Wootton	56.29	65.68	75.06	84.44	103.20	121.97	140.73	168.88
Norton Lindsey	31.67	36.95	42.23	47.51	58.07	68.63	79.18	95.02
Old Milverton & Blackdown	26.73	31.19	35.64	40.10	49.01	57.92	66.83	80.20
Radford Semele	24.16	28.19	32.21	36.24	44.29	52.35	60.40	72.48
Rowington	25.83	30.14	34.44	38.75	47.36	55.97	64.58	77.50
Shrewley	15.20	17.73	20.27	22.80	27.87	32.93	38.00	45.60
Stoneleigh & Ashow	34.48	40.23	45.97	51.72	63.21	74.71	86.20	103.44
Warwick	34.35	40.07	45.80	51.52	62.97	74.42	85.87	103.04
Weston-under-Wetherley	48.71	56.82	64.94	73.06	89.30	105.53	121.77	146.12
Whitnash	62.96	73.45	83.95	94.44	115.43	136.41	157.40	188.88
Proportion of Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

**Council Tax Calculations 2025/26 Warwick District Council
Including Warwickshire County Council And Warwickshire Police and Crime Commissioner**

PARISH/TOWN COUNCIL	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
	£	£	£	£	£	£	£	£
Baddesley Clinton	1,566.12	1,827.14	2,088.16	2,349.18	2,871.22	3,393.26	3,915.30	4,698.36
Baginton	1,583.09	1,846.94	2,110.79	2,374.64	2,902.34	3,430.04	3,957.73	4,749.28
Barford, Sherbourne & Wasperton	1,591.79	1,857.08	2,122.38	2,387.68	2,918.28	3,448.87	3,979.47	4,775.36
Beausale, Haseley, Honiley & Wroxall	1,542.84	1,799.98	2,057.12	2,314.26	2,828.54	3,342.82	3,857.10	4,628.52
Bishops Tachbrook	1,542.84	1,799.98	2,057.12	2,314.26	2,828.54	3,342.82	3,857.10	4,628.52
Bubbenhall	1,585.28	1,849.49	2,113.71	2,377.92	2,906.35	3,434.77	3,963.20	4,755.84
Budbrooke	1,573.16	1,835.35	2,097.55	2,359.74	2,884.13	3,408.51	3,932.90	4,719.48
Burton Green	1,575.32	1,837.87	2,100.43	2,362.98	2,888.09	3,413.19	3,938.30	4,725.96
Bushwood	1,542.84	1,799.98	2,057.12	2,314.26	2,828.54	3,342.82	3,857.10	4,628.52
Cubbington	1,573.23	1,835.44	2,097.64	2,359.85	2,884.26	3,408.67	3,933.08	4,719.70
Eathorpe, Hunningham, Offchurch, Wappenbury	1,579.50	1,842.75	2,106.00	2,369.25	2,895.75	3,422.25	3,948.75	4,738.50
Hatton	1,553.68	1,812.63	2,071.57	2,330.52	2,848.41	3,366.31	3,884.20	4,661.04
Kenilworth	1,561.41	1,821.65	2,081.88	2,342.12	2,862.59	3,383.06	3,903.53	4,684.24
Lapworth	1,542.84	1,799.98	2,057.12	2,314.26	2,828.54	3,342.82	3,857.10	4,628.52
Royal Leamington Spa	1,561.62	1,821.89	2,082.16	2,342.43	2,862.97	3,383.51	3,904.05	4,684.86
Leek Wootton	1,599.13	1,865.66	2,132.18	2,398.70	2,931.74	3,464.79	3,997.83	4,797.40
Norton Lindsey	1,574.51	1,836.93	2,099.35	2,361.77	2,886.61	3,411.45	3,936.28	4,723.54
Old Milverton & Blackdown	1,569.57	1,831.17	2,092.76	2,354.36	2,877.55	3,400.74	3,923.93	4,708.72
Radford Semele	1,567.00	1,828.17	2,089.33	2,350.50	2,872.83	3,395.17	3,917.50	4,701.00
Rowington	1,568.67	1,830.12	2,091.56	2,353.01	2,875.90	3,398.79	3,921.68	4,706.02
Shrewley	1,558.04	1,817.71	2,077.39	2,337.06	2,856.41	3,375.75	3,895.10	4,674.12
Stoneleigh & Ashow	1,577.32	1,840.21	2,103.09	2,365.98	2,891.75	3,417.53	3,943.30	4,731.96
Warwick	1,577.19	1,840.05	2,102.92	2,365.78	2,891.51	3,417.24	3,942.97	4,731.56
Weston-under-Wetherley	1,591.55	1,856.80	2,122.06	2,387.32	2,917.84	3,448.35	3,978.87	4,774.64
Whitnash	1,605.80	1,873.43	2,141.07	2,408.70	2,943.97	3,479.23	4,014.50	4,817.40
Proportion of Band D	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

General Fund Summary

Appendix 3

Department	Original Budget	Latest Budget	Original Budget	Variance	Variance
	2024/25	2024/25	2025/26	2024/25	2025/26
	£ B	£ C	£ D	£ C - B	£ D - B
Community Protection	3,962,800	3,709,200	3,971,000	1,382,200	(1,271,100)
Customer & Digital Services	1,958,200	1,473,600	1,804,200		
Finance	2,945,600	1,682,700	2,620,400	(483,900)	(189,600)
Governance	671,700	637,200	902,800	(598,200)	(646,000)
Housing - GF	3,039,200	2,863,000	1,308,300	(1,262,900)	(325,200)
Neighbourhood	9,335,000	10,795,500	9,246,900	35,900	(675,800)
People and Communications	(19,700)	(164,600)	(141,600)	(426,800)	24,700
Place, Arts & Economy	10,945,900	10,347,700	10,299,900	(144,900)	(121,900)
Strategic Leadership	1,642,500	1,833,700	694,200	195,400	(600,200)
TOTAL GENERAL FUND SERVICES	34,481,200	33,178,000	30,706,100	(1,303,200)	(3,805,100)
Replacement of Notional with Actual Cost of Capital:					
- Deduct Notional Capital Financing Charges in Budgets	(6,097,000)	(6,097,000)	(6,112,900)	0	(15,900)
- Add Cost of Loan Repayments, Revenue Contributions and Interest paid	3,335,100	3,335,100	3,335,100	0	0
Revenue Contributions to Capital	80,000	80,000	80,000	0	0
Contributions to / (from) Reserves	(740,300)	(2,817,200)	468,300	(2,076,900)	1,208,600
Net External Investment Interest Received	(6,353,500)	(6,353,500)	(6,353,500)	0	0
IAS19 Adjustments reversed	(3,440,600)	(60,500)	(60,500)	3,380,100	3,380,100
Employee Benefits Accruals reversed	0	0	0	0	0
Contributions to / (from) General Fund	0	0	0	0	0
NET EXPENDITURE FOR DISTRICT PURPOSES	21,264,900	21,264,900	22,062,600	0	767,700
Less Revenue Support Grant	0	0	0	0	0
Less Business Rate Income	(7,362,500)	(7,362,500)	(6,728,700)	0	633,800
Less General Grants	0	0	(1,184,600)	0	(1,151,000)
Less New Homes Bonus	(902,000)	(902,000)	(1,528,500)	0	(626,500)
Funding Guarantee	(2,462,400)	(2,462,400)	(1,347,000)	0	1,115,400
Less Lower Tier Services Grant	0	0	0	0	0
Services Grant	(22,000)	(22,000)	0	0	22,000
Collection Fund (Surplus) / Deficit	99,900	99,900	(70,400)	0	(170,300)
Surplus / (Deficit) for the Year		0	0	0	0
NET EXPENDITURE BORNE BY COUNCIL TAX - WARWICK DISTRICT COUNCIL	10,615,900	10,615,900	11,203,400	0	591,100
Aggregate Parish Council Expenditure	2,308,300	2,308,300	2,304,700	0	0
COMBINED DISTRICT AND PARISH EXPENDITURE BORNE BY COUNCIL TAX:	12,924,200	12,924,200	13,508,100	0	591,100
Warwickshire County Council Expenditure	101,186,500	101,186,500	108,865,700	0	
Warwickshire Police and Crime Commissioner Expenditure	16,884,500	16,884,500	18,137,400	0	
BORNE BY COUNCIL TAX	130,995,200	130,995,200	140,511,200	0	591,100
Council Tax - Band D					
Warwick District Council	182.15	182.15	187.60		
Parish/Town Councils (average)	39.61	39.61	38.59	*3 precepts yet to be set	
District & Parish/Town Band D Council Tax	221.76	221.76	226.19		
Warwickshire County Council	1,736.19	1,736.19	1,822.95		
Warwickshire Police & Crime Commissioner	289.71	289.71	303.71		
Total Band D Council Tax	2,247.66	2,247.66	2,352.85		
Tax Base - Band D	58,280.77	58,280.77	59,719.51		

HRA Rent Setting Report - Rent Summary

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

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

Number of Bedrooms	2024/25	2025/26	2025/26 Proposed Average Increase in Weekly Rent 2.7% (CPI + 1% %)	
	Historic Rents - Proposed Weekly Rent - Averages	Historic Rents - Proposed Weekly Rent - Averages		
Studio	£76.35	£78.41	£2.06	2.7%
1	£98.95	£101.63	£2.67	2.7%
2	£108.27	£111.19	£2.92	2.7%
3	£120.51	£123.76	£3.25	2.7%
4	£130.93	£134.47	£3.54	2.7%
5	£135.50	£139.16	£3.66	2.7%
Averages Based on all HRA Social Rent Stock	£111.75	£114.77	£3.02	2.7%

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

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

Number of Bedrooms	2024/25	2025/26	2024/25 Proposed Average Increase in Weekly Rent 2.7%% (CPI + 1% %)	
	Target Formula Rent - Proposed Weekly Rent - Averages	Target Formula Rent - Proposed Weekly Rent - Averages		
Studio	£84.86	£87.15	£2.29	2.7%
1	£104.30	£107.11	£2.82	2.7%
2	£113.32	£116.38	£3.06	2.7%
3	£128.63	£132.10	£3.47	2.7%
4	£154.08	£158.24	£4.16	2.7%
5	£182.70	£187.64	£4.93	2.7%
Averages Based on all HRA Social Rent Stock	£127.98	£131.44	£3.46	2.7%

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

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

Number of Bedrooms & Property Type (SC/B denotes different schemes)	2024/25 Rent Per Week	2025/26 Rent Per Week	Average Proposed increase for Existing Tenants Only from 1st April 2025	
	Warwick Affordable Rent *** (existing tenancies Only)	Warwick Affordable Rent *** (existing tenancies Only)		
1 Apartment (SC)	£129.28	£132.77	£3.49	2.7%
2 Apartment (SC)	£155.17	£159.36	£4.19	2.7%
2 Bungalow (SC)	£169.10	£173.67	£4.57	2.7%
3 Bungalow (SC)	£198.36	£203.72	£5.36	2.7%
2 House (B)	£154.32	£158.49	£4.17	2.7%
3 House (B)	£182.51	£187.44	£4.93	2.7%
2 Bungalow (B)	£155.48	£159.67	£4.20	2.7%

National Affordable Rent - New Affordable Schemes from April 2021

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

Existing Tenancies

Number of Bedrooms	2024/25 Rent Per Week	2025/26 Rent Per Week		
	Average Affordable Rent - 80% of local Market Rent	Average Affordable Rent - 80% of local Market Rent	Proposed increase for Existing Tenants Only	2025/26 Proposed Average Increase in Weekly Rent 2.7% (CPI 1.7% + 1%)
1	£149.35	£153.38	£4.03	2.7%
2	£189.91	£195.04	£5.13	2.7%
3	£260.90	£267.95	£7.04	2.7%
4	£360.47	£370.20	£9.73	2.7%

New Tenancies from April 2025

Number of Bedrooms	2025/26 Rent Per Week	
	Average Local Market Rent (Hometrack Dec 2024)	Average Affordable Rent - 80% of local Market Rent
1	£187.94	£150.35
2	£248.53	£198.83
3	£331.72	£265.38
4	£425.18	£340.14

WDC HRA Rent Setting Report - Rent Comparisons 2025/26

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

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

Number of Bedrooms	2024/25 WDC Proposed Average Formula (Target) Rent (inflated by CPI+ 1%)	2025/26 WDC Proposed Average Formula (Target) Rent (inflated by CPI+ 1%)	Hometrack Local Average Weekly Market Rent (Dec 2024)	Difference between Proposed WDC Rent and Market Rent	Proposed 2025/26 WDC Rent as a % of Market Rent
1 Bedroom	£98.95	£101.63	£187.94	-£86.31	54%
2 Bedroom	£108.27	£111.19	£248.53	-£137.34	45%
3 Bedroom	£120.51	£123.76	£331.72	-£207.96	37%
4 Bedroom	£130.93	£134.47	£425.18	-£290.71	32%
Average 2024/25 Proposed WDC Rent as a % of Market Rent					42%

Comparison to Local Market Rents - Target Formula Rents

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

Number of Bedrooms	2024/25 WDC Proposed Average Formula (Target) Rent (inflated by CPI+ 1%)	2025/26 WDC Proposed Average Formula (Target) Rent (inflated by CPI+ 1%)	Hometrack Current Local Average Weekly Market Rent (Dec 24)	Difference 2024/25 WDC Formula Rent to Market Rent	2025/26 WDC Formula Rent as a % of Market Rent
1 Bedroom	£104.30	£107.11	£187.94	-£80.83	57%
2 Bedroom	£113.32	£116.38	£248.53	-£132.15	47%
3 Bedroom	£128.63	£132.10	£331.72	-£199.62	40%
4 Bedroom	£154.08	£158.24	£425.18	-£266.94	37%

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

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

Number of Bedrooms	2023/24 Hometrack Local Average Weekly Market Rent (Dec 24)	2025/26 Affordable Rent 80% Local Market Rent	Difference 2025/26 Affordable Rent to Local Market Rent	2024/25 Affordable Rent as a % of Market Rent
1 Bedroom	£187.94	£150.35	-£37.59	80%
2 Bedroom	£248.53	£198.83	-£49.71	80%
3 Bedroom	£331.72	£265.38	-£66.34	80%
4 Bedroom	£425.18	£340.14	-£85.04	80%

Comparison to National Formula Rent Caps - Target Formula Rent

- Annual Target Formula Rent Caps represent the highest possible rents that can be charged to Social Housing tenants.
- The Rent Cap Data is as per the Regulator of Social Housing Publication "Limit on annual rent increases 2025-26"
- Formula Rent Caps are applicable from the 1st April each year

Number of Bedrooms	Target Formula Rent Caps for 2025-26 (Dec 24)	WDC Average Formula Rents 2025/26	Difference between WDC Average Formula Rents and Rent Cap	WDC Rents as a % of Formula Rent Caps
1 Bedroom	£194.06	£107.11	-£86.95	55%
2 Bedroom	£205.46	£116.38	-£89.08	57%
3 Bedroom	£216.87	£132.10	-£84.77	61%
4 Bedroom	£228.27	£158.24	-£70.03	69%

Comparison to Local Housing Allowance Limit - Target Formula Rent

- LHA (Local Housing Allowance) is the cap for housing benefit for those who rent privately, subject to other eligibility criteria.
- Rates shown are for the Warwickshire South Broad Rental Market Area, December 2024 sourced from the Valuation Office Agency via Direct Gov
- LHA does not apply to council tenants; it is shown to illustrate the highest rents that can be supported by housing benefit in the private rented sector.

Number of Bedrooms	LHA Local Housing Allowance Limit ** (Dec 2024)	WDC Average Formula Rents 2024/25	Difference between WDC Average Formula Rents and LHA	WDC Rents as a % of LHA Rent Caps
1 Bedroom	£161.10	£107.11	-£53.99	66%
2 Bedroom	£195.62	£116.38	-£79.24	59%
3 Bedroom	£240.49	£132.10	-£108.39	55%
4 Bedroom	£310.68	£158.24	-£152.44	51%

HOUSING SERVICES - HOUSING REVENUE ACCOUNT		Original Budget	Latest Budget	Original Budget	Variance	Variance
		2024/25	2024/25	2025/26	2024/25	2025/26
		£	£	£	£	£
		B	C	D	C - B	D - B
6999 HOUSING REVENUE ACCOUNT						
EXPENDITURE						
10-0-6999-10000-64500	Housing Repairs Supervision	942,000	942,000	942,000	0	0
10-0-6999-10000-62111	HRA Repairs and Maintenance	8,951,600	9,062,400	9,724,100	110,800	772,500
10-0-6999-10000-62201	Electricity	0	0	0	0	0
10-0-6999-10000-62202	Gas	0	0	0	0	0
10-0-6999-10000-62400	Rates	59,600	59,600	55,600	0	(4,000)
10-0-6999-10000-62401	Council Tax	350,000	350,000	350,000	0	0
10-0-6999-10000-62500	Water Rates	45,500	45,500	48,300	0	2,800
PREMISES		10,348,700	10,459,500	11,120,000	110,800	771,300
10-0-6999-10000-61104	Joint Post contribution	0	0	0	0	0
10-0-6999-10000-64607	Postage	0	0	0	0	0
10-0-6999-10000-65105	Debt Recovery Agency Costs	4,100	4,100	4,100	0	0
10-0-6999-10000-64950	Contributions To Provisions	77,200	77,200	77,200	0	0
10-0-6999-10000-64951	Bad Debts Provision	402,600	402,600	402,600	0	0
SUPPLIES AND SERVICES		483,900	483,900	483,900	0	0
10-0-6999-10000-67100	Supervision & Management - General	3,258,000	3,175,500	3,282,100	(82,500)	24,100
10-0-6999-10000-67101	Supervision & Management - Special	5,495,600	5,306,700	5,921,400	(188,900)	425,800
SUPPORT SERVICES		8,753,600	8,482,200	9,203,500	(271,400)	449,900
10-0-6999-10000-68100	Depreciation on Equipment	6,032,700	6,032,700	6,171,900	0	139,200
10-0-6999-10000-68101	Depreciation on Council Dwellings	878,500	878,500	878,500	0	0
10-0-6999-10000-68102	Depreciation on Other HRA Properties	50,000	50,000	50,000	0	0
CAPITAL CHARGES		6,961,200	6,961,200	7,100,400	0	139,200
GROSS EXPENDITURE		26,547,400	26,386,800	27,907,800	(160,600)	1,360,400
INCOME						
10-0-6999-10000-41000	Government Grants - General	0	0	0	0	0
10-0-6999-10000-43001	Service Charges Leasehold	0	0	0	0	0
10-0-6999-10000-43010	Other Income	0	0	0	0	0
10-0-6999-10000-43021	Other Licences	(4,200)	(4,200)	(4,200)	0	0
10-0-6999-10000-43016	Heating Charges	(318,000)	(318,000)	(324,300)	0	(6,300)
10-0-6999-10000-43030	Legal Fee - Income	(83,000)	(83,000)	(83,000)	0	0
10-0-6999-10000-43034	Service Charges	0	0	(21,000)	0	(21,000)
10-0-6999-10000-43500	Rents-Others	(364,700)	(364,700)	(364,700)	0	0
10-0-6999-10000-43501	Rents-Housing	(30,356,600)	(30,356,600)	(31,786,700)	0	(1,430,100)
10-0-6999-10000-43502	Rents-Shared Ownership	(120,800)	(120,800)	(539,500)	0	(418,700)
10-0-6999-10000-43503	Rents-Garages	(842,100)	(842,100)	(753,000)	0	89,100
10-0-6999-10000-43504	Use and Occupation - Homeless	(33,000)	(33,000)	(15,000)	0	18,000
10-0-6999-10000-43505	Rents-Affordable	(878,700)	(878,700)	(1,718,000)	0	(839,300)
10-0-6999-10000-43506	Recharges - Water	(39,300)	(39,300)	(40,000)	0	(700)
10-0-6999-10000-43507	Recharges - Heating & Lighting	(394,100)	(394,100)	(401,900)	0	(7,800)
10-0-6999-10000-43900	Insurance - Income	0	0	0	0	0
10-0-6999-10000-49003	Interest Receivable	0	0	0	0	0
10-0-6999-10000-49012	Adjustment for HRA Financing (Cr)	59,500	(133,800)	59,500	(193,300)	0
10-0-6999-10000-69002	General Fund (And EMR)	(38,700)	(38,700)	(38,700)	0	0
GROSS INCOME		(33,413,700)	(33,607,000)	(36,030,500)	(193,300)	(2,616,800)
NET INCOME FROM SERVICES		(6,866,300)	(7,220,200)	(8,122,700)	(353,900)	(1,256,400)
10-0-6999-40010-49003	Interest-Balances	0	0	0	0	0
10-0-6999-40013-69101	Capital Charges - Adj	(100,000)	(100,000)	(100,000)	0	0
NET OPERATIONAL INCOME		(6,966,300)	(7,320,200)	(8,222,700)	(353,900)	(1,256,400)
APPROPRIATIONS						
10-0-6999-40009-68002	External Interest	4,765,600	4,765,600	4,765,600	0	0
10-0-6999-40010-68003	HRA External Interest Payable	2,217,400	2,217,400	5,694,000	0	3,476,600
10-0-6999-40003-69001	Capital financing	0	0	966,000	0	966,000
10-0-6999-40003-69310	Cap Fin-Rev Contr to Cap Outlay(GF+HIP)	119,600	119,600	119,600	0	0
10-0-6999-40017-69002	Cont from Reserves	32,500	32,500	32,500	0	0
10-0-6999-40017-69014	Contrib HRA Capital Invest Reserve (Dr)	133,500	133,500	133,500	0	0
10-0-6999-40002-49008	Unrealised Losses on investments (cr)	0	0	0	0	0
10-0-6999-40002-49321	Recognised gains/losses -asset sales	0	0	0	0	0
10-0-6999-40017-49002	Cont from Reserves	(100,000)	(533,100)	(4,073,200)	(433,100)	(3,973,200)
10-0-6999-40008-49008	rec gains/losses - fa - reversal	0	0	0	0	0
10-0-6999-40001-69200	employee benefits accruals (cr)	0	0	0	0	0
10-0-6999-40016-49200	Net IAS19 Charges for Retirement Benefits	(1,490,200)	(703,200)	(703,200)	787,000	787,000
10-0-6999-40006-69102	Employers Contribs payable to Pension Fd	928,800	928,800	928,800	0	0
10-0-6999-40019-63300	HRA CLS Decants - Hired Transport	0	0	0	0	0
10-0-6999-40012-69302	Pensions Interest+Rate of Return Assets	359,100	359,100	359,100	0	0
TRANSFER (TO) / FROM HRA RESERVE		0	0	0	0	0
Balance Brought Forward		(1,500,000)	(1,500,000)	(1,500,000)		
HRA BALANCE CARRIED FORWARD		(1,500,000)	(1,500,000)	(1,500,000)	0	0

Appendix 4 - 2025/26 Sheltered Heating, Lighting and Miscellaneous Charges

The Charges necessary to fully recover costs are calculated annually from average consumption over the last 3 years, updated for current costs. The use of an average ensures that seasonal and yearly variations are reflected in the calculation
 As Heating, Lighting and water charges are intended to be cost recovery it is proposed that from 2019/20 the charges are agreed following the methodology above by the Head of Housing, Head of Finance and in consultation with the relevant portfolio holders, any changes to the income will be reflected in the HRA rent setting report.

Heating, Lighting and Miscellaneous Recharges	Current Charge per Week 2024/25	Proposed Charge per Week 2025/26	Proposed Increase/ (Decrease) per week 2025/26	Total Cost per year
Acorn Court, Stockton Grove, Lillington, Royal Leamington Spa	£	£	£	
No's 1-12, 14-41	21.95	22.15	0.2	1,151.80
No's 43, 44, 46, 47 (Misc. Charge Only)	1.85	1.85	0	96.20
Tannery Court, Bertie Road, Kenilworth			0	
No's 1, 2, 4-6, 7a, 8-12, 22a, 14-40	6.05	11.72	5.67	609.44
Yeomanry Close, Priory Road, Warwick			0	
No's 1-12,14-32	9.2	13.9	4.7	722.80
James Court, Weston Close, Warwick			0	
No's 1-12, 14-26	5.10	11.25	6.15	585.00
Chandos Court, Chandos Street, Royal Leamington Spa			0.00	
No's 1-12,11a, 25a,14-46	24.60	26.90	2.30	1,398.80
Radcliffe Gardens, Brunswick Street, Royal Leamington Spa			0	
Bedsits and 1 Bed Flats	15.35	13.05	-2.30	678.60
2 Bedroom Flats	23.05	19.55	-3.50	1,016.60

Water Recharges Weekly Cost Analysis	Acorn Court	Tannery Court	Yeomanry Close	James Court	Chandos Court
	£	£	£	£	£
Charge payable for 2024/25 per week	3.90	4.03	2.49	6.68	3.73
Proposed weekly charge 2025/26 per week	5.24	4.13	2.75	6.57	4.38
Difference between 2024/25 & 2025/26	1.34	0.10	0.26	-0.11	0.65
Total Cost per year	272.41	214.56	143.07	341.89	227.61

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Appendix 1: Procurement Reform Action Plan

Action category	Action activity	Action	Responsible Officer(s)	Delivery date
Short term actions – by 24 Feb 2025				
1. Constitution	1.1 Code of Procurement Practice	<p>A) Needs a comprehensive overhaul due to the level of change.</p> <p>B) Will need to account for multiple regimes: - PCR2015 for existing contracts and frameworks - Transitional procurement projects - PR2024 for new procurement contracts and frameworks.</p> <p>C) Review: - lower threshold to simplify process. - exemption criteria above and below threshold + internal threshold and sign offs. - responsibilities. - procurement procedures and timelines above threshold - contract modification rules - Code objectives</p> <p>D) Will need to recognise: - Cradle to grave definition of Procurement - new transparency obligations e.g. transparency notices (approx. 12 up from - new conflict of interest parameters including conflict assessment document. - new oversight bodies (PRU, PPRS, and escalation routes. - New treaty obligations</p>	RR using feedback from SLT subgroup and procurement champions.	Feb 2025

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		<ul style="list-style-type: none"> - National Procurement Policy Statement (new version due Oct 2024) - Increased emphasis on good practice contract management - Light Touch Regime - Emphasis on Premarket engagement - Publishing performance and KPIs (above £4.16m) <p>E) Need to decide how we will respond to change in regs moving from defined actions to overarching objectives i.e. how much risk are we willing to accept?</p>		
	1.2 Procurement Strategy	Review and update strategy to align to National Procurement Policy Statement and Council objectives	RR working with Procurement Champions and SLT Procurement Sub group	Feb 2025
	1.3 Procurement policies	<p>A) Corporate responsible procurement policy – replace with Responsible Sourcing policy</p> <p>B) Equality in Procurement policy – review and update to include new conflict of interest requirements</p> <p>C) Sustainable Procurement policy – merge into Responsible Sourcing and Social Value policies</p> <p>G) Social Value policy – review and update</p>	<p>RR and AE</p> <p>RR, GL and TD</p> <p>NA</p> <p>RR and AE</p>	<p>Mar 2025</p> <p>Mar 2025</p> <p>NA</p> <p>Mar 2025</p>
2. Training and Guidance	2.2 Procurement templates and forms	<p>Review and update:</p> <ul style="list-style-type: none"> - Tender pack templates – including reviewing templates to meet new tender procedures - Checklists - Conflict of Interest form - Conflicts of Interest assessment - Premarket engagement form 	<p>RR, GL and KT</p> <p>RR</p> <p>RR and GL</p> <p>RR and GL</p>	Feb 2024

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		<ul style="list-style-type: none"> - Governance forms - Contract Templates - 	RR RR, AR and GL RR, GL and KT	
	2.3 Procurement Regulation 2024 Training	<p>A) Roll out knowledge drop training to strategic leadership:</p> <ul style="list-style-type: none"> - SLT - Procurement champions - Members <p>B) Develop comms plan for new regulations, to include:</p> <ul style="list-style-type: none"> - Internal (officer/members) training offers - Training in new electronic tools in FMS - Advertise new resources on intranet - Supplier training offers <p>C) Develop and undertake training for Officers*:</p> <ul style="list-style-type: none"> - Basic level training for all Officers involved in Procurement - More detailed training for Officers involved in Silver and Gold level contracts/projects. <p>D) Roll out Cabinet office Contract Management module training to silver and gold contract managers.</p> <p>E) Implement Procurement Board of Best Practice to: cultivate Procurement Superusers within services; promote collaboration, increase cross service procurement support</p>	RR, TD RR, TD + external consultant RR, KW RR, KW GCC website - promote TBC RR, KW, Cabinet Office RR,JH	Dec 2023 Feb 2025 July 2024 June, Oct, Dec 2024 Nov 2024 TBC Jul 2025 Spring 2025
3. Resources	3.1 e-tendering portal	<p>A) Ensure CSW-jets is configured to meet new regulation requirements</p> <p>B) Update Business Procurement page on internet</p>	RR in collaboration with CSW Superusers RR	Feb 2024 Oct 2024
	3.2 Staff resources	Review current resources for publishing mandated notices and identify best approach to how the additional 10 notices will be undertaken.	SLT subgroup	Feb 2025

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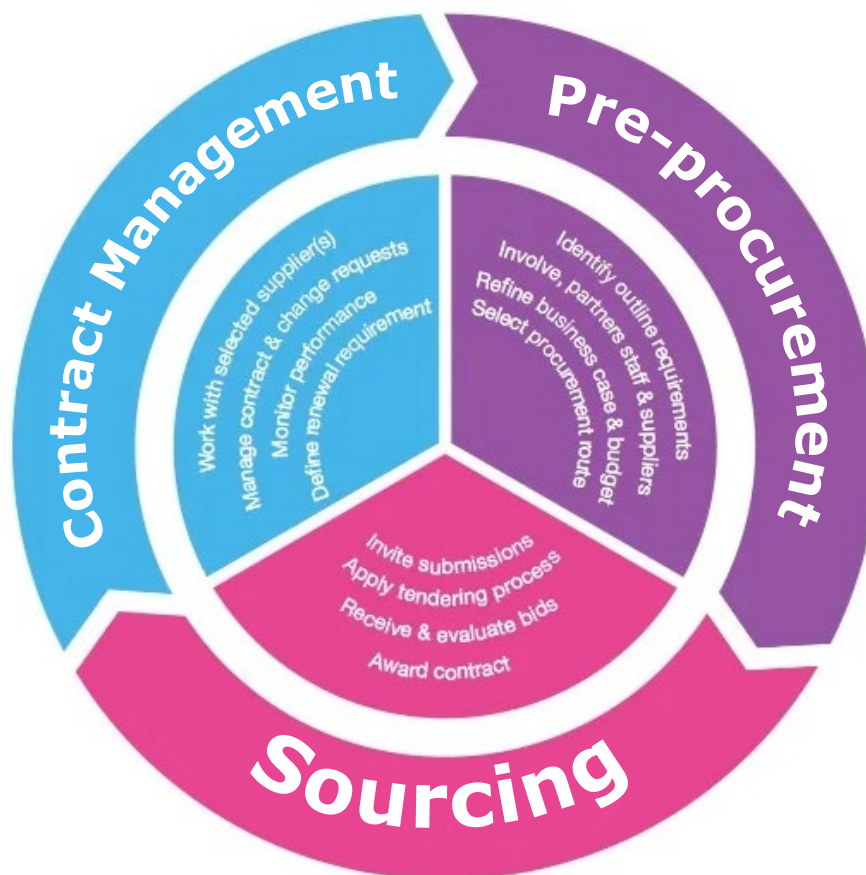
		Currently estimated a minimum of 1 FTEs worth of hours will be needed.		
	3.3 FMS	Encourage usage of the spend analysis dashboard and contracts overview dashboard.	RR, Procurement & P&P	On-going
Mid-term actions – by Dec 2025				
4. Constitution	4.1 Procurement policies	A) Ethical Procurement statement – replace with CSR statement B) SME Procurement Policy – review and update C) SME -friendly Procurement policy – merge into SME Procurement policy	RR and SLT subgroup RR and Procurement Champions NA	Dec 2025
5. Training and Guidance	5.1 Update guidance on intranet	Review all guidance pages and documents and align to new regulation requirements	RR	Feb 2025
	5.2 Training	A) Amend internal training offer and implement new training requirements B) Investigate advanced CM training from Cabinet office and ID up to 10 cohorts to put forward.	RR NA as now available to all Officers so part of 2.3	2025
6. Resources	6.1 FMS	A) Review processes for transparency notices for payments and performance monitoring, including reports within CiA.	SFAO, AR	April 2025
		B) Sort out integration between Active H and CiA to ensure sufficient data is brought through to support spend and contract oversight in CiA.	RR, AR	Mar 2025
		C) Develop a report to enable the procurement pipeline can be automatically generated ready for publication	RR	Feb 2025

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	6.2 Staff Resources	<p>A) Assess benefits of additional Procurement team resources (1 FTE Procurement Supervisor and 1 FTE Procurement Business Partner) and produce business case for resource requirements beyond 31st Dec 2025.</p> <p>B) Review current contract management resources for Gold and Silver contracts against Cabinet model and identify opportunities for improvement. Produce business case for corporate change programme to generate efficiencies, savings and reduce risk by introducing improved CM practices.</p>	<p>RR, AR</p> <p>RR and SLT</p>	<p>Feb 2025</p> <p>2025</p>
Long-term actions – 2026 and beyond				
7. Governance	7.1 CM Change programme	<p>Corporate Change Programme for best practice procurement cycle to be compliant and achieve greater value for money (money spent on suppliers, money spent on products, money spent on time/resource both internal/external).</p> <ul style="list-style-type: none"> ○ Review of resources for commissioning and contract management ○ Upskilling of staff including external training/ accreditation/qualifications ○ Updating of job descriptions 		
8. Training and Guidance	8.1 Guidance tools	Review contract management approach and documentation to create a corporate wide approach.		
	8.2 FMS	Develop the contract management functionality within CiA to support contract management actions and monitor contract performance.		

WARWICK DISTRICT COUNCIL**Code of Procurement Practice (The Code)**

The Procurement Act 2023 (PA2023) defines 'Procurement' as 'any step taken for the purpose of obtaining, entering into or managing a contract'. Procurement is therefore any activity undertaken by the Council following its identification of the need for a third party deliver goods, works or services, to the point that party is no longer needed – 'the Procurement Cycle'.



The 'Code' should be read in conjunction with the Council's 'Code of Financial Practice', the Council's Procurement Strategy and the following Council specific policies and documents:

- Responsible Sourcing policy
- Equality in Procurement Policy
- Corporate Social Responsibility (CSR) Statement
- SME Procurement Policy
- Social Value Policy
- Contract Management Framework

This 'Code' details how the Council will undertake its procurement activities to be both legally compliant as well as meeting its obligations and objectives as a public body. It also covers how the Council will dispose of surplus assets and sell services to other organisations. It sets out the minimum requirements for Council Officers and Members when undertaking a procurement project and promotes the use of best practice processes and procedures, where it is proportionate and beneficial to do so.

This 'Code' is not intended to be a detailed set of instructions on how to undertake procurement activities. More detailed guidance on procurement activity processes is available on the Council's Intranet.

The Code has the following legislative and corporate objectives:

- To deliver Value for Money – A proportionate, cost effective, and efficient route of procurement and the delivery of the service or goods procured.
- Demonstrate integrity to ensure the highest standards of probity.
- To ensure that the Council complies with all legal requirements including its obligations under the Local Government Act 1999 to seek continuous improvement in the services it provides.
- Treat suppliers the same and do not put a supplier at an unfair advantage or disadvantage.
- To ensure that risks are managed to protect against any allegation of acting without due diligence, unfairly or unlawfully.
- Sharing information to ensure openness, fairness and transparency.
- Maximise public benefit through delivering Social Value through contracts.
- Have regard to Small, Medium Enterprises (SMEs).
- To support the Council's Corporate Strategy aims, objectives and policies.

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SECTION ONE

1. Scope & Purpose

This Code aims to promote good procurement practice, public accountability, deter corruption and provide protection against allegations of impropriety.

2. Legal framework

- 2.1 The Public contract regulations 2015 (PCR2015) will be superseded by the Procurement Act 2023 (PA2023) and the Procurement Regulations 2024 (PR2024) as of the 'switch over date' set by the Cabinet Office.
- 2.2 The period of transition from PCR2015 to PA2023 & PR2024 will proceed as follows:
 1. All contracts awarded prior to the switch over date will be subject to PCR2015 until contract termination.
 2. All contracts that have already had a contract notice or VEAT notice issued prior to the switch over date will be subject to PCR2015 until contract end. Any contract that issues a tender notice (formerly contract notice) or transparency notice (formerly a VEAT notices) after the switch over date will be subject to PA2023 & PR2024.
 3. All contracts called-off from a framework agreement (Section 2.6) initiated before the switch over date, will be subject to PCR2015, even if the call off occurs after the switch over date.
 4. All contracts awarded using a Dynamic Purchasing System (DPS) framework launched before the switch over date, and will be subject to PCR2015, even if the call off occurs after the switch over date. All DPS frameworks and associated contracts call-offs must end by 2 years following the 'switch over date'.

3. Covered by this Code

- 3.1 All procurement projects undertaken by, or on behalf of the Council including where the Council is acting on behalf of other bodies. A relevant procurement for the purposes of this Code is any arrangement made by, or on behalf of, the Council for the carrying out of works, the supply of goods or services, the disposal of assets or the selling of Council services to other organisations. This includes contracts let as a 'Concession'.
- 3.2 All procurement projects undertaken by, or on behalf of the Council irrespective of the method of funding e.g. capital, revenue, sponsorship,

donations or grants from a third party, unless excluded under Section 2, point 5.2.

- 3.3 All Officers of the Council including any temporary employees, agents and/or consultants etc. undertaking procurement on the Council's behalf.
- 3.4 All Members of the Council.

4. Exclusions from this Code

- 4.1 Contracts of employment which make an individual a direct employee of the Council.
- 4.2 Agreements for the leasing or acquisition of buildings (excluding room or hall rental) or land.
- 4.3 Agreements for the disposal or transfer of land unless the Council exerts significant influence over what the land is used for.
- 3.4 Loans to banks or other financial institutions and investments made in accordance with the Council's Code of Financial Practice.

5. Non-Compliance with this Code

- 5.1 Any case of non-compliance with this Code must be reported immediately to the Section 151 Officer and/or Monitoring Officer. Where the non-compliance results in identifiable additional cost to the Council or where the non-compliance places the Council under an identifiable increase in risk exposure, or generally where the Strategic Procurement & Creditors Manager considers the non-compliance to be significant; a report will be submitted to the next meeting of the Senior Leadership Team then the Cabinet.
- 5.2 Failure to comply with this Code may result in further action in accordance with the Employee Code of Conduct or the Member Code of Conduct.

6. Guiding Principles

- 6.1 All contracts above £25,000 must be let through a competitive process as per PA2023 and meet the requirements of this Code, unless an exemption request has been appropriately approved or the arrangement is otherwise permitted by this Code.
- 6.2 The following are excluded from the requirement for competition:
 - i. Purchases deemed exempt under PA2023, schedule 2. However, a Transparency Notice must be published in accordance with PA2023.
 - ii. Purchases made via a catalogue or framework agreement owned and

managed by a purchasing consortium that is recognised as or led by a 'contracting authority'. Purchases are subject to the competition requirements associated with each individual framework agreement. Framework agreements must be accessible to the Council and have been let in accordance with the requirements of the PA2023.

- iii. Contracts entered into through joint working with other public bodies, where a competitive process has been followed, in compliance with the Code of Procurement Practice or equivalent document of the lead organisation, provided that the collaborator has let their contract in accordance with the PA2023 and PR2024 on behalf of the Council.
 - iv. Purchases under Light Touch Contracts as defined under PA2023, that are below the Goods and Services UK threshold and are deemed unsuitable for a competitive approach by the Procurement Team.
 - v. Subscription services below the Goods and Service UK threshold that are reviewed on an annual basis.
 - vi. Membership arrangements in which the Council becomes a member organisation to the contracting body and gains access to contractual arrangements specifically let for the benefit of member organisations.
 - vii. Collaborative proposals for joint working or shared services with other public bodies. Where the aggregate contract value of the joint-working or shared services arrangement is expected to exceed the relevant UK threshold, the following conditions must be satisfied: -
 - o The principal activity of the collaborative arrangement is the provision of services back to the participating bodies;
 - o The collaborating public bodies when acting together exercise the same kind of control over the service as they would over an in-house service; and
 - o There is no independent or private sector partner involved in the collaborative arrangement.
- 6.3 All procurements will be classified as Bronze, Silver or Gold in accordance with the Public Sector classification tool (©Government Commercial Function Office). Classification is based on an evaluation of project/contract value, complexity and risk; and determines the level of resource and activities needed for contract management.
- 6.4 For all Procurements Projects valued at over £25,000 excl. VAT, a Procurement Project Initiation Document (PPID) must be completed and have appropriate approvals prior to the commencement of a sourcing activity to appoint a supplier. For Procurement Projects above the UK

- threshold for Goods and Services, approval by Cabinet will be required.
- 6.5 Adequate staff resources should be identified to undertake the entire procurement cycle, including planning and any subsequent contracts awarded. This information should be recorded within the PPID.
 - 6.6 Any contract which exceeds the relevant threshold set by the UK Government must comply with any legal requirements in the Public Contract Regulations 2015, or the Procurement Act 2023 and Procurement Regulations 2024 as per the Legal framework set out in Section One, point 2 of this Code.
 - 6.7 Procurement should be undertaken using electronic procurement systems unless otherwise agreed by the Strategic Procurement & Creditors Manager. Only approved electronic procurement systems should be used, and advice should be sought from the Strategic Procurement & Creditors Manager on their use. The use of electronic procurement systems does not negate the requirement to comply with all other elements of this Code.
 - 6.8 Comprehensive and robust records of all stages of the procurement must be maintained which support the decision to award a contract.
 - 6.9 Contracts will be awarded based on the most advantageous offer to the Council (MAT). In appropriate circumstances the lowest price (for purchases) or the highest price (for disposals) alone may be considered the most advantageous solution for the Council. Where it is considered that lowest price (for purchases) is in the best interests of the Council, advice should be sought from the Procurement Team prior to quotation/tender documents being issued.
 - 6.10 Contracts should be issued using electronic signing systems for both Under-hand and sealed contracts, unless otherwise agreed by Legal Services. Only approved electronic signing systems should be used, and advice should be sought from the Procurement Services and/or Legal Services on their use.
 - 6.11 All procurement must be appropriately authorised before a procurement process commences, and a contract is awarded.
 - 6.12 Sufficient budget must be available to cover the procurement project (including any associated costs such as professional support) and to cover the expected life and disposal of the contract.
 - 6.13 All contracts must include appropriate terms and conditions that are acceptable to the Council. Any deviations from the Council's acceptable terms must be agreed with Legal Services. Any deviations

that result in an increase in risk to the Council, must be approved by the Monitoring Officer, in consultation with the Audit & Risk Manager.

6.14 All Contracts, irrespective of value, shall clearly specify:

- What is to be supplied i.e. the specification
- The commercial response, including agreed price, quality, delivery deadlines,
- Appropriate performance information or key performance indicators (KPIs) or alternative performance monitoring methods to enable the effective management of contract performance.
- Social Value commitments including appropriate measures for ensuring these commitments are met, if above £50,000.
- Appropriate provision for contract 'change controls' and termination

7. Responsibilities

7.1 Unless specifically excluded by this Code, anyone undertaking a procurement activity on behalf of the Council must comply with this Code, the Code of Financial Practice and with all legal requirements. They must also comply with any other Codes of Practice, guidance or instructions relating to procurement activity issued by the Strategic Procurement & Creditors Manager.

A high standard of ethical conduct is expected in public office and any conduct which is contrary to this is not acceptable. Anyone undertaking procurement activities on behalf of the Council must comply with the Council's Employee or Member Code of Conduct and for example must not invite or accept any gift or reward that may be perceived as compensation for the award of or performance of a contract. Gifts and Hospitality should only be accepted in accordance with the Council's Gifts and Hospitality policy and it will be for the individual to show that anything received was not received with the purpose of influencing the relationship or decision of the individual.

7.2 **Senior Leadership Team (SLT)** must in relation to their Service areas:

- Declare any potential conflict of interest to the Strategic Procurement & Creditors Manager and the Monitoring Officer;
- Be responsible for all procurement activity undertaken within their service;
- Ensure all Officers comply with this Code;
- Ensure that any Officer undertaking procurement is sufficiently skilled and competent and completes any required learning and development;
- Ensure that adequate time and resources are available for undertaking procurement activities;

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- Ensure that all procurement and delegated decision-making is within approved budgetary limits and that there are effective systems in place to manage budgets on an on-going basis; this should include whole life costings that may affect other contracts or services;
- Ensure the procurement cycle activities align with Council policy;
- Ensure there are sufficiently resourced and skilled contract management arrangements in place for all awarded contracts;
- Provide any information requested by the Strategic Procurement & Creditors Manager regarding current procurement activities;
- Ensure there is a comprehensive documentary record of all Procurement exercises which will include correspondence/ documentation supporting the final award decision;
- Agree contract variations for their Service area contracts in consultation with the Procurement Service, where required;
- Ensure that in any procurement activity involving the transfer of staff into or out of the Council, that all applicable statutory obligations regarding TUPE are complied with;
- Where a contract involves the transfer of staff between existing and new providers, oversee the TUPE process and ensure that support of outgoing and incoming providers is undertaken to facilitate a smooth transition;
- Ensure that all procurement and delegated decision making is within the Council's Constitution;
- Formally consider within an SLT meeting, as appropriate, where any one of the following apply:
 - an innovative approach to procurement is proposed which is significantly different to current practice and carries greater risk;
 - a proposed procurement is likely to have a significant impact on the Council's workforce;
 - a proposed contract exceeds the approved budget by £10,000 or more, exceeds the time for completion or is incurring significant risks not initially identified
 - the provision of goods or services by the Council to other organisations.
- Agree requests to supply goods or services to other organisations with a value under £10,000;
- Ensure their Service area maintains the Council's contract data within the FMS contracts module, so that the 'Contracts Register' is accurate and compliant (which includes all live contracts with an aggregate value of £5,000 or above);

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- Ensure the Procurement team is provided with details of proposed or planned contracts with an anticipated aggregate value of £25,000 or above.
- The Chief Executive, Deputy Chief Executive, or Programme Director for Climate Change will agree requests for Exemptions to this 'Code', up to the UK Goods and Services threshold.

7.3 The **Section 151 and Monitoring Officers** shall:

- Consider any declarations of interest (either as part of a procurement project or within the register of interests) and determine whether the individual making the declaration can continue to be involved in the procurement process or contract award;
- Escalate any high-risk potential conflict of interest to the Chief Executive;
- Agree requests for Exemptions to this 'Code' up to the value of £100,000, providing budget is agreed;
- Approve all Procurement Project Initiation Documents (PPIDs) to ensure financial and legal compliance;
- Nominate other officers to exercise all or part of these powers on their behalf.

7.4 The **Strategic Procurement & Creditors Manager** shall:

- Maintain a record of Conflict of Interest declarations and escalate declared conflicts of interest to the Section 151 and Monitoring Officers;
- Maintain the Code of Procurement Practice and all supporting procurement related policies and guidance;
- Provide appropriate professional advice, guidance, training and support to Officers and Members on all procurement related matters;
- Report all agreed requests for exemptions to this 'Code' to the Cabinet;
- Approve PPIDs above the UK Goods and Services threshold, and ensure they are complete, accurate and are compliant with the Code and PA2023 and PR2024;
- Maintain and publish a procurement pipeline showing all potential procurement opportunities with a total value of £25,000 or above over the forthcoming 18months; and publish a pipeline notice on 'Central Digital Platform' (CDP) within 56 days of the 1 April if the Council total contractual spend exceeds £100m (incl. VAT) per annum.
- Ensure all ICT related procurement projects are approved by ICT Service;
- Nominate other officers to exercise all or part of these powers on their behalf.

7.5 **Officers** shall

- Declare any potential conflict of interest to the Procurement function.

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- Comply with the requirements of this Code and observe any guidance or instructions relating to procurement activity issued by the Procurement function
- Ensure that any procurement supports the Council's wider objectives
- Ensure they have all necessary governance approvals before commencing any procurement process or awarding any contract;
- Ensure that a PPID is approved prior to any 'Sourcing' activity commencing; including by Cabinet for all contracts above the UK threshold for Goods and Services.
- Ensure any necessary legal, procurement, finance, HR, ICT, risk management, technical support etc. is identified and engaged in good time;
- Ensure that adequate time and resources are made available for the undertaking all procurement activities
- Ensure that appropriate reporting measures are implemented to enable transparency notices to be published.
- Ensure that suitable and proportionate training has been undertaken to perform relevant procurement responsibilities.
- Escalate to SLT any opportunities to provide services to other organisations.

7.6 **Elected Members** shall:

- Declare any potential conflict of interest in Procurement to the Monitoring Officer and the procurement lead for that activity
- Through effective scrutiny and review via the Procurement Champions, ensure that significant procurement projects stay on track and deliver the Council's business case objectives and wider Council priorities.

7.7 **Cabinet Members** shall:

- Consider PPIDs and accompanying business cases (if referenced) in relation to Council procurement projects above UK threshold for goods and services.
- Agree requests for Exemptions to this 'Code' with a value exceeding the UK goods and services threshold, as long as it does not contravene PA2023 and PR2024.
- Agree requests to supply of goods or services to other organisations with a value of £10,000 and above.
- Agree the disposal of assets, excluding buildings and land, expected to be worth £20,000 and above.
- Consider reports relating to procurement and contracting submitted by the Strategic Procurement & Creditors Manager

8 Reserved Contracts

- 8.5 A contract can be reserved for a specified supplier or supplier type if:
- 8.5.1 The supplier is a supported employment provider which wholly or partly operates to provide employment for or in support of disabled or disadvantaged people.
- 8.5.2 A group of multiple organisations collaborating to form an employment programme wholly or partly for the purpose of providing employment to or in support of disabled or disadvantaged people.
- 8.5.3 Below threshold Light Touch Contracts for the provision of temporary accommodation or facilities, can be reserved for suppliers with a physical presence within the borders of Warwick district.

9 Exemptions from this 'Code'

- 9.5 Any requirement of this 'Code' may be waived with the consent of the Section 151 and Monitoring Officers, and where required, the Cabinet subject to any legal constraints.
- 9.6 Requesting an Exemption from this 'Code'
- 9.6.1 All requests for an exemption must be submitted on the Exemption Request form and in accordance with the Exemption process.
- 9.6.2 The Exemption request must clearly set out the reasons for requesting the exemption and include:
- sufficient justification to support the request,
 - how the proposal complies with any applicable law including a statement of the regulation under which the exemption is being made,
 - evidence to demonstrate that the request achieves best value and supports the Council's objectives,
 - confirmation that an agreed budget is in place.
- 9.6.3 Where the total contract value is below £100,000, the Section 151 or Monitoring Officer may agree the exemption.
- 9.6.4 Where the total contract value is £100,000 up to below UK threshold for Goods and Services, in addition to approval by the Section 151 or Monitoring Officer, approval must also be obtained from the Chief Executive and retrospectively reported to Cabinet.
- 9.6.5 Where the total contract value is at or above the UK Goods and

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Services threshold, the Exemption must be agreed by Cabinet, prior to any commitment being made to the supplier or any contract being entered into.

9.7 Obtaining an Exemption in an Emergency Situation:

- 9.7.1 Where an exemption is necessary because of an unforeseeable emergency, in accordance with the definition provided with the PA2023, and involves immediate risk to persons, property or serious disruption to Council services the Senior Leadership Team member may make all necessary and reasonable arrangements to manage the emergency. Full details must be reported to the Strategic Procurement & Creditors Manager as soon as practicable following the event.
- 9.7.2 Any contract entered under the emergency provisions should be for the minimum duration required to remove the immediate risk to persons or property or to reduce the disruption to Council services to a manageable level.
- 9.7.3 Any contract awarded under the Emergency Exemption provisions must not be extended beyond a maximum 6-month initial term without the prior approval of Cabinet.
- 9.7.4 Any contract entered under the emergency provision must be reported to the Cabinet at the next available opportunity.

SECTION TWO

PROCUREMENT PROCESS

The Council has 4 different thresholds for procurement as detailed in the table below. Section 2 sets out in more detail the requirements when dealing with a specific procurement. Further guidance is available via the Intranet.

Procurement Type	Estimated Contract Value (Excl. VAT)
1	£1 - £24,999
2	£25,000 to £49,999 threshold
3	£50,000 up to UK Goods and Services threshold (Note – this includes Works contracts even though the thresholds for Works contracts is higher than this threshold)
4	UK Goods and Services threshold and above (Note – this includes Light Touch Contracts even though the thresholds for Light Touch Contracts is higher than this threshold)
5	Framework call off

1. Pre-Procurement

1.1 Before commencing a procurement project, Officers must:

- Assess and challenge the need for the expenditure;
- Define the objectives of the procurement and identify out of scope requirements;
- Review any legal implications and considerations e.g. Data protection, insurance, risk, grants;
- Review the relevant supply market to understand competition, availability, innovations, costs; as per the information within Preliminary Market Engagement of this document;
- Identify the appropriate contract length, including breaks, extensions and milestones;
- Calculate and verify an estimated Total Value of the contract, including extensions;
- All Procurement Projects, both anticipated and agreed, must be added to the

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Councils Procurement project pipeline;

- The Council's Procurement Pipeline will be published quarterly on the Council's website;
- If the Council's contract spend equals or exceeds £100m incl. VAT per annum, a Pipeline notice must be published on the CDP within 56 days of 1st April.

2 Procurement Planning

2.1 Once a procurement project has received appropriate approvals to commence, Officers must:

- Ensure that appropriate measures are taken to consider and account for Micro SMEs, SMEs and Voluntary Community Sector Enterprises (VCSEs) participation;
- Ensure there is sufficient budget available which covers the whole-life financial commitment being made (including any consultant's or other external charges or fees);
- Ensure the Council's requirements for IT system security and data security (GDPR) are satisfied where appropriate;
- Ensure that relevant regulatory requirements are considered and accounted for;
- Ensure any necessary subject matter experts e.g. legal, procurement, finance, HR, ICT, risk management, technical support etc. are identified and engaged;
- Agree the type and form of contract to be used and the terms and conditions that are to apply to the proposed contract;
- Consider the need for a performance bond and/or parent company guarantee;
- Ensure resources with the necessary skills and capacity to undertake the full procurement cycle are identified and allocated, including resources to collect and relay to Procurement Services information for mandated legal notices;
- For procurements of £25,000 excl. VAT and above, this information must be captured within the Procurement Project initiation Document (PPID).

2.2 For all procurement projects above the applicable UK threshold for Goods and Services (this includes any projects for 'Works' or projects covered under PA2023 as a 'Light Touch Contract') Officers must in addition to Section 2 point 2.1: -

2.2.1 Comply with any legal requirements in the Public Contract

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Regulations 2015 or Procurement Act 2023 and Procurement Regulations 2024 in accordance with the Legal framework set out in Section One, point 2 of this Code.

- 2.2.2 Comply with the Council's Procurement Commissioning Gateway Procedures
 - 2.2.3 Consider any contract management information, KPIs and lessons learned from the previous contract where this exists.
 - 2.2.4 Consult with internal and external stakeholders (including users and, the supply market (in accordance with Section 2 point 5 of this Code) where appropriate
 - 2.2.5 Consider how through the procurement, improvements to the economic, social, environmental and ethical wellbeing of the area might be achieved, in accordance with the Council's Corporate Social Responsibility (CSR) statement and Social Value Policy. Social Value)
 - 2.2.6 Carry out an options appraisal to decide the best way to achieve the Council's objectives, including internal or external sourcing, partnering, collaborative procurement with another contracting authority, recycling, reuse etc.
 - 2.2.7 Produce a business case and have this approved by a member of the Senior Leadership Team
 - 2.2.8 Assess the potential risks and how to manage them
 - 2.2.9 Consider required governance and reporting resources to meet transparency obligations for contract management.
 - 2.2.10 Ensure that the Procurement project is added to the Procurement update cabinet report for approval to proceed.
- 2.3 All contracts or purchase orders issued by the Council shall:
- 2.3.1 Be evidenced in writing;
 - 2.3.2 Refer to a contract reference number and/or contain a purchase order number;
 - 2.3.3 Include appropriate Terms and Conditions;
 - 2.3.4 Support the Council's Corporate Strategy priorities and policy objectives; and
 - 2.3.5 Endeavour to fulfil the priorities of the National Procurement Policy Statement (NPPS) excluding contracts awarded via framework call off or Dynamic market contracts, which may be updated from time to time.
 - 2.3.6 Include a requirement for the supplier to comply with all

relevant statutory requirements

2.3.7 Include a requirement for the supplier to notify the Council of any actual, potential or perceived conflicts of interest for the duration of the contract.

3 Covered Procurement publication requirements

3.1 For all 'covered procurements' (procurement projects above the UK Goods and Services threshold), if it is deemed appropriate to do so, a Planned Procurement Notice can be published on the CDP to alert suppliers to an upcoming procurement project.

4 Debarment List

- 4.1 The debarment regime enables Ministers to put suppliers on a published debarment list.
- 4.2 Inclusion on the list means that the supplier's past behaviour or circumstances mean that it is not, or may not be, allowed to participate in covered procurements or be awarded public contracts.
- 4.3 The Debarment List should be checked prior to any purchase or contract award.
- 4.4 Purchases and contract awards cannot not be made to a supplier that appears on the Debarment List.
- 4.5 For active contracts, the Debarment List should be checked periodically to ascertain whether the contracted supplier has been added to the List. Should a contracted supplier be added to the Debarment List during their contract term, the Council should take all reasonable steps to terminate and relet the contract as quickly as possible.

5 Conflicts of Interest

- 5.1 The Council is obligated to identify, mitigate and review Conflicts of Interest from the moment a Procurement Project is initiated until the resulting contract is terminated. Officers and Members must declare any actual, potential or inferable direct or indirect conflicts of interest. This may take the form of:
 - 5.1.1 Evaluator Conflicts of Interest declaration form;
 - 5.1.2 'Conflicts of Interest assessment' form for Procurement Projects above the UK Goods and Services threshold; and/or
 - 5.1.3 Declaration under the officer or member codes of conduct relevant to the procurement project they are directly involved in.

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- 5.2 Failure to declare any potential conflict of interest may lead to further action.
- 5.3 Any Officer or Member who has an actual, potential or inferable direct or indirect interest in any procurement project and contract must declare their interest when it arises at any point during a Procurement cycle by notifying in writing to the Procurement Team who will escalate any concerns to the Strategic Procurement & Creditors Manager. The Strategic Procurement & Creditors Manager will then make a recommendation to the Section 151 and Monitoring Officers about whether the Officer or Member should or should not remain involved in the procurement or proposed contract. The Section 151 and Monitoring Officers (or the Chief Executive if either are subject to a Conflict of Interest in themselves) will make the final decision as to whether a conflict of interest will result in an Officer or Member being removed from the Procurement project or contract.
- 5.4 The Section 151 and Monitoring Officers, having due regard to any recommendation in 5.2 and in relation to Officers and Members, ensure the availability of sufficiently skilled staff to undertake the evaluation of bids prior to the commencement of a Procurement Project and throughout in response to any highlighted conflicts of interest that may result in the exclusion of an individual from being involved in the project.
- 5.5 For procurement projects and contracts classified as Gold or Silver, a Conflicts of Interest assessment form must be completed and maintained for the duration of the procurement project. For procurement projects and contracts above the UK Goods and Services threshold, recognition of this form must be included within the following legal notices on the CDP: Tender notice, Transparency notice or Dynamic Market notice, Contracts details notice, Contracts change notice.

6 Contract Value

- 6.3 The procurement procedure will usually be determined by the estimated aggregate value of the contract, although the project classification may also impact on the procedure recommended. The aggregate value of the contract is calculated as follows:
- 6.3.1 For long term arrangements, the initial term of the contract plus any extension periods multiplied by the annual contract value.
- 6.3.2 For one off requirements, the available agreed budget that has been based on a genuine estimate of contractual spend.

- 6.3.3 For concession contracts, the est. turnover value to the supplier (concessionaire) generated over the course of the contract.
- 6.4 Contract values must not be distorted or disaggregated in order to avoid the requirements of PA2023 and PR2024, this Code and/or to prevent the use of an optimum Sourcing process.
- 6.5 Where the estimated aggregate value of the contract exceeds the relevant UK threshold, a UK compliant procurement process should be undertaken

7 Use of Existing Council Contracts

- 7.1 Before commencing a procurement process and/or seeking to let a new contract, Officers must check whether the Council already has a suitable contract in place which could satisfy the requirement. Where a suitable contract exists, that contract should be used unless agreed otherwise by the Contract Owner and the Procurement Team.

8 Preliminary Market Engagement and Consultation

- 8.1 Officers may consult potential suppliers prior to the issue of an Invitation to Quote/Tender about the nature, level and standard of the supply, contract packaging and other relevant matters. Records must be kept of this consultation.
- 8.2 Officers must not, once any consultation period under 8.1 has ended seek or accept technical advice on the preparation of the actual Invitation to Quote/Tender from anyone who may have a commercial interest in bidding for the contract as this may prejudice the equal treatment of all potential bidders and distort competition.
- 8.3 For procurements that will be tendered under PA2023 & PR2024, the additional obligations under Section 16 and 17 of PA2023 will apply. Preliminary Market Engagement must take place before the publication of a Tender or Transparency notice and help contracting authorities, and the market prepare for an upcoming procurement. Preliminary Market Engagement:
- includes any and all engagement with suppliers with the aim of using that information to shape a future procurement or contract e.g. soft market testing, market consultations, supplier engagement, formal pre-market engagement, supplier events, informal supplier discussions.
 - must be conducted in a way that does not give a supplier an unfair advantage or distort competition.

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- should be used to help level the playing field for competition by removing or mitigating any unfair commercial advantages or competition distortion identified (including incumbents). If the distortion cannot be mitigated, the advantaged supplier must be prevented from tendering.
- must be advertised via a Preliminary Market Engagement notice to encourage new entrants and supplier engagement; or the notice must be used to notify suppliers that it has taken place.

8.4 For all procurement projects above the applicable UK threshold for Goods and Services, a Preliminary Market Engagement Notice should be completed to either, notify the market of a pre-market engagement opportunity, or advise the market of market engagement already undertaken. If this notice is not published, information must be provided as to why in the Tender notice on the CDP.

9 Using Frameworks

9.1 Contracts based on framework agreements may be awarded by either:

- Applying the terms and commercial offering laid down in the framework agreement (where such terms are sufficiently precise to cover the call-off) without reopening competition; or
- Where the terms laid down in the framework agreement or the specification requirements require the re-opening of competition by holding a mini competition, to enable a bespoke commercially suitable tender.

9.2 A mini competition must be run in accordance with the framework's guidance, and the following procedure:

- Inviting all organisations within the framework agreement who are capable of delivering the contract to submit written tenders, unless they have expressed their need to be excluded in writing;
- Fixing a time limit which is sufficiently long to allow tenders for each specific contract to be submitted, taking into account factors such as the complexity of the subject of the contract

10 Use of existing External Frameworks

10.1 Before undertaking sourcing in a procurement project, Officers shall consider whether there is an existing pre-tendered framework agreement available. This may be a framework agreement let by another public body or by a purchasing consortium (e.g. CCS, ESPO, YPO). It may be necessary to

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- examine a number of framework agreements to identify the best value solution for the Council.
- 10.2 Existing framework agreements may be used where these have been established by an appropriate contracting authority (as defined under PA2023) and the Council can evidence that they can legitimately and legally access them.
- 10.3 Where the use of an existing framework agreement is identified as the appropriate procurement route, the Officer will, in conjunction with the Procurement Service, agree the appropriate procedure for accessing the framework agreement.
- 10.4 When using an existing framework agreement, Officers must not invite additional suppliers to bid which are not included on the framework agreement.
- 10.5 The use of an existing framework agreement does not remove the requirement to comply with all other elements of this Code or relevant UK law.
- 10.6 Frameworks should be used in accordance with their own guidance and UK as per Section One, point 2.2.2 of the Legal framework within this Code.

11 Creating Council Frameworks

- 11.1 Officers may establish framework agreements for goods, works or services. For any contracts where the aggregate contract value is likely to exceed the relevant UK threshold, the framework agreement must be established in accordance with the requirements of PA2023 and PR2024. Where Services are considering establishing a framework agreement, they must seek advice from the Procurement Service, before commencing the procurement process
- 11.2 For a 'Closed framework', the duration of a framework agreement shall not exceed 4 years except in exceptional circumstances and only with permission from the Strategic Procurement & Creditors Manager and legal services. Single supplier frameworks are permitted; and a maximum number of suppliers to be awarded can be specified.
- 11.3 For an 'Open framework', the duration of a framework agreement shall not exceed 8 years, and as a minimum, must be reopened for competition within and including the initial 3 year term, and every 5 year term following that until the framework expires. A minimum of 2 suppliers is required for a valid 'Open framework'. Should the number of suppliers drop to 1, the framework will revert to a 'Closed framework'. There is no

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limit to the number of suppliers awarded to the framework though a maximum number can be specified. There is no limit to the number of times the framework can be reopened for competition.

- 11.4 For a Dynamic Market, there is no maximum duration that the framework can run, or the number of suppliers that can be awarded. No maximum can be applied to the number of suppliers. The framework must always remain open to the addition and removal of suppliers.
- 11.5 For all framework types and Lots (or categories for Dynamic Markets) should be considered to remove barriers to SMEs and VCSEs. Evidence of this consideration should be recorded including reasons for not undertaking Lots if so decided.

12 Publication of Council Framework Notices

- 12.1 For closed and open frameworks, the notices applicable to an above threshold procurement apply.
- 12.2 For Dynamic markets, the following notices will apply:
 - 12.2.1 Dynamic Market intention notice (in place of a Tender notice)
 - 12.2.2 Dynamic Market establishment notice (in place of an Award notice)
 - 12.2.3 Dynamic Market modification notice (in place of a Contract Change notice)
 - 12.2.4 Dynamic Market cessation notice (in place of a Contract Termination notice)

13 Awarding Contracts from a Framework

- 13.1 Contracts awarded by call-off from a Closed framework, cannot exceed 4 years unless otherwise stated within the framework guidance and notices.
- 13.2 For Closed and Open Frameworks, contracts should be awarded to the supplier in accordance with the framework's guidance. This can be via direct award to the most suitable supplier on the basis of the award criteria set out in the framework agreement or price; or by reopening competition.
- 13.3 For Dynamic Markets, contracts can only be awarded through undertaking a competitive procedure in accordance with the framework guidance.
- 13.4 Where the contract value exceeds £5,000 Officers should include details on the awarded contract on the Council's 'Contract Register'
- 13.5 Where the contract value is £25,000 or above, a Contract Award Notice

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should be placed on Contracts Finder for frameworks let under PCR2015; and the CDP for frameworks let under PA2023 and PR2024.

- 13.6 Where the contract value exceeds the relevant UK threshold, Officers should observe a 'standstill period' before finalising the award of the contract.
- 13.7 Where the contract value exceeds the relevant UK threshold a contract Award Notice should also be placed on the Central Digital Platform (CDP) followed by a Contract Detail Notice.

14 Inviting Quotations (Contract Type 1 and 2)

All Invitations to Tender shall, as a minimum:

- 14.1 Be conducted electronically using the Council's approved E-Procurement system or another E-Procurement system approved by the Procurement Service unless agreed otherwise by the Strategic Procurement & Creditors Manager;
- 14.2 Be issued to at least 3 potential suppliers unless:
- There are not 3 suppliers in the market or
 - An individual supplier has been identified and evidenced as the most cost-effective provider.
- 14.3 Ensure consideration is given to local suppliers, micro SMEs, SMEs and VCSEs, recording evidence of this consideration and reasons for any exclusions.
- 14.4 Include clear instructions on how and where quotations are to be returned
- 14.5 Include the date, time and process for the return
- 14.6 Include appropriate terms and conditions or specified requirements regarding substantial terms.
- 14.7 Include a clear specification which describes the Council's requirements and expected levels of quality.
- 14.8 Specify the time limit (if any) for delivery;
- 14.9 Describe the criteria and process that will be used to evaluate the bids including any question weightings and sub-criteria that apply ensuring that the Council's preference towards 'quality' criteria always has a combined weighting higher than that of financial or 'price' criteria
- 14.10 Include performance measures to demonstrate that the contract is delivering the required business benefits/outcomes.
- 14.11 Procurement Projects with an estimated aggregate value below £25,000 excl. VAT are not required to be publicly advertised; however, informal

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advertising and engagement is encouraged.

14.12 For Contract Type 2 only:

Procurement Projects with an estimated aggregate value of between £25,000 and £49,999 excl. VAT, must publish a below threshold contract notice if a competitive process is undertaken.

15 Inviting to Tenders (Contract Types 3-5)

All Invitations to Tender shall, as a minimum:

- 15.1 Be conducted electronically using the Council's approved E-Procurement system or another E-Procurement system approved by the Procurement Service unless agreed otherwise by the Head of Finance
- 15.2 Be advertised in accordance with the requirements of this Code
- 15.3 Ensure consideration is given to removing an barriers to local suppliers, SMEs and VCSEs, recording evidence of this consideration and reasons for any exclusions.
- 15.4 Be advertised as an open-competition via the CDP portal: -
- 15.5 Include clear instructions on how and where tenders are to be returned
- 15.6 Include the date, time and process for the return
- 15.7 Include appropriate terms and conditions
- 15.8 Include a clear specification which describes the Council's requirements and expected levels of quality including setting out how any social value can be achieved in line with the Council's policies, such as addressing climate change impacts, sustainability issues or other Corporate Social Responsibilities associated with the contract.
- 15.9 Specify the time limit (if any) for delivery;
- 15.10 Describe the criteria and process that will be used to evaluate the bids including any question weightings and sub-criteria that apply ensuring that the Council's preference towards 'quality' criteria always has a combined weighting higher than that of financial or 'price' criteria
- 15.11 Include 'Corporate Social Responsibility (CSR)' Criteria (including addressing Climate Change) at a combined weighting of 5-15% in addition to the 'quality' criteria, for all tenders over £50,000; or review CSR criteria and inclusion for all framework direct award contracts.
- 15.12 Where relevant, consider whether an assessment of the foreseeable element of 'embedded carbon' contained within any tendered offer should be sought.
- 15.13 Include a robust and proportionate framework for managing the

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performance of the contract capable of evidencing that the contract is delivering the required business benefits/outcomes, including performance in relation to carbon emissions. For contracts valued at £5m including VAT, a minimum of 3 KPIs must be specified in accordance with section 52 of PA2023.

- 15.14 Include any supplementary information required by potential bidders to enable them to submit clear and concise bids.
- 15.15 Require the completion and return of a Form of Tender and certificates applicable to the contract.
- 15.16 When establishing a framework agreement, a clearly defined process shall be included outlining how call off contracts are to be awarded see Section 2 Point 9 of this Code
- 15.17 All Procurement Projects with an estimated aggregate value of £25,000 excl. VAT or above must be advertised on the Council's E-Tendering portal and on the CDP.
- 15.18 For Procurement Projects below the relevant UK threshold, a Below-threshold Tender notice should be published.
- 15.19 For Procurement Projects equal to or above the relevant UK threshold, a Tender notice should be published.

16 Management of Quotations and Tenders (All Contract Types)

- 16.1 Bidders must be given an adequate period of time in which to prepare and submit a quotation/tender consistent with the complexity of the procurement. Where the contract value is expected to exceed the applicable UK threshold, the Public Contract Regulations require specific time periods to be observed depending on the procurement procedure being followed.
- 16.2 Providing clarification on any aspect of the quotation/tender to bidders during the bidding period is permitted. All clarification requests should be in writing and therefore Officers must not accept or respond to verbal clarification requests. The clarification questions asked (anonymised to ensure the integrity of the bidders) together with the Council's response must be made available to all bidders.
- 16.3 Officers may extend the deadline for submission of quotations/tenders where it is considered appropriate to do so. Where the deadline for submission of quotations/tenders is extended, all bidders will be notified of the extension and any bidders that have already submitted a quotation/tender shall be given the opportunity to re-submit.
- 16.4 Quotations/Tenders will be submitted by bidders via the Council's approved

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E-Tendering portal unless alternative arrangements have been agreed by the Strategic Procurement & Creditors Manager.

- 16.5 No quotation/tender submissions will be available to evaluate until after the quotation/tender deadline has passed.
- 16.6 Late quotations/tenders will not normally be accepted. Officers must obtain the agreement of the Strategic Procurement & Creditors Manager prior to accepting any late quotations/tenders

17 Evaluation of Quotations (Contract Type 1 and 2)

- 17.1 Officers are responsible for ensuring that all bids are suitably assessed. The assessment process shall, as a minimum, establish that all potential bidders have sound economic and financial standing and sufficient technical ability and capacity to fulfil the requirements of the Council
- 17.2 Evaluation of bids must be undertaken in accordance with the evaluation methodology and evaluation criteria described in the quotation/tender document.
- 17.3 Completion of a Procurement Summary form, to be approved by the Procurement Service must be undertaken prior to the award of a contract.

18 Evaluation of Tenders (Contract Types 3 - 5)

- 18.1 Officers are responsible for ensuring that all bids are suitably assessed. The assessment process shall, as a minimum, establish that all potential bidders have sound economic and financial standing and sufficient technical ability and capacity to fulfil the requirements of the Council.
- 18.2 Evaluation of bids must be undertaken in accordance with the evaluation methodology and evaluation criteria described in the quotation/tender document.
- 18.3 Evaluators are required to evaluate bids independently and provide comprehensive comments in support of their evaluation.
- 18.4 Where less than 3 quotations/tenders are returned, the evaluation can still proceed. Prior to awarding any contract in these circumstances, Officers should be confident that the bids received secure best value for the Council.
- 18.5 Where only one quotation/tender has been received, the Head of Service in conjunction with the Procurement Service will agree whether it is appropriate to award a contract or to abort the procurement and consider alternative options.
- 18.6 If the tender evaluation reveals any errors which affect the tender price, the bidder will be provided with the details of the error and given the

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option of confirming the price as submitted or withdrawing from the procurement process. If an Officer considers an alternative approach to be in the best interests of the Council, Officers must receive prior approval from the Strategic Procurement & Creditors Manager

- 18.7 Where information is missing from a tender, Officers may clarify the omission with the bidders with the prior agreement of the Procurement Service.
- 18.8 Seeking clarification of a submitted tender whether in writing or by way of a meeting is permitted. However, discussions with bidders after submission of a quotation/tender and before the award of a contract with a view to obtaining adjustments in price, delivery or content (i.e. post tender negotiations) must be the exception rather than the rule. In particular, such negotiations must not be conducted during an above UK threshold tender (other than within the provisions of the Competitive Flexible Procedure) without the prior agreement of the Strategic Procurement & Creditors Manager
- 18.9 If post tender negotiations appear necessary, you should take professional advice on whether negotiations are permissible. Normally such negotiations should be undertaken with all those bidders who have met the selection criteria in the original procurement process. During negotiations, the Council's requirements set out in the original procurement process should not be substantially altered.
- 18.10 Apart from the debriefing required or permitted by this Code, the confidentiality of tenders and the identity of bidders must be preserved at all times and information about one bidder's response must not be given to another during the evaluation process. Notwithstanding this, Officers should be mindful of the Council's duties under the Freedom of Information Act and in some circumstances some disclosure may be required to comply with those

19 Procurement Termination

- 19.1 The Council can choose to terminate a procurement project at any point prior to the acceptance of a tender. Abandonment of a tender exercise requires approval from the Strategic Procurement & Creditors Manager and the relevant Head of Service.
- 19.2 For procurement projects above the Goods and Services UK threshold, approval is also required from the Section 151 and Monitoring Officers.
- 19.3 For all 'covered procurement' projects a Procurement termination notice must also be published on the CDP.

20 Acceptance of Tenders

20.1 The table below sets out the approvals required. They apply equally to contracts that may be awarded through negotiation as they do to those awarded through competition. They also apply to contracts intended to be awarded from collaborative procurement exercises or framework agreements including those let by organisations such as CCS, ESPO, YPO etc.

Contract Type	Approval To Award a Contract
1	Commissioner or above and Procurement Service
2	Commissioner, Head of Service, Accountant and Procurement Service
3 & 4	Commissioner, Accountant, Head of Service, Section 151 or Monitoring Office and Procurement Services

20.2 Where external funding has being agreed to support the budget for the procurement, e.g. ERDF, Heritage Lottery Fund, Friends Groups etc. acceptance of the award decision may need to be obtained from the external funder prior to a tender being accepted.

20.3 Tenders may be accepted provided that the tender sum and any on-going financial commitments can be met from within the available budget or in relation to capital expenditure, the tender sum together with any other scheme costs (e.g. fees, capital, salaries, post-contract services etc.) can be met from within the capital programme provision and that Cabinet approval for the capital expenditure has previously been granted.

20.4 Where a tender cannot be accepted because of budget limitations, a report should be submitted to the Cabinet outlining the circumstances and the possible options. It will then be a matter for the Cabinet to decide: if the shortfall will be funded in line with the Financial Code of Practice; to proceed on a reduced basis; or not to proceed with the scheme.

21 Notifying Suppliers of the Outcome

21.1 Suppliers should be notified of the outcome of a procurement project as soon as possible after relevant approvals to award the contract have been obtained and should be notified in writing.

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21.2 For contracts below £25,000 excl VAT (Types 1), the winning bidder should be advised of the outcome prior to communicating with any unsuccessful bidders. Unsuccessful bidders should be advised of the outcome, once the successful bidder has indicated their willingness to deliver the contract

21.3 For Type 2 contracts below the applicable UK threshold, the Award letters should be issued simultaneously to all bidders (successful and unsuccessful) advising them of the tender outcome and award of contract. A voluntary 'standstill period' of 8 working days can be implemented prior to issuing the contract, if desired.

21.3.1 The Council's standard Award letter must be used and must include the following debriefing information: -

- The criteria for the award of the contract;
- The name of the successful bidder(s);
- The score of the bidder, together with the score of the successful bidder(s);
- The evaluation summary sheets for bidder and successful bidder indicating the agreed score and evaluator comments for each individual quality and CSR question; and
- Confirmation of the date before which the Council will not enter into the contract (allowing for a standstill period is desired).
- Once an award of contract is accepted, a Below Threshold Contract Detail notice must be published on the CDP within 30 days.

21.4 For Type 4 and 5 Contracts that are subject to PA2023 and PR2024 the following should be adhered to:

- Intention to award letters should be issued simultaneously to all bidders (successful and unsuccessful) advising them of the intention to award the contract and providing them with a 'standstill period' of at least 8 working days when sent electronically via the Council's approved E-Tendering portal.
- The Council's standard Intention to Award letter must be used and must include the following debriefing information:
 - The criteria for the award of the contract;
 - The name of the successful bidder(s);
 - The score of the bidder, together with the score of the successful bidder/s;
 - The evaluation summary sheets for bidder and successful bidder

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indicating the agreed score and evaluator comments for each individual quality and CSR question; and

- Confirmation of the date before which the Council will not enter into the contract (i.e. the date the standstill period finishes).
- A Contract Award notice must also be published on the CDP, this commences the standstill period.
- Following completion of the standstill period, an award letter must be sent to the successful bidder and a Contract detail notice must be published onto the CDP within 30 days of Award.

21.5 For Type 4 and 5 Contracts above the relevant UK threshold let under PCR2015 or PA2023 and PR2024, Award letters should be issued simultaneously to all bidders (successful and unsuccessful) advising them of the tender outcome and award of contract. A voluntary 'standstill period' of 8 working days can be implemented prior to issuing the contract, if desired.

21.5.1 The Council's standard Award letter must be used and must include the following debriefing information: -

- The criteria for the award of the contract;
- The name of the successful bidder(s);
- The score of the bidder, together with the score of the successful bidder(s);
- The evaluation summary sheets for bidder and successful bidder indicating the agreed score and evaluator comments for each individual quality and CSR question; and
- Confirmation of the date before which the Council will not enter into the contract (allowing for a standstill period is desired).
- Once an award of contract is accepted, a Contract Detail notice must be published on the CDP within 30 days of the contract being entered into, except for light touch contracts which must be published within 120 days.
- For contracts valued at £5m or more including VAT, the notice must include a link to access a full copy of the contract (commercially sensitive data can be redacted) and set out the 3 KPIs regarded as most material to the performance of the contract at the time of publication.

21.6 Unsuccessful bidders wishing to formally challenge an above UK threshold contract award decision are initially required to do so during the standstill

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period and before the contract award is confirmed. If an award decision is questioned in writing or formally challenged by or on behalf of an unsuccessful bidder after the issue of an Intention to Award letter and during the standstill period, the Officer shall not proceed to award the contract but shall immediately inform the Strategic Procurement & Creditors Manager and seek the advice of Legal Services on next steps.

- 21.7 Subject to no formal challenges being received during the standstill period, the Officer may confirm the award of the contract to the successful bidder using the Council's Confirmation of Award letter template.

22 Procurement Review Unit (PRU)

- 22.1 The PRU has been appointed to manage the oversight regime (Part 10 of PA2023) on behalf of Ministers of the Crown and will:

22.1.1 monitor compliance and investigate patterns of repeated non-compliance;

22.1.2 investigate supplier complaints submitted to the Public Procurement Review Service (PPRS)

22.1.3 manage the central debarment list.

- 21.2 The PRU will have the power to issue recommendations to improve compliance including an obligation to report on progress and publish guidance on lessons learned.

- 21.3 Formal challenges under the PA2023 and PR2024 should be instigated in accordance with the [Technology and Construction Court \(TCC\) guidance](#).

23 Contract Signing and Order Authorisation

- 23.1 All contracts should be in written form and the written formalities should be completed before the contract is due to start except in exceptional circumstances and only then with the prior approval of the Section 151 and Monitoring Officers.

- 23.2 The Officer responsible for securing a signature for the contract must ensure that the person signing for the other contracting party has authority to bind it.

- 23.3 Contracts over the sums specified in the Public Contracts Directive must be sealed in accordance with the Council's Constitution by the Chief Executive, Deputy Chief Executive, Monitoring Officer and Programme Director for Climate Change (Delegation A(2)).

- 23.4 All other contracts may be signed by Chief Officer as defined under Article 12 of the Constitution or their duly authorised nominated officer- The Officer

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signing the contract on behalf of the Council must ensure that they have the relevant authorisation to sign the contract.

- 23.5 Contracts under Seal can only be signed by either Chief Executive, Deputy Chief Executive, Monitoring Officer and Programme Director for Climate Change (or a person authorised by them). A contract must be sealed where:
- 23.5.1 The Council wishes to extend the liability period under the contract and enforce its terms for up to 12 years; or
- 23.5.2 The price(s) specified under the contract are nominal and do(es) not reflect the value of the goods or services.
- 23.6 Order Authorisation - Orders can only be placed by approved Officers. Senior Leadership Team members will authorise the Officers allowed to place orders on behalf of the Council, along with each individual's authorisation limits.
- 23.7 Contracts valued at £5m or more including VAT must be published on the Council's website. All contract documents must be included in the publication. Commercially sensitive or personal data may be redacted. Commercially sensitive data must have been specified by the supplier within their tender submission.

24 Document Storage & Document Retention

- 24.1 By default, the Council will use an e-signature solution for all contracts and a digital copy of the contract must be stored against the contract within the Council's FMS contracts module.
- 24.2 Exceptions may be made with prior agreement from the Strategic Procurement & Creditors Manager in consultation with the Monitoring Officer.
- 24.3 Any hard copy signed contracts must be scanned and then stored in the Deed Store with the pdf copy attached to the contract within Council's FMS contracts module.
- 24.4 Appropriate documents and records must be retained for all procurement projects, in particular:
- 24.4.1 Documents or records relating to successful quotations/tenders (e.g. any documents which might have a bearing on the way the contract was let or is interpreted) must be kept for at least 6 years after the contract comes to an end. If the contract is made as a deed/under seal the records must be kept for a minimum of 12 years.
- 24.4.2 Documents or records relating to unsuccessful quotations/tenders must be kept for at least 24 months from the date the contract starts.

24.4.3 Sensitive or personal data must not be retained longer than 6 months following the award of contract.

25 Form and Conditions of Contract

25.1 The contract terms and conditions used must be the most appropriate for the procurement project and can be: the Council's pre-agreed standard terms and conditions; industry standard terms and conditions such as JCT, NEC etc.; framework call-off terms and conditions; and/or bespoke terms and conditions written specifically for the particular procurement project.

25.2 Contracts will clearly state:

25.2.1 The Services/Works to be carried out or the goods to be supplied

25.2.2 The total contract value

25.2.3 The price(s) or schedule or rates to be paid including any discounts

25.2.4 The mechanism for managing any changes or variations to the contract during its life

25.2.5 The mechanism by which price adjustments (e.g. for any agreed contract changes or contract variations, any additional payments for over performance, any payment deductions for under performance, any general efficiency (cost management) initiatives and the mechanism for any inflationary increases etc.) will be managed;

25.2.6 The delivery period by when (or during which) the contract is to be carried out;

25.2.7 Appropriate performance management provisions to allow for effective contract management

25.2.8 Powers for the Council to cancel the contract and recover any resulting losses from the contractor

25.2.9 Appropriate provision for information sharing to support the Council in meeting its statutory duties

25.2.10 Appropriate contract termination provisions

26 Managing Contracts

26.1 A Contract Owner must be appointed to act on behalf of the Council for all contract types.

26.2 For all type 3 contracts, a member of the Senior Leadership Team must be appointed as part of the contract governance structure.

26.3 Contract Owners must ensure sufficient resources are allocated within the contract governance structure to ensure effective Contract Management and

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administration, in accordance with the recommended levels based on the contract's classification level of Gold, Silver or bronze (Public Sector classification tool ©Government Commercial Function Office).

- 26.4 As a minimum, every 12 months, all contract owners must:
 - 26.4.1 Meet with the Supplier to discuss contract improvements, innovation opportunities, and added value (including Social Value if applicable)
 - 26.4.2 Monitor contract performance and report supplier adherence to contractual obligations and report to the Strategic Procurement & Creditors Manager and Head of Service.
 - 26.4.3 Review Supplier financial standing and failure risk, including potential risks from supply chains.
 - 26.4.4 Manage the contract exit plan, including documenting decisions regarding contract termination.
 - 26.4.5 Set up and maintain a lesson learnt log
 - 26.4.6 Ensure Financial controls are met within the Council's FMS.
- 26.5 For contracts classified as Silver and Gold, the contract owner must also:
 - 26.5.1 Meet with the supplier to discuss performance, including reviewing KPI achievement and varying KPIs is appropriate.
 - 26.5.2 Benchmark supplier performance and record outcomes and actions
 - 26.5.3 Manage the contract management plan to ensure contract management and administration is effective
 - 26.5.4 Set up and maintain a change control register
 - 26.5.5 Ensure business appointment rules are met regarding certification and financial requirements
 - 26.5.6 Monitor risk and mitigate or escalate early signs of failure
 - 26.5.7 For contracts above the Goods and Services UK threshold, ensure a reporting mechanism is implemented and managed for the retention and publication of data in accordance with PA2023 and PR2024.
- 26.6 Contract Owners must ensure contracts are managed in accordance with the Councils Contract Management Framework

27 Contract Performance Reporting

- 27.1 For contracts awarded under PA2023 and PR2024 in accordance with the legal framework within this code, all contracts valued at £5m including VAT (excluding concession contracts) are required to publish performance data at least every 12 months. The performance notice must include ratings for a

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minimum of 3 KPIs, as per the rating system set out in regulation 39 of PA2023. If more than 3 KPIs are applicable, all KPI data must be published.

28 Extending Contracts

- 28.1 Contracts can be extended by a Contract owner if the original contract included the provision to extend (an 'option period'). Before activating any option period, an Extension Approval Request must be completed and submitted to Procurement Services in order that an appropriate level of due diligence and a value for money assessment can be undertaken.
- 28.2 Officers wishing to extend a contract where the original contract did not include the provision to extend (an 'option period') must follow the Exemption process.
- 28.3 When negotiating a contract extension Officers must make all reasonable efforts to secure added value for the Council.

29 Changes to Contract

- 29.1 Changes (variations/modifications) to requirements and/or contracts are likely to occur throughout the life of a contract. Each individual contract should describe the specific process to be adopted to manage any change however all changes are subject to the following:
 - 29.1.1 The value of any changes and/or any resulting changes to the performance management framework etc. required as a consequence of the change should be fully understood by the Council and documented prior to the change being agreed/implemented.
 - 29.1.2 Contract variations not provided for within the awarded contract should only be agreed in writing and must be approved by a member of the Senior Leadership Team following consultation with Procurement and if appropriate, Finance, Legal, HR etc.
 - 29.1.3 If a specific change, or cumulative changes significantly increase or decrease the value, scale or scope of the contract, it may constitute 'Substantial Change'. Changes or variations to contracts that are considered substantial changes must not be agreed without the prior approval of the Strategic Procurement & Creditors Manager in consultation with the Monitoring Officer.
 - 29.1.4 Any agreed change or modification will take effect on the

date of signature

- 29.1.5 The Contract owner is responsible for updating the contract entry within the FMS contract module to reflect any changes/variations agreed.
- 29.2 For light touch contracts and contracts below the Goods and Works UK threshold, contracts may be modified in accordance with this code.
- 29.3 For all contracts above the Goods and Works UK threshold, contracts can only be modified in accordance PCR2015 or PA2023 and PR2024, which ever is applicable as per the legal framework within this document.
- 29.4 For contracts awarded under PA2023 and PR2024, in accordance with the legal framework within this document, contract modification notices must be published, in accordance with reg 75, on the CDP prior to the modification being implemented. Following the publication of a modification notice, a stand still period of 8 working days must be observed before the modification can be made.

30 Reviewing Contractual Arrangements

- 30.1 Existing contracts must (as a minimum) be reviewed in accordance with the following requirements:

Total Contract Value	Review Date
£1 - 24,999	At least 3 months before a break clause, the end of the initial contract term or the final contract end date.
£25,000 - UK threshold for Goods & Services	At least 9 months before a break clause, the end of the initial contract term or the final contract end date.
UK threshold for Goods & Services and above	At least 18 months before a break clause, the end of the initial contract term and the final contract end date.

31 Contract termination

- 31.1 A contract shall be deemed terminated is the following occurs:
 - 31.1.1 The contract has reached its specified end date
 - 31.1.2 The contract has reached a break clause or extension option, and the Council has decided not to exercise its right to extend.

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31.1.3 The contract has been terminated by either the Council or the supplier in accordance with the mechanisms set out within the contract terms and conditions

31.1.4 The contract has been terminated by mutual agreement following a dispute.

30.2 For contracts awarded under PA2023 and PR2024 in accordance with the legal framework within this document, a contract termination notice must be published on the CDP setting out the date and reason for the termination. The notice must be published within 30 days of the agreed termination date. In situations where there is an award of damages, details must be included the number of damages and any other monies paid.

32 Concession Contracts

32.1 A Concession contract is a specific type of arrangement under which the Council will grant the supplier the right to exploit an opportunity and receive some or all of its income from third parties. The operating risk which comes from exploiting the opportunity must pass to the supplier.

32.2 Where Services are considering establishing a Concession contract, they should seek advice from the Procurement and Legal Services before commencing the procurement process.

32.3 Where the Council seeks to grant a Concession, the Officer should follow this Code as though it were a procurement, having regard to the various thresholds, need to advertise and other matters to ensure an open, transparent and competitive process.

32.4 Where the Council seeks to grant a Concession contract, the Officer should consider the potential to secure future income streams or other non-cost benefits to the Council

32.5 Where the value of a Concession contract to be awarded is above the threshold set out in PA2023 and PR2024, Officers must follow the process identified in those Regulations.

33 Appointment of Consultants

33.1 Consultants are subject to the same competition requirements as any other type of contract and must be selected and awarded a contract in accordance with this Code.

33.2 The engagement of a Consultant shall follow the agreement of a brief that adequately describes the scope of the services to be provided, the

deliverables expected, the total cost to be paid and any stage payment arrangements. The engagement shall also be subject to completion of a contract of appointment.

33.3 Records of consultancy contracts shall be maintained in accordance with this Code

33.4 Consultants shall be required to provide evidence of, and maintain, professional indemnity insurance policies to the satisfaction of the Council's Risk Management Policy for the periods specified in the respective agreement.

34 The Council as a buyer or supplier to contracting Authorities

34.1 In the purchase or sale of goods, works or services, the Council shall act in accordance with its internal controls for the recharging of those goods, works or services. This will apply to:

34.1.1 Horizontal agreements between the Council and another contracting authority or group of contracting authorities.

34.1.2 Vertical agreements with person's or organisations wholly owned and controlled by the Council

34.1.3 Vertical agreements with organisations jointly owned and controlled by a group of contracting authorities of which the Council is a partner.

34.2 Council owned organisations that are not covered by the vertical or horizontal arrangements specified in PA2023 must be treated as external organisations.

35 The Council as a supplier to non-contracting Authorities

35.1 The Strategic Procurement & Creditors Manager, Section 151 and Monitoring Officers must be consulted where contracts to work for organisations other than the Council are proposed, in order to:

- a) Confirm the Council can legally enter into the contract;
- b) Confirm the legality of the charging arrangements; and
- c) Approve the terms and conditions of the proposed contract.

35.2 Officers shall produce a robust business case for the Council acting as a supplier which fully considers the costs to the Council of delivering the goods, works or services concerned. The financial viability of such business cases must be approved by the Strategic Finance Manager and Section 151 Officer.

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- 35.3 Officers shall liaise with the Council's Audit and Risk Manager to ensure any potential liabilities are sufficiently covered by the Council's insurance policies.
- 35.4 Prior to signing any agreement to supply services to another organisation, Officers must get the necessary approval. For contracts with a value less than £10,000 approval can be obtained from the relevant member of the Senior Leadership Team. For contracts with a value of £10,000 and above approval must be obtained from the Cabinet.

36 Disposal of Assets

- 36.1 The following requirements apply to asset disposals
- 36.1.1 Any asset considered to be available for disposal should be offered for re-use within the Council prior to being disposed of externally.
 - 36.1.2 Assets should not be sold without competition unless agreed by the Section 151 Officer.
 - 36.1.3 For assets expected to be worth £50,000 and above, Cabinet approval should be sought prior to commencing the disposal process.
 - 36.1.4 Officers should use best endeavours to secure at least two written quotations.
 - 36.1.5 Quotations can be obtained in the form of formal bids (the Council's E- Tendering portal can be used for this purpose) or by public auction.
 - 36.1.6 In the event that an online auction is used then the auction must be conducted using a Council account and under **NO** circumstances personal accounts used.
 - 36.1.7 If a low value asset cannot be sold then consideration should be given as to its suitability to support local charities, voluntary groups, parish councils etc.
- 36.2 The Disposal of land and buildings are not covered by the PA2023, PR2024 or this Code. However, if the disposal is linked to further outputs or developments that fall under this Code, then there may be a requirement to comply with the above. In these circumstances, Officers must seek advice from the Procurement team.

DEFINITIONS

Agent	A person or organisation acting on behalf of the Council.
Award Criteria	The criteria by which the successful Quotation or Tender is to be selected
Best Value (VFM)	A balance of economy, efficiency, effectiveness in obtaining organisational benefits; and how community benefits can be achieved.
Bidder	Any person or organisation submitting a Quotation or Tender
CCS	The Crown Commercial Service
Code of Conduct	The 'Officers Code of Conduct'
Commissioner	Those officers within the Council responsible for identifying a business need and through the process of procurement securing that need on behalf of the Council. This Officer may be a Project or Programme Officer commissioning multiple procurement projects, or a Service area Officer.
Conflicts Assessment form	A record of any identified conflicts (actual potential, or perceived) and the plan to mitigate them or confirmation that the conflict doesn't exist including evidence. Should be applied proportionately
Conflict of Interest - Actual	An individual has a direct or indirect personal, professional or financial connection that may affect the outcome of a procurement project (whether through the specification, evaluation, contract management), including connection to suppliers and company shares.
Conflict of Interest - Potential	An individual has private interests that may result in a conflict if they were to become involved in a procurement project e.g. through relatives, or social club memberships, group or business associates. Risk should be identified, with a plan to monitor and mitigate if required.

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Conflict of Interest - Perceived	Situations that may lead to the public wrongly believing that a reasonable person may have an actual or potential conflict e.g. receiving gifts or hospitality that have no connection to a procurement activity. Risks should be identified, and steps taken to demonstrate no conflict exists. Up to Council how far they take this, e.g. recording or publishing information
Concession	A specific type of contractual arrangement under which the Council will grant the supplier the right to exploit an opportunity and receive some or all of its income from third parties. The operating risk which comes from exploiting the opportunity must pass to the supplier
Consultant	Someone engaged for a specific length of time to work to a defined project brief with clear outcomes to be delivered, and who brings specialist skills or knowledge to the role.
Contract	A legally enforceable agreement between two legally recognised bodies.
Contract Administrator	Those officers carrying out post award day to day usage, monitoring and payment processing of a contract in accordance with the Council's contract management framework.
Contract Manager	Those officers carrying out post award overarching monitoring and management of a contract in accordance with the Council's contract management framework.
Contract Management	The monitoring and management of a contract whether by an individual a Contract Manager that also owns or administers the contract; or by a group of collaborating Officers each undertaking one of the Contract Officer roles.
Contract Owner	Those officers carrying responsible for the sponsoring or budgetary oversight of a contract in accordance with the Council's contract management framework.
Contracts Finder	A Government portal for notices pertaining to central and local government contract opportunities and contract awards (https://www.contractsfinder.service.gov.uk/Search)

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Contract Termination	The end of a contract, whether by a pre-determined date specified within the contract, or by mutual agreement to terminate, or by termination due to contractual breach.
Contract Register	The Council's published record of all contracts awarded with a value of £5,000 or above
Convertible contract	Below threshold contract that when modified in value becomes subject to above threshold rules.
Councils E-Tendering Portal	E-procurement portal for the publication of tendering opportunities and the management of tendering processes in compliance with UK law.
Covered Procurement	Procurement activity (award, entry into and management of) a public contract with a value above the relevant UK threshold, that is not exempt under Schedule 2 of the Procurement Act 2023. Formerly known as In-scope procurement.
ESPO	The Eastern Shires' Purchasing Organisation
Existing Council Contract	A contract already owned by the Council that can be utilised by all Services for the supply of the goods, works or services specified within its terms.
Existing Framework Agreement	An existing contract let by another public body or purchasing organisation such as CCS, ESPO, YPO that may be legally utilised by the Council
Framework Agreement	An agreement between one or more contracting authorities and one or more economic operators, the purpose of which is to establish the main terms governing call off contracts to be awarded during a given period.
Freedom of Information	The Freedom of Information Act 2000 is an Act of Parliament that creates a public "right of access" to information held by public authorities.
CDP	The Official Central Digital Platform of United Kingdom; a central platform for the recording and publication of all relevant data

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	covered under the Procurement Act 2023 and Procurement Regulations 2024.
Integrity	Act and be seen to act in a non-fraudulent or corrupt way as demonstrated through good management, misconduct prevent, and process controls.
Invitation to Tender	A document issued to bidders inviting competitive bids for works goods or services
JCT	Joint Contracts Tribunal standard building contract designed for large or complex construction projects
Substantial Change	Material changes or variations (individual or cumulative) that result in the agreement being 'substantially' different in value, scope or character from the original agreement
MAT	(Most Advantageous Tender) A method of assessment that allows the contracting party to award the contract based on aspects of the tender submission other than just price.
Maximising Public Benefit	Achieving greater benefits for their community through collaboration, social value, CSR.
Micro SME	An organisation with less than 10 employees and an annual turnover of less than £2m
Monitoring Officer	Statutory officer responsible for the legal governance of the Council or his/her specified nominee.
NEC	The New Engineering and Construction (NEC) Contract, is a formalised system created by the Institution of Civil Engineers that guides the drafting of documents on civil engineering and construction projects for the purpose of obtaining tenders, awarding and administering contracts.
NPPS	Sets out the current strategic priorities for public sector procurement and how they can be delivered.
Officer	A person employed by or acting on behalf of the Council

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Planned Procurement Notice	Formerly a Prior Information Notice (PIN). An optional notice published on the CDP, used to provide advance notice of an upcoming procurement. It also enables a reduction in minimum time periods between a tender notice and the tender submission deadline.
PPID	The Procurement Project Initiation Document, the Council's internal governance document for procurement projects.
Preliminary market engagement notice	A mandatory notice for when premarket engagement has been undertaken. It should be published before a Tender notice, but if not published, reasons why must be included in the Tender notice.
Procurement cycle	All activities covered by the Procurement Act 2023, including, but not limited to: Project Planning, Commissioning; Market exploration and engagement; Whole-life costing and Cost-benefit analysis; Sourcing and Tendering; Contract implementation, Contract Management and Contract termination.
Procurement Notices	Legal notices to be published on the CDP throughout the procurement cycle for all new procurements tendered after the 'go live date' set by the Cabinet Office.
Procurement Pipeline	The Council's internal record of all existing or potential contracts with a value of £25,000 or above
Procurement Pipeline Notice	A notice published to the CDP providing information about current and future public contract opportunities (12 to 18 months) to benefit supplier, particularly SMEs and VCSEs by allowing them time to plan for future work. Mandatory for Council's that spend £100m or more incl. VAT.
Procurement Service	The centralised support service to provide practical support in the sourcing of contracts on behalf of the Council; as well as the advisory service compliant and best practice Procurement activity.
Purchasing Consortium	Two or more independent organisations that join together, either formally or informally for the purpose of combining their

	individual requirements for purchased goods, services and works
Quotation	A quotation of price and any other relevant matter (without the formal issue of an Invitation to Tender).
Scheme of Delegation	The Council's internal arrangements delegating responsibility and accountability to take decisions and commit expenditure
Section 151 Officer	Chief Financial Officer responsible for ensuring that the Council make's arrangements for the proper administration of its financial affairs or his/her specified nominee.
Selection Criteria	The criteria by which Bidders are chosen to have their Award criteria evaluated or to submit quotations or tenders
SME	An organisation with less than 250 employees and a turnover of less than £50m.
SLT	The Council's senior leadership team, consisting of the Chief Executive, Deputy Chief Executive, Director of the Climate Change Programme, and Heads of Service.
Standstill Period	A legal requirement imposed through the Public Contract Regulations which provides for a short (at least 8 business days) pause between the point when the contract award decision is notified to Bidders and the final contract conclusion during which time the decision can be challenged.
TUPE	<p>Transfer of Undertakings (Protection of Employment) Regulations 2006 [SI2006 No.246]</p> <p>Subject to certain conditions, these regulations apply where responsibility for the delivery of works or services for the Council are transferred from one organisation (e.g. private contractor, local authority in-house team) to another (e.g. following a 'contracting- out' or competitive tendering process) and where the individuals involved in carrying out the work are transferred to the new employer. These regulations seek to protect the rights</p>

	of employees in such transfers enabling them to enjoy the same terms and conditions, with continuity of employment, as existed with their former employer. Broadly, TUPE regulations ensure that the rights of employees are transferred along with the business.
UK Threshold	The contract value at which the UK public procurement directives must be applied
Utilities contract	The supply of goods, services or works wholly or mainly for the purpose of utility activity carried out by a non-public authority that has special or exclusive rights e.g. gas and heat networks, electricity networks, drinking water networks and supply, public transport services, ports and airports, fuel extraction.
VCSE	Voluntary, Community or Social Enterprise organisations.
Works contract	The main purpose of the contract is to carry out works under the contract, even if those works are not completed; or to facilitate the carrying out of works whereby those works result in the completion of works as specified in the contract e.g. maintenance checks that result in repairs.
YPO	The Yorkshire Purchasing Organisation

WARWICK DISTRICT COUNCIL: Procurement Strategy 2025-2028

The Vision, Goals and Priorities set out in this Strategy illustrate the contribution that effective procurement can make to ensuring the Council is able to meet its legislative and statutory responsibilities as well as contributing to the aims and objectives of the Corporate Strategy.

Our Procurement Vision

Our vision is for procurement to be core to the Council's provision of good quality, value for money, services for our community to meet our Corporate Strategy, regarding the following priorities:

- Sustainability will be at the heart of our decision-making; throughout the procurement cycle.
- Plan and invest for the long-term benefit for the people and environment of the district; by ensuring 'whole life costing' and 'Cost verses benefit' analysis are key to pre-procurement business cases.
- Good governance and transparent decision-making; is undertaken and recorded throughout the procurement cycle.
- Use data, including insight from our customers, residents, businesses, and visitors to help us make the right decisions; with regard to Contract implementation, replacement and improvements.
- Social value and inclusive growth will underpin the investments we make throughout the district to help ensure all our communities prosper.
- Consultation and engagement with stakeholders will be used to help inform and shape how we deliver improvements and change through Preliminary Market Engagement ahead of all Sourcing activities to help inform and shape contract improvements and identify innovation and efficiencies.
- We will evaluate how we make the best use of resources to offer the best service at the best value; by ensuring project resource planning throughout the procurement cycle and awarding best value contracts.

What do we mean by Procurement?

Procurement encompasses the whole cycle involved in acquiring goods, services and works; from the initial concept and definition of the business need, sourcing the right provider, management of the arrangements we put in place, and ultimately through to the end of the useful life of an asset or the end of the service.

The framework within which public sector procurement is undertaken is complicated, comprising of UK legislative requirements from the Public Contract regulations 2015, the Procurement Act 2023, the Procurement Regulations 2024, as well as laws placed on Local Government. Within the Council this is supplemented by local requirements contained within the Council's own Constitution.

To make the legislative framework workable for Officers and Members, summary requirements are detailed in the Council's Code of Procurement Practice and Financial Code of Practice. These codes, together with procurement guidance issued by the Procurement function, form the framework within which officers and members undertake procurement activity. All officers and members are required to observe the rules, regulations and guidance contained within this framework for any procurement activity they undertake or are involved with, and selective auditing of compliance is undertaken to ensure this.

Our Procurement Goals

The Council spends approximately £75m each year on purchased goods, services and works. Spending this money wisely through effective procurement is fundamental to achieving organisational success for the Council, and delivering our corporate priorities while securing good quality, affordable services that meet the needs of the residents of Warwick District and the users of our services.

The Council recognises the wider impact that procurement can have and the importance of defining value as a balance of cost and quality of the goods, services and works that it procures. Our procurement goals are:

1. To deliver Value for Money – A proportionate, cost effective, and efficient route of procurement and the delivery of the service or goods procured.
2. Make it achievable for staff to procure goods, works and services in an effective and efficient way while being able to demonstrate integrity to ensure the highest standards of probity.
3. To ensure that the Council complies with all legal requirements as per the Procurement Act 2023 and associated objectives (fair treatment of suppliers, risk management and regulations; as well as its obligations under the Local Government Act 1999 to seek continuous improvement in the services it provides.
4. Sharing information to ensure openness, fairness and transparency throughout the procurement cycle.
5. Maximise public benefit through supporting a circular economy and delivering Social Value through contracts, including having regard to Small, Medium Enterprises (SMEs), Voluntary Community Sector

Enterprises (VCSEs) and local businesses and communities.

6. Enhance procurement capability within the Council, in particular regarding commissioning and contract management, to relieve pressure on the central procurement team.

Procurement within our Council

The Council has implemented a devolved structure for Procurement, with purchasing activities being undertaken by service areas to reflect the Council's financial strategy of delegated budgets and local service management.

Service areas are supported by a small, centralised Procurement function, led by the Strategic Procurement & Creditors Manager. The function is responsible for:

- Advising Members and Officers on procurement related matters.
- Establishing and promoting compliance with procurement strategy, policy and process.
- Identifying collaborative and consolidative procurement opportunities.
- Strategic procurement leadership on high value and/or high-risk Procurement projects.
- Developing procurement skills and competence across the Council.
- Supporting Services in their transformation and savings agendas.
- Providing advice and guidance on good practice contract management and commissioning.
- Enforcing the use of E-procurement solutions throughout the Council
- Monitoring commercial creditor financial.
- Ensuring legislated transparency obligations are met, including oversight of the Council's contract register, published on the Council website.

The Council works in collaboration with 7 local Councils in the advertisement of Procurement opportunities. All Council opportunities are advertised through the Coventry, Warwickshire and Solihull e-tendering portal (CSW-Jets).

Our Procurement Initiatives

The Council has prioritised 7 key initiatives to support the achievement of its Procurement vision and goals:

1. To elevate procurement in the Council from an operational process to a strategic priority, by:

- Embedding the Code of Procurement Practice across the Council.
- Evaluating and continually refining our approach to contract management.

- Embedding our approach to all projects to ensure the adoption of procurement best practice
- Seeking out innovative solutions to service delivery
- Developing a centralised set of contract KPIs to improve contract performance oversight

2. Support the Council in delivering its social priorities by capitalising on supplier Corporate Social Responsibility (CSR) offerings, by:

- Reviewing and launching the Council's Procurement Policies to support the Procurement Act 2023 and recognition of the National Procurement Policy Statement (to be updated from time to time).
- Embedding the Council's policy aspirations into procurement process and practice.
- Supporting the Council to deliver its Climate ambitions.
- Undertaking sustainable sourcing wherever possible.
- Develop contracted suppliers and their supply chains to support them in becoming net zero carbon.
- Introduce performance management measures for supplier and supply chain carbon emissions by utilising carbon monitoring tools and carbon action plans.

3. Ensuring that the council's officers and members have the necessary knowledge, tools and support to undertake effective procurement, by:

- Developing and delivering a portfolio of training for officers and members.
- Relaunching the procurement self-service interactive toolkit.
- Introduce increased flexibility in procurements below £50,000 excluding VAT.
- Continually review all procurement related documentation and guidance to support best practice and meet user needs.

4. Maximising commercial opportunities through effective collaboration, by:

- Effective networking with the right people at the right time.
- Actively seeking collaborative opportunities both internally and externally to the Council.
- Maximising the opportunities to work jointly with councils.

5. Maximising contract opportunities through effective contract management, by:

- Develop a corporate approach to contract management, embedding corporate performance measures and monitoring to

facilitate council oversight and the achievement of strategic targets.

- Installing appropriate resources to ensure effective contract management across the Council.
- Ensuring all contracts utilise and report on indicators that drive performance.
- Providing appropriate training and guidance for officers.

6. Supporting the council to meet its commercial and environmental objectives, by:

- Encouraging the exploration of new and innovative methods for providing services, goods and works.
- Ensuring that specifications and contracts are written with a commercial and environmental slant.
- Through effective contract management ensuring that value for money and outcomes are achieved and contract performance is high.

7. Seek to maximise Council procurement opportunities for local businesses, SMEs and VCSEs, by:

- Being plugged into and aware of the relevant networks and forging effective relationships with them.
- Facilitating early engagement events and having constructive dialogue with the sectors.
- Promoting the benefits of local supply and a thriving voluntary and community sector through procurement training and procurement guidance.
- Consider all opportunities to remove barriers to the participation of SMEs, and third sector suppliers on procured contracts. Embedding the use of electronic tendering across the council.

Continuous Improvement

The Council is committed to continuously reviewing and improving practices and procedures throughout the course of this strategy. We will seek to achieve best practice for procurement through networking and benchmarking. We will attempt to always be responsive and aim to simplify the complexities of public sector procurement for those that matter most – the end customer, service users and our suppliers.

A series of key measures and targets (KPIs) are being identified to measure the key themes of the strategy.

1. **Social Value inclusion for contracts valued at £50,000 excl VAT and above** - The contractor works effectively with the employer to meet their Social Value commitments and Carbon reduction plan

2. **Cost of delivery** - The contractor works effectively with the employer to maintain costs at an acceptable level.
3. **SME supplier engagement** – The Council engages with and supports SMEs for Council contracts.

These KPIs will be monitored and reviewed on a bi-annual basis in order to ensure that performance against targets are delivered. The Procurement Champions and SLT will have delegated authority to amend the KPIs to reflect any changes in the sector or the council's corporate objectives. A bi-annual report will be presented detailing progress against the action plan.

This Procurement Strategy has been developed based on the 'known' current climate and is achievable based on existing capacity.

Code of Procurement Practice

For further information on the minimum expectations regarding undertaking Procurement on behalf of the Council.