

Executive

Wednesday 29 July 2015

A meeting of the Executive will be held at the Town Hall, Royal Leamington Spa on Wednesday 29 July 2015 at 6.00pm.

Membership:

Councillor A Mobbs (Chairman)
Councillor M Coker Councillor P Phillips
Councillor S Cross Councillor D Shilton
Councillor Mrs S Gallagher Councillor P Whiting
Councillor Mrs M Grainger

Also attending (but not members of the Executive):

Whitnash Residents Association (Independent) Group Observer Councillor Mrs Falp
Labour Group Observer
Liberal Democrat Group Observer
Chair of the Overview & Scrutiny Committee Councillor Boad
Chair of the Finance & Audit Scrutiny Committee Councillor Barrott

Emergency Procedure

At the commencement of the meeting, the Chairman will announce the emergency procedure for the Town Hall.

Agenda

1. 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 entered on the form to be circulated with the attendance sheet and declared 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.

2. **Minutes**

To confirm the minutes of the meetings held on 16 June and 1 July 2015

(Item 2/Page 1)

Part 1

(Items upon which a decision by Council is required)

3. **Budget Review to 30 June 2015**

To consider a report from Finance

(Item 3/Page 1)

Part 2

(Items upon which the approval of the Council is not required)

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

To consider a report from Development Services

(Item 4/Page 1)

5. **Exemption from the Code of Procurement Practice – Provision of Support and Re-settlement Service**

To consider a report from Housing and Property Services

(Item 5/Page 1)

6. **Exemption from the Code of Procurement Practice – Cost Management Services**

To consider a report from Housing and Property Services

(Item 6/Page 1)

7. **Pump Room Gardens Parks for People project**

To consider a report from Neighbourhood Services

(Item 7/Page 1)

8. **General Reports**

(A) Significant Business Risk Register

To consider a report from Finance

(Item 8A/Page 1)

(B) Rural / Urban Capital Improvement Scheme (RUCIS) Application

To consider a report from Finance

(Item 8B/Page 1)

9. **Public and Press**

To consider resolving that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within the paragraphs of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Item Nos.	Para Nos.	Reason
11	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

10 5 Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

10. **The Judicial Review of 2 Planning Decisions – Land at Plestowes Farm**

To consider a report from Development Services

**(Item 10/Page 1)
(Not for Publication)**

11. **Minutes**

To consider the confidential minutes of 1 July 2015

**(Item 11/Page 1)
(Not for Publication)**

Agenda published Monday 20 July 2015

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can e-mail the members of the Executive at executive@warwickdc.gov.uk

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353362.

Executive

Minutes of the meeting held on Wednesday 1 July 2015 at the Town Hall, Royal Leamington Spa at 6.00 pm.

Present: Councillor Mobbs (Chairman); Councillors Coker, Mrs Gallagher, Phillips, Shilton and Whiting.

Also present: Councillor Barrott (Chair of Finance & Audit Scrutiny Committee), Councillor Mrs Knight (Labour Group Observer), Councillor Mrs Falp (Whitnash Resident's Association (Independent) Observer) and Councillor Howe (observing).

Apologies for absence were received from Councillors Cross, Mrs Gallagher and Mrs Grainger.

3. **Declarations of interest**

Minute Number 12 – Request for Funding for Improvements to King George's Playing Field at Barford

Councillor Barrott declared an interest because he was a resident of the village and a Trustee of a charity that had previously contributed to the scheme.

4. **Minutes**

The minutes of the meetings held on 11 March and 9 April 2015 were agreed as written and signed by the Chairman as a correct record.

Part 1

(Items on which a decision by Council is required)

5. **Housing Allocations Policy Review**

The Executive considered a report from Housing and Property Services which proposed a number of changes to the policy that the Council used for the allocation of housing in its own stock and for putting forward potential tenants to housing associations.

The changes were proposed in order to update the policy in line with recent changes in legislation and central Government guidance.

The report explained that the current Homechoice Allocation Scheme had been adopted in 2008. Since that date there had been several changes in central Government guidance in this area of policy and the introduction of the Localism Act had given the Council some additional discretion. The proposed amendments were intended to respond to this changed framework.

There would be a number of operational and IT changes required in order to implement the proposals and a reasonable timescale needed to be allowed for the new system to be put in place. Therefore, the report proposed that the revised policy would take effect from 1 April 2016 and the changes were set out in Appendix 2 to the report. A copy of the current Homechoice Allocation Scheme was attached at Appendix 1 to the report.

A summary of the proposed changes was laid out in section 8.3 of the report and covered a "transfer list" for council and housing association tenants, qualification criteria, prioritisation and property eligibility.

The proposals represented a significant change in policy and it was therefore recommended that the operation of the new system be reviewed after the first twelve months of operation.

An alternative option was to make no changes at all to the allocations policy. However, some of the changes were a response to central Government guidance, (to which the Authority was required to have regard) and failure to address these could increase the risks of legal challenge to the policy. Furthermore, the discretionary changes proposed were intended to improve the operation of the policy and provide greater choice for tenants and they had been consulted upon widely and received broad support.

The Overview & Scrutiny Committee noted the report.

The Portfolio Holder for Housing and Property Services, Councillor Phillips, endorsed the report and hoped that the revised policy would help better match tenants with available housing stock. In addition, he reminded Members that the policy would be implemented in April 2016.

The Executive therefore

Recommended to Council that

- (1) the changes set out in Appendix Two of this report be made to the Homechoice Allocation Scheme;
- (2) the revised policy will take effect from 1 April 2016;
- (3) a review of the operation of the new policy will be undertaken in April 2017.

(The Portfolio Holder for this item was Councillor Phillips)
(Forward Plan reference 607)

Part 2

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

6. Review of the Contaminated Land Inspection Strategy

The Executive considered a report from Health and Community Protection which invited them to adopt an updated Contaminated Land Inspection Strategy which would replace the original document published in 2001.

According to the Constitution, any decision on a function relating to contaminated land must be taken by the Executive.

The report explained that regulations under part 2A of the Environmental Protection Act 1990, required local authorities to produce a strategy to identify, inspect and remediate contaminated land within their area. The original strategy was adopted in 2001 and fairly lengthy. As a result, Internal Audit felt it could be shortened by focussing on the current approach and following an essential responsive regime linked to the planning process. This approach was adopted in 2011.

A number of external consultees were approached along with the Head of Development Services, whose comments had been incorporated into the new document.

The report advised that there were approximately 150 sites across the District which had been identified as potentially contaminated but none had been prioritised as posing a significant risk to public health. It was therefore considered that all these sites could be reviewed as they came forward for re-development.

No alternative options had been proposed because the new strategy reflected current good practice amongst other local authorities who had already updating theirs and given the Internal Audit report.

The Deputy Leader, Councillor Coker, endorsed the report and proposed the recommendations as laid out.

The Executive therefore

Resolved that the updated Contaminated Land Inspection Strategy as contained in Annex 1 to the report, be adopted.

(The Portfolio Holder for this item was Councillor Mrs Grainger)
(Forward Plan reference 702)

7. St Michael's Leper Hospital Contract and Bond

The Executive considered a report from the Deputy Chief Executive (AJ) which asked Members to release Coventry Turned Parts Limited (CTPL) and HSBC Bank PLC from a Bond entered into by the aforementioned parties and Warwick District Council (WDC) which was agreed following a

contract between CTPL and WDC. However, the contract could not be traced by either party so there was no understanding as to the precise terms of that contract.

The report advised that the Bond was only to be held whilst "refurbishment and redevelopment of the buildings and land known as The Leper Hospital Site Saltisford Warwick" took place and this work did not happen. In addition, Members were advised that there would be no loss suffered by the Council in releasing CTPL and HSBC from the Bond.

Following Executive approval on 18 April 2012, officers had been working with various stakeholders, consultants and the landowner to determine whether there was a viable and sustainable future for The Leper Hospital site and the two buildings known as Master's House and St Michael's Chapel which sat on the land. English Heritage had 80% grant funded work to produce a comprehensive specification with drawings to facilitate the repair of the Master's House to make it structurally stable and weatherproof.

The Council had no legal or equitable interest in the site but as a community leader it did wish to see the site brought back into use as it was a historically significant landmark which was currently an eyesore.

The report advised that the planning history of the site was long and varied but it appeared that an application made in November 2004 (W04/2132) and granted on 1 February 2007, led to discussions between the applicant and the erstwhile Head of Planning & Engineering, whereby a contract was entered into between CTPL (the landowner) and WDC.

Regrettably, the substance of that contract was unknown. Despite extensive searches, it could not be located and the officer who led on the creation of the contract has long since retired. The former-employee had been contacted but was unable to recall the detail of the contract. Neither could the contract be traced at CTPL.

What could be established from an e-mail on the planning history was that the contract required WDC's planning officers to be satisfied with the scheme envisaged by the planning application. However, the plans never moved to scheme development.

Officers had no understanding as to why a contract was agreed in the first instance. WDC had no interest in the land; did not provide a grant to the company to help with the proposed development; and there was no reference to any obligation to be entered into in the planning approval. However, as a consequence of the contract a Bond was entered into whereby a sum of £125,000 jointly and severally bound CTPL and HSBC bank "to cover the cost of carrying out the terms of the contract".

It would seem that the Bond was put in place to cover the cost of refurbishment and redevelopment of the site's buildings and that if the work was not completed to the satisfaction of the Council's officers then the Bond would need to be paid to WDC.

CTPL had approached the Council to see if it would release the company from the Bond as it wanted to change its banking arrangements but could not do this whilst HSBC was still jointly and severally liable under the terms of the Bond. The Deputy Chief Executive (AJ) had spoken with the bank's representative and had confirmed this was the position and it did not hold a copy of the contract either.

Officers had worked very closely with the landowner and his representative over the last three years and there was no reason to believe that there was any bad faith being displayed and so consequently it was recommended that WDC's legal officers were instructed to agree with the relevant parties for release from the Bond.

An alternative option was not to agree the release but given the circumstances and risks involved this was not proposed as a reasonable way forward.

The Whitnash Residents' Association (Independent) Group observer, Councillor Mrs Falp felt that the building had fallen into disrepair and welcomed any renovation opportunity.

The Deputy Leader, Councillor Coker supported the recommendations in the report and the Executive

Resolved that Coventry Turned Parts Limited and HSBC Bank PLC are released from a Bond (see attached at Appendix A and dated ??/??/2005 - actual date unknown) with Warwick District Council (WDC) in respect of The Leper Hospital Site, Saltisford, Warwick and that the terms of the release be delegated to Deputy Chief Executive (AJ) in consultation with Warwickshire County Council (WCC) legal services.

(The Portfolio Holder for this item was Councillor Mrs Gallagher)
(Forward Plan reference 703)

8. **Authority to Sign Deeds of Easement**

The Executive considered a report from Health and Community Protection which sought delegated authority for officers to sign deeds of easement with the respective landowners in order to protect the Cubbington Flood Alleviation Scheme.

Work on the Cubbington Flood Alleviation Scheme had been completed. The scheme was funded by a £1.2million grant from the Environment Agency together with £100,000 from Warwick District Council and £5,000 from Cubbington Parish Council. The project had seen the construction of a large underground culvert to take water from a catchment area above Mill Lane in the village and to discharge into the Pingle Brook adjacent to

Thwaites factory. It would now become the responsibility of this Council to maintain it.

To protect the Council's interests and ensure the effective operation of the scheme, deeds of easement were considered necessary. This would allow the Council ready access for maintenance and also ensure the land immediately above the culvert was protected from development. An easement width of 10 metres (5 metres each side of the culvert line) was proposed and Warwickshire Legal Services had drafted the documents which had now been agreed with the respective landowners – Sir Thomas White Charity and Thwaites Ltd.

The Council's solicitors advised that there was no delegated authority to officers in relation to easements over private land and therefore Executive approval was required before they could formally be signed and registered.

An alternative option was that authority was not delegated, however, without a deed of easement, there would be no formal provision for emergency access and no protection from future development immediately above the site. By delegating authority to the Head of Health and Community Protection, each time access was required to private land for routine maintenance and repair, it could be achieved through the service of notices seven days beforehand.

The Deputy Leader, Councillor Coker explained that this issue needed addressing following the creation of the Cubbington Flood Alleviation Scheme and would enable officers to access the land straight away.

The recommendations were proposed as laid out and the Executive

Resolved that authority be delegated to the Head of Health and Community Protection to sign and register deeds of easement with the respective landowners in order to protect the Cubbington Flood Alleviation Scheme.

(The Portfolio Holder for this item was Councillor Mrs Grainger)
(Forward Plan reference 704)

9. **The Introduction of a Pre-application Charging Regime for development proposals**

The Executive considered a report from Development Services which sought authority to proceed with the implementation of a regime which introduced financial charges for the provision of pre-application planning advice, following the consideration of the consultation responses received from key external stakeholders.

The report explained that pre-application advice was increasingly becoming a key element in the provision of a rounded and effective development management service.

Unlike many other Local Planning Authorities across the sub-region Warwick District Council had resisted the introduction of a similar regime, due to concerns about the extent to which potential users may be discouraged by the requirement to pay for such a service.

It was widely acknowledged that the benefits of effective pre-application services were generally welcomed within the development industry and that developers were willing to pay for that service, subject to it being provided in a timely and transparent manner.

The report, therefore, proposed a pre-application service incorporating a charging regime and this was attached at Appendix 2 to the report. Key stakeholders had been consulted as part of the process and a summary of the responses received, with any revisions included as a result of the consultation highlighted, were included in Appendix 1.

The successful provision of the service carried with it a need to increase resourcing within the Development Management Team by 1 x FTE Planning Officer. The total cost of the post including overheads was approximately £40,000 per year, which was proposed to be funded from the income received, with any shortfall provided from the Planning Reserve.

The report highlighted the risk that the introduction of a charge for pre-application advice would result in a reduction in the level of demand for that service, which in turn would impact upon the level of income derived from that service.

Consideration had been given to the additional resourcing of the service without the introduction of a pre-application charging regime. However, in view of the annual cost of approximately £40,000 involved; the current financial climate including the need to make ongoing savings; and the potential opportunity for introducing a self-financing initiative, at this stage this had been discounted.

The Finance & Audit Scrutiny Committee supported the recommendations in the report, however, Members had concerns about the wording of the exemptions paragraph at the bottom of page 9. Members suggested that that discretion could be used when dealing with some of the larger charitable organisations and the final reference to the LEP should read 'or' not 'and'. It was also hoped that listed buildings and heritage assets would be identified as an exemption.

The recruitment of agency staff to the Planning Officer vacancy was supported on this occasion to afford some protection to the Planning Reserve.

In addition, it was suggested that interim, quarterly reports could be submitted to measure take up of the service.

The Finance and Audit Scrutiny therefore formally recommended that the Executive make the following amendments to the recommendations:

2.1 ii) to include an additional FTE Senior Planning Officer **by flexible recruitment**; and

2.1 iii) to review the operation of the regime on a quarterly basis.

The Overview & Scrutiny Committee agreed to have a report back, to them, six months after introduction of the scheme, on how it was operating. However it had no comments on the report at this stage.

In response, the Executive took the comments on board and suggested that when the regime was formalised, officers could emphasise the Council's support of small, local charities. It was proposed that Appendix 2 could be reviewed by officers in consultation with the Portfolio Holder to address the discrepancies relating to the concessions section.

Councillor Mobbs suggested that the regime may like to focus on who the applicants were and not what the development was.

There was some disagreement between Members as to how to staff the vacancy. Some felt this should be done through an agency but were mindful that this was not an ideal solution. Alternatively, some felt that it was necessary to assess the success of the scheme before filling the vacancy. Following advice from officers, it was accepted that the department was unable to staff the regime with its existing resources.

Members were satisfied that with the reduction to the time period in recommendation 2.1 i) of the report to 12 months; the Chief Executive would be able to intervene using delegated powers, should the need to end the contract prematurely, arise.

In addition, Members agreed that a review of the regime was needed earlier than 12 months, and as a compromise between the suggestions of the two scrutiny committees, proposed that this be in six months time. The scrutiny committees would also be encouraged to include this in their workplans on a quarterly basis thereafter.

The Executive therefore agreed to amend the wording of recommendations 2.1 i) and 2.1 iii) and

Resolved that

- (1) authority is delegated to officers, in conjunction with the Portfolio Holder to plan and introduce an appropriate pre-application charging regime to be undertaken for an initial period of 12 months;
- (2) officers are authorised to fund any shortfall of the initial resourcing of this proposal (arising from the level of income received) to provide the equivalent of an additional FTE Senior

Planning Officer over that period from the Planning Reserve;

- (3) officers are authorised, in consultation with the Development Services Portfolio Holder and the Leader of the Council, to review the operation of that regime after 6 months, and quarterly thereafter, by both scrutiny committees, to determine whether to permanently retain it in its existing or a modified form, or whether to discontinue its operation.

(The Portfolio Holder for this item was Councillor Cross)
(Forward Plan reference 708)

10. **Funding for Bishop's Tachbrook Community Centre**

The Executive considered a report from the Chief Executive which sought a decision to agree a submitted business plan to provide funding and to underwrite other funding in order to allow the construction of a community centre in Bishop's Tachbrook village to proceed. The report also sought to address other concerns that had been raised by some members of the local community.

The report advised that in November 2014 the Executive had agreed the following request for funding:

That the Executive determines whether it wishes to meet the request of St Chad's Trust with the support of Bishop's Tachbrook Parish Council to provide £300,000 of funding and to underwrite a further £150,000 in order to allow the construction of a community centre in the village of Bishop's Tachbrook.

The report included a list of reasons why the above recommendation was agreed and these were outlined in Appendix 1 to the report.

There were two reasons why the agreed delegation had not been carried through. Firstly, since November the Parish Council had agreed to all the conditions and a number of iterations of the business plan had been submitted and its most recent iteration was attached at Appendix 2 to the report. Officers were still scrutinising that version and there were issues that were still to be resolved or clarified.

Working with the representatives of the St Chad's Trust, the proposed builder had agreed to hold his estimate for the works, so reducing one of the risks of delaying the release of monies toward the scheme. However, some grant applications to a value of £100,000 had been made but were still to be determined, and so the previous condition of requiring all decisions to be made on grant applications before the Council released any of its money was suggested to be relaxed. This would allow construction to begin this summer and offset the risk that the contract value currently agreed may expire and inevitably increase.

An alternative option was that Members could choose not to support the funding request in which case it may be some time before the local community could raise enough funds to build the community centre.

The Finance & Audit Scrutiny Committee supported the recommendations in the report. Members did raise concerns about funding aspects, the information still being awaited on the Business Plan and appreciated the timing issues relating to the building contractor.

The Portfolio Holder for Finance, Councillor Whiting, addressed Members and reminded them that this had been a long running issue. He assured them that any financing would consist of phased funding and the Council would not be handing over the full amount all at once. He agreed that work was still required on the business plan and highlighted the risks outlined in paragraph 6.2 of the report.

Resolved that

- (1) authority is delegated to the Chief Executive, Heads of Finance and Health/Community Protection, in consultation with the Portfolio Holders of Finance and Health/Community Protection, to determine the submitted business plan ensuring and detailing how the future running costs will be met and how genuine community access is ensured, whilst adhering to the following details, agreed at the 5 November 2014 Executive meeting:
 - The funding is made available from the New Homes Bonus Scheme award received in 2015/16 and that no more than the requested will be forthcoming in the event of any cost overrun;
 - The funding is only available for 24 months (from the date of this Executive) before being drawn down in whole;
 - Payments are only to be made on supply of verified invoices of work in proportion to Council/overall funding;
 - the current RUCIS funding commitment to the scheme of 27% of the overall project costs up to a maximum of £50,000, is withdrawn and returned to the RUCIS pot;
 - The funding from this Council is only approved once it is agreed by the Parish Council and St Chad's Trust that public acknowledgement of the Council's support for the scheme is given in publicity about the scheme at all stages;

- The funding is approved only when a full acceptable Business Plan for the centre is received, detailing how the future running costs will be met and how genuine community access is ensured;
 - The funding is approved only when all other funding bids have been completed and determined so enabling confirmation of how the capital costs of the project will be met;
- (2) upon the business plan being agreed as provided for above, the Council makes £300,000 available for the Community Centre as a grant and that the underwriting of £150,000 is also made available in lieu of impending grant applications to allow construction to begin this summer;
- (3) following the completion of the community centre building, the St Chad's Trust submit to the District Council an annual report on financial and community usage performance for 3 years. The report should be reported to a Council Scrutiny Committee to monitor that the intent of the business plan and its delivery is being met. This is a condition of giving the grant in 2.2 above.
- (4) the issues raised by members of the community and the responses to these be noted.

(The Portfolio Holder for this item was Councillor Coker)
(Forward Plan reference 709)

11. Warwick Town Centre Action Plan

The Executive considered a report from Development Services which detailed the results of the 'Options and Preferred Options' Consultation and requested approval for the cessation of work on the Warwick Town Centre Area Action Plan.

Area Action Plans were introduced in 2004 as part of the Local Development Framework by the Planning and Compulsory Purchase Act. The Framework replaced Structure Plans, Local Plans and Unitary Development Plans in an attempt to speed up the adoption of development plans across all local authority areas.

Work on the Warwick Town Centre Area Action Plan had been held in abeyance since it could not proceed until the Warwick District Local Plan had been adopted.

This work ceased in 2013 and events had overtaken the proposals put forward through the Plan process, including the development of many of the sites which were considered through the Plan.

The remaining work to complete the Plan would be in writing policies. The Local Plan, which was at an advanced stage, contained all the policies needed for the town centres within the district. In spite of a setback to the programme for the Local Plan, these policies would be taken into account when planning applications were considered, along with those saved in the previous Plan.

Additional work and resources spent on a Plan which was clearly now outdated would seem wasteful, especially when an application for a Neighbourhood Plan Area designation was expected from Warwick Town Council in the near future; this now being a more appropriate vehicle to carry town centre proposals through and met the objectives of the Localism Act 2011.

The Council could carry on with the production of the Warwick Town Centre Area Action Plan but this did not seem to present a sustainable use of time and resources given the stage reached by proposals for the majority of the sites and the progress at examination of the Local Plan.

Additionally, there were indications that Warwick Town Council was preparing to submit the area for designation for Neighbourhood Plan status. If this was the case, the Neighbourhood Plan would quickly outdate the Area Action Plan and although it would not have the same status, the Local Plan assured that town centre policies were put in place to control and develop that area. A Neighbourhood Plan was therefore considered to be the preferable approach at this stage, supporting the objectives of the Localism Act 2011.

Having considered the recommendations in the report, the Executive

Resolved that

- (1) the results of the 'Options and Preferred Options' Consultation are noted; and
- (2) the cessation of work on the Warwick Town Centre Area Action Plan is approved.

(The Portfolio Holder for this item was Councillor Cross)
(Forward Plan reference 653)

12. Request for funding for improvements to King George's Playing Fields at Barford

The Executive considered a report from the Chief Executive which set out a proposal developed by the local community within the joint parish of Barford, Wasperton and Sherbourne for improvements to the King George Playing Fields in Barford village. The report sought a decision from the

Council to fund the remaining gap of £96,000 which would allow a contract to be entered into allowing for the completion of the works by the end of the year (2015). The proposal was set out in Appendix 1 to the report.

The funding could be provided by advancing money that was due to be forthcoming to the Council via a Section 106 agreement tied to a development in Barford of 60 homes, and by allocation of New Homes Bonus Scheme (NHBS) money also to be generated from the development in Barford. This approach was consistent with national policy about the purpose of NHBS and this Council's own policy of reinvesting in the communities that had accepted development.

The report recognised in the Council's Playing Field Pitch Strategy that the King George's playing fields in Barford were in need of improvement and that the Section 106 money should go to that location. The payment of the S106 monies was dictated by the speed of construction of the new homes rather than a calendar date and therefore it was uncertain when the payment would be made.

However, the Council could advance that sum from reserves to the Parish Council, knowing that in a relatively short space of time it would be made up by the S106 monies owed, with little impairment.

An alternative option was that the Council had the option of putting no further funding into the scheme. The consequence of this would be a delay to the scheme which in turn may lose the scheme some of its existing funding. Given that the funding the Council could put forward was in effect 'forward funding', it should be able to make good the impact on its reserves in a short period of time and allow significant community benefit to be realised. Therefore, this option was not recommended.

The Finance & Audit Scrutiny Committee supported the recommendations with an amendment to the figure in bullet point 2 of recommendation 2.1 – this should read £81,000 not £71,000, & the subsequent changes to paragraphs 3.4 & 5.3 of the report.

Having read the report and subject to the amendments to the figures detailed above, the Executive

Resolved that

- (1) the scheme set out in Appendix 1 to the report is supported; the extent of public involvement and fund raising is noted and, the necessary sum will be funded by:
 - forward funding £85,000 from reserves against a provision of £85,000 that is due via a S106 agreement for the development of 60 homes in Barford (noting that the parish council

has accounted for £40,000 of this as having been received but has not);

- forward fund £81,000 from reserves against an expected sum of £403,000 over six years of this Council's share of New Homes Bonus Scheme money to be generated by the development of 60 homes in Barford.

- (2) the existing commitment of £30,000 from the Council's RUCIS scheme is withdrawn and returned to be used elsewhere.

(The Portfolio Holder for this item were Councillors Cross, Mrs Gallagher, Mrs Grainger, Shilton and Whiting)

13. **Housing Advisory Group – Terms of Reference**

The Executive considered a report from the Democratic Services Manager and Deputy Monitoring Officer which informed the Executive of an urgent decision taken by the Chief Executive to increase the size of Housing Advisory Group by one Warwick District Councillor so that it was politically proportionate to the Council.

The Terms of Reference for the Housing Advisory Group had been approved by the Executive in March 2015 and proposed a membership of the Group as ten Warwick District Councillors.

Following the Warwick District Council election, ten members did not truly reflect the political proportionality of the Council and would exclude one of the recognised Political Groups on the Council from the Housing Advisory Group.

A notice of Motion was received from Councillors, Mobbs, Illingworth, Boad, Mrs Gallagher, Gifford, Shilton, Mrs Cain, Howe, Cain and Mrs Stevens. The Notice of Motion stated:

"That, we the undersigned Councillors, ask the Executive to amend the membership of the Housing Advisory Group so that it comprises of 11 Councillors allocated by the Group Leaders on a proportionate basis (including the Portfolio Holder)"

The Executive was not due to meet to consider formal business until 1 July and officers were keen to get the new Housing Advisory Group up and running as soon as possible. It was for this reason that the Chief Executive looked to take this as an urgent decision. He consulted with Group Leaders on the proposal and no objection was received.

No alternative options were proposed because the decision had already been taken and the report was for information only.

Resolved that the urgent decision taken by the Chief Executive, on 4 June 2015, under delegated authority CE(4), to amend the Housing Advisory Group Terms of Reference, from 10 Warwick District Councillors to 11 Warwick District Councillors, is noted.

(The Portfolio Holder for this item was Councillor Mobbs)

14. **Rural / Urban Capital Improvement Scheme (RUCIS) Application**

The Executive considered a report from Finance which provided details of a Rural/Urban Capital Improvement Scheme grant application by Cubbington Village Hall to renovate and extend the hall to achieve a more substantial, safe, warm and welcoming building which would enable more usage all-year round and require less maintenance.

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

The report advised that Cubbington Village Hall had submitted a RUCIS application to renovate and extend the hall and section 8.1 of the report provided a breakdown of the various works being proposed. The application was for 50% of the total project costs up to a maximum of £7,640.

The village hall had previously had a successful RUCIS application but met the criteria whereby an organisation had to wait for a minimum of two years before re-applying for a new grant.

The report therefore recommended that the Executive approve an award of a Rural/Urban Capital Improvement grant to Cubbington Village Hall of 50% of the total cost of the project including VAT subject to a maximum of £7,640.

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

Having considered the recommendations in the report, the Executive

Resolved that a Rural/Urban Capital Improvement Grant from the rural cost centre budget for Cubbington Village Hall of 50% of the total project costs to renovate and extend the hall, is agreed up to a maximum of £7,640 inclusive of VAT.

(The Portfolio Holder for this item was Councillor Whiting)

15. **Baginton, Bubbenhall, Stoneleigh & Ashow Neighbourhood Plan Designation**

The Executive considered a report from Development Services which set out the process for the formal designation of a new neighbourhood plan area. This neighbourhood plan area related to the parishes of Baginton, Bubbenhall, Stoneleigh and Ashow. This joint parish plan area would replace the previously approved neighbourhood plan area for Stoneleigh and Ashow, refused by Executive on 5 November 2014 but replaced and approved as a revised neighbourhood plan boundary at that meeting, conforming to the new parish boundaries approved by the Boundary Commission in January this year.

Nine Neighbourhood Plan Areas had been designated to date and these were detailed in paragraph 3.1 of the report.

A joint application had been received from Baginton, Bubbenhall, Stoneleigh and Ashow Parish Councils dated 21 November 2014 in accordance with the Town and County Planning England: Neighbourhood Planning (England) Regulations 2012 and under the statutory regime for neighbourhood planning, introduced by the Localism Act 2011.

The report advised that a public consultation was held for a period of six weeks, ending on 27 March 2015. A total of seven comments were received; three were in favour and one against with three being mixed responses. The objections received were against the inclusion of Stoneleigh Park in the Neighbourhood Plan Area; considering instead that it should be designated a 'business area'.

An alternative option was that the Executive could decide not to designate this new neighbourhood area, but this would leave a designated area inconsistent with new parish boundaries and would not allow these four parishes to work together as they wished, which would be contrary to the spirit of the Localism Act 2011.

The request to remove Stoneleigh Park and Coventry Airport from the designation area because they were business areas could be considered and these parts of the parishes could be excluded. However, National Guidance stated that when designating a neighbourhood area a local planning authority should not make assumptions about the neighbourhood plan or order that will emerge from developing, testing and consulting upon the draft plan.

Having considered the recommendations in the report, the Executive

Resolved that

- (1) the designation of the new neighbourhood plan area as submitted in the joint application by the parishes of Baginton, Bubbenhall, Stoneleigh and Ashow attached at Appendix 1 to the

report, is approved, having regard to the representations made and replacing the previously designated Stoneleigh and Ashow neighbourhood plan area;

- (2) the funding available from the Department for Communities and Local Government for the financial year 2015/16 as set out in the Budgetary Framework section of this report, is noted.

(The Portfolio Holder for this item was Councillor Cross)

(Forward Plan reference 693)

16. **Public and Press**

Resolved that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within the paragraphs of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Minute No.	Para Nos.	Reason
18	1	Information relating to an Individual
18	2	Information which is likely to reveal the identity of an individual
17 & 18	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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

Part 1

(Items on which a decision by Council is required)

17. **Disposal of WDC owned land at Station Approach in Leamington Spa**

The Executive agreed the recommendations as written.

(The Portfolio Holder for this item was Councillor Cross)

(Forward Plan reference 692)

Part 2

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

18. **Discretionary Relief Application (Council Tax)**

The Executive reached a decision which would be detailed in full in the confidential minutes.

(The Portfolio Holder for this item was Councillor Whiting)

19. **Minutes**

The confidential minutes of the meetings held on 11 March and 9 April 2015 were agreed as written and signed by the Chairman as a correct record.

(The meeting ended at 7:03 pm)

Executive

Minutes of the meeting held on Tuesday 16 June 2015 at the Town Hall, Royal Leamington Spa at 6.00 pm.

Present: Councillor Mobbs (Chairman); Councillors Coker, Mrs Gallagher, Mrs Grainger, Phillips, Shilton and Whiting.

Also present: Councillor Barrott (Chair of Finance & Audit Scrutiny Committee).

An apology for absence was received from Councillor Cross.

1. **Declarations of interest**

There were no declarations of interest.

Part 1

(Items on which a decision by Council is required)

2. **Final Accounts 2014/15**

The Executive considered a report from Finance which provided details of the Council's final accounts position for the year ended 31 March 2015.

The accounts had been compiled in order to comply with the appropriate accounting standards and the Code of Practice on Local Authority Accounting in the United Kingdom 2014/15.

The Accounts and Audit Regulations 2011 required that the Responsible Financial Officer must, no later than 30 June immediately following the end of a financial year, sign and date the statement of accounts.

The draft, unaudited Statement of Accounts was currently being prepared to be audited by the Council's external auditors, Grant Thornton and the Statement was due to be considered by Finance and Audit Scrutiny Committee on 28 July 2015.

The highlights from the accounts report were summarised as follows:

- The Capital Programme was underspent by £5.31m, of which £5.00m was due to slippage to 2015/16;
- For the General Fund the final accounts showed a surplus of £600,800 against the latest Budget after allowing for a further £407,300 of planned expenditure to be carried forward to 2015/16;
- There was a further £422,000 in respect of Business Rates Retention which had been appropriated to the Business Rates Volatility Reserve as previously agreed by Council;

- The Housing Revenue Account (HRA) balance was as budgeted; a contribution of £4.9m had been made into the HRA Capital Investment Reserve, £0.4m less than the budgeted £5.3m; and
- The Council Tax collection rate was 98.5% and 99.1% for Business Rates, both of which were excellent.

The report requested that Members note the outturn positions of the Capital Programme, General Fund, Housing Revenue Account and the Council Tax and Business Rates collection rates.

Amendments were also proposed to Capital Programmes for future years due to slippage from the Housing Investment Programme and Other Services Capital Programme. Funding was also proposed to be brought forward from the Other Services Capital Programme from future years to 2014/15 to cover expenditure on Broadband UK and Recycling.

Agreement was also sought to increase the budget for the Victoria Park Bowls Improvements, in respect of health and safety works, to be financed from the Capital Investment Reserve. Full details of the reasons for this were contained in section 3.3 of the report and included figures spent to date on the greens, fencing and retention monies on the pavilion which had become due.

Members were also asked to consider appropriating the 2015/16 New Homes Bonus to the Capital Investment Reserve. This had originally been earmarked for financing the Council's contribution towards the Warwick Fire Station Registered Provider Scheme. It had become apparent that two s106 Affordable Housing Contributions, Woodward's and Kenilworth Road, needed to be utilised by the end of July 2015 or be repaid to the developers. In order to avoid the repayment it had been decided to fund the contribution from these s106 contributions instead of the New Homes Bonus.

The report also requested carrying forward earmarked balances in respect of General Fund revenue slippage to 2015/16, and increasing 2015/16 HRA budgets in respect of planned HRA maintenance not completed in 2015/16. Details of the 2015/2016 projects and their associated funding were given in the Earmarked Reserves Requests at Appendix F to the report.

The final recommendation asked Members to agree that the resulting change of reports recommendations, amounting to £600,800 be appropriated funds to top up the 2015/16 Contingency Budget, to reduce the 2015/16 Crematorium Fee Income Budget and to add to the General Fund Balance at this point. Improvement works at the Crematorium had been delayed resulting in a loss of income, hence the 15/16 income budget would be overstated once the works commenced. This position would be reviewed as part of the Budget Review report due to be presented to the Executive in late July 2015.

The report also explained that 2013/14 saw the introduction of the Business Rate Retention Scheme. From 1 April 2013, councils kept a proportion of the business rates revenue as well as a proportion of growth on the revenue generated in their area. It was intended to provide a direct link between business rates growth and the amount of money councils had to spend on local people and local services. Regulations controlled how the different elements of Business Rates needed to be accounted for but these requirements were complex, especially with regard to the timing of receipts and the year in which these needed to be reflected in the accounts.

The report was a statement of fact and, in order to ensure the accounts were closed on time, there were few alternative options available. However, how the outcomes might be treated could be dealt with in a variety of ways, mainly the alternatives were not to allow any, or only some, of the earmarked reserve requests and to allow the General Fund balance to vary from the £1.5m level, along with how the 2014/15 surplus was allocated.

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

The Finance & Audit Scrutiny Committee was concerned by levels of slippage detailed in the report and questioned officers extensively over why this should be. Members accepted that much of it had been down to forces outside of the Council's control, but suggested that where there were resource or other internal issues causing slippage, efforts should be made to address this and to keep the Committee informed of progress.

During the meeting officers had responded to questions over the outcome and frequency of business rate appeals, pointing out that particularly over the last quarter there had been a significantly higher level of appeals than anticipated due to a 31 March 2015 deadline before which successful appeals could be backdated.

Officers also detailed overspends relating to the Openbook process used by Housing & Property Services. The process was being reviewed in an effort to gain better control over repairs, pricing and resources, and it was intended that an update would be presented to Members in the autumn. Consultants who had projected highly optimistic savings through the use of Openbook were to be challenged as part of the review.

Scrutiny members noted that work had yet to be carried out following asbestos surveys. Delays had been caused by the tendering process and it was intended that work would be completed over the summer.

The Chairman of Finance and Audit Scrutiny Committee reported the Committee's comments as detailed above and thanked the Head of Finance and his team for their hard work in finalising the accounts. The Leader, Councillor Mobbs, echoed Councillor Barrott's thanks to all Finance staff and reminded Members that the Executive were currently looking at its forward plan, which contained over 40 items due for

consideration in the near future. He also stated his confidence in every Head of Service and Senior Officer to assist in delivering the Council's objectives.

In relation to a query regarding appeals, the Head of Finance, Mike Snow explained that there had been a large volume of appeals logged and this would take a long time to process. In addition, he advised that the appeals would not affect the 2014/15 figures but 2015/16 would receive the full impact.

Councillor Whiting addressed Members and thanked Mike Snow for his assistance since taking on the new role as Finance Portfolio Holder. He also offered his congratulations to all officers for delivering a surplus in the current financial climate and highlighted the excellent Council Tax and Business Rates returns.

He reminded Members that whilst it was recognised there was a higher level of slippage reported, a lot of this had been as a result of outside factors, beyond the Council's control. However, he assured the Finance and Audit Committee that officers were already working on resolving the issues and meetings had already been booked in.

Councillor Whiting stated that whilst the report detailed great surplus results, the reserves also needed observing carefully and he encouraged all Portfolio Holders and Heads of Services to engage with Finance and strengthen the work already underway.

It was, therefore, proposed by Councillor Whiting and duly seconded by Councillor Gallagher that the recommendations be approved as laid out.

The Executive

Recommended that

- (1) the outturn positions summarised below are noted:
 - the Capital Programme was underspent by £5.31m, of which £5.00m is due to slippage to 2015/16;
 - the General Fund revenue account shows a surplus of £600,800 which is after allowing for a further £407,300 of planned expenditure to be carried forward to 2015/16;
 - the Housing Revenue Account balance is as budgeted; the HRA Capital Investment reserve available for major developments has increased by £3.8m to £21.6m, £4.0m more than projected; and
 - the Council Tax collection rate was 98.5% and 99.1% for Business Rates;

- (2) future years' Capital Programmes be amended by £4,997,700 comprising the following elements:
- +£4,314,600 for Housing Investment Programme slippage;
 - +£683,100 for Other Services Capital Programme slippage; and
 - -£57,100 in respect of resources brought forward from the Other Services Capital Programme from future years to 2014/15 to cover expenditure on Broadband UK and Recycling;
- (3) the Other Services Capital Programme budget for the Victoria Park Bowls Improvements be increased by £19,900 in respect of additional Health and Safety works, irrigation tank fencing and retention on the pavilion to be financed from the Capital Investment Reserve;
- (4) the £200,000 2014/15 New Homes Bonus originally earmarked for financing the Council's contribution towards the Warwick Fire Station Registered Provider scheme be appropriated to the Capital Investment Reserve;
- (5) the requests to carry £407,300 earmarked balances forward in respect of General Fund revenue slippage to 2015/16 are agreed, and increase 2015/16 HRA budgets by £180,400 in respect of planned HRA maintenance not completed in 2015/16, which will reduce the amount that can be contributed to the HRA Capital Investment reserve in 2015/16 by £180,400; and
- (6) the resulting change of the above decisions, amounting to £600,800 be appropriated £200,000 to top up the 2015/16 Contingency Budget, £150,000 to reduce the 2015/16 Crematorium Fee Income Budget and £250,800 to the General Fund Balance at this point, is agreed. The position will be reviewed as part of the Budget Review report due to be presented to the Executive in late July.


(The Portfolio Holder for this item was Councillor Whiting)
(Forward Plan reference 669)

Part 2

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

None.

(The meeting ended at 6.10pm)

 Executive 29 July 2015		Agenda Item No. 3
Title	Budget Review to 30 June 2015	
For further information about this report please contact	Mike Snow Andy Crump	Tel 01926 456800 Tel 01926 456810
Wards of the District directly affected	N/A	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	February 2015 Executive – Budget Setting	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes
Equality Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	13/7/2015	Andy Jones
Head of Service	13/7/2015	Mike Snow
CMT	13/7/2015	
Section 151 Officer	13/7/2015	Mike Snow
Monitoring Officer	13/7/2015	Andy Jones
Finance	13/7/2015	Andy Crump
Portfolio Holder(s)	13/7/2015	Cllr Peter Whiting
Consultation & Community Engagement		
Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 This report updates Members on the latest financial position. The Council's Medium Term Financial Strategy has been updated since the 2015/16 Budget was agreed in February of this year in light of later Government announcements and other known changes. Various changes to 2015/16 budgets have been identified and are now presented to Members for approval.

2. Recommendations

- 2.1 That the Executive note the latest projected variance for the General Fund for 2015/16 of £270,600 adverse and agree to the budget changes detailed in paragraph 3.1 in respect of the General Fund totalling £270,600, funding of £250,800 from the General Fund Balance and note that £19,800 will currently be unfunded.
- 2.2 That the Executive agree the changes to the HRA budget, outlined in paragraph 3.5, and reduce the contribution to the Housing Revenue Account Capital Investment Reserve.
- 2.3 That the Executive agree to the slippage in the Other Services Capital Programme as outlined in paragraph 3.6.2.
- 2.4 That the Executive agree the changes to the Housing Investment Programme outlined in paragraph 3.6.3/3.6.4, financed from the Major Repairs Reserve.
- 2.5 That the Executive note the updated Medium Term Financial Strategy and the forecast required recurrent savings of £1.1m for the General Fund which will be addressed in a further report to Executive in September.
- 2.6 That the Executive agree that Portfolio Holders and Heads of Service review all planned and potential demands for future revenue or capital funding so that the Council's financial projections are as inclusive and accurate as possible (see para 3.7.9.2).
- 2.7 That the Executive agree that the Council should remain in the Coventry and Warwickshire Business Rates Pool for 2016/17 and that the Head of Finance, in consultation with the Finance Portfolio Holder, agree any change to the Memorandum of Understanding.
- 2.8 That the Executive recommend to Full Council that the Council's use of Support and Viability ratings in determining suitable credit rating criteria for its investment counterparties is discontinued with immediate effect and that the current Treasury Management Practices are suitably amended. All other credit rating criteria to remain as approved in the 2015/16 Treasury Management and Annual Investment Strategies.

3. Reasons for the Recommendations

3.1 General Fund 2015/16

- 3.1.1 The latest variances that have been identified by managers are shown below. Where they are not self-explanatory, more detail is provided.

Increase in legal fees – Chief Executive’s office	£ 4,000 (A)
Over-achieved discretionary budget saving – Customer Contact Manager	£ 2,800 (F)
Media Room Photocopier income	£ 5,000 (A)
Debit Credit Card Payments costs	£20,000 (A)
Council Tax Freeze grant higher than estimated	£ 3,300 (F)
Customer Contact Centre Computer Equipment	£ 37,300 (F)
LPG – Crematorium – reduced price	£ 30,000 (F)
Kenilworth OSS - Photocopier	£ 7,000 (F)
Property & Estates - rents	£ 70,000 (A)
Closure of Gym at Meadows Dual use	£ 8,700 (A)
Golf Course Lease – rent free period ended	£ 16,700 (F)
Total Variances	£ 10,600 (A)
New Homes Bonus Returned – see below	£250,000 (A)
Salary variances – see below	£ 10,000 (A)
Overall Variance	£270,600 (A)

- 3.1.2 The £70,000 adverse variance for Property and Estates relates to rental income and service charges for several properties owned by the Council. Some are currently vacant due to tenants leaving, others are subject to rent free periods (agreed to attract tenants) and others have been sold. In short, the budget for 2015/16 has been overstated but should improve once tenants are found for these properties and the rent free periods expire.
- 3.1.3 Salaries - The General Fund part of the Housing and Property Services Redesign has an overspend of £9,200, with a further £800 additional cost for the Chief Executive’s Department in respect of an unbudgeted increment and the financial implications of a recent retirement. **Overall £10,000 adverse.**
- 3.1.4 The New Homes Bonus Returned monies will be £250,000 below the Estimate for 2015/16. This is separate from the Council’s New Homes Bonus (NHB) allocation. An estimated sum is top sliced from the overall Local Government Grant Settlement to pay the NHB’s allocations. Anything “over top sliced” is returned to local authorities in subsequent years. Originally the Council had budgeted for £260,000 NHB Top-Slice to be returned, but this is now expected to be £10,000.
- 3.1.5 As part of closing the 2014/15 Final Accounts, the Executive agreed that £250,800 was allocated to the General Fund Balance. It is proposed that this sum is now used towards the shortfall projected for the current year highlighted above, leaving the Council to find the remaining £19,800 as savings, throughout 2015/16 which will be considered further within future Budget Review reports.

3.2 Contingency Budgets

- 3.2.1 Details of the current year budget (£401,000) and the balance remaining (£215,000), after calls on this budget, are shown in Appendix A. This is ahead of any commitments agreed by this Executive meeting.
- 3.2.2 None of the 2015/16 Training Contingency Budget of £4,900 has currently been allocated. However, this budget was fully allocated in 2014/15 and is expected to be so again in 2015/16.

- 3.2.3 The Income Contingency Budget reflects likely increased income in fees and charges, based on previous years outturn. However, it is not possible to say early in the year which precise income budgets will over recover. Contingency Income Budget has a target of £74,000 that has to be achieved. In 2014/15, due to good performance from areas such as Parking and Crematorium fee income, this was more than achieved. For example Crematorium income which was reported to February's SMT as being estimated to be £75,000 higher than budget ended up with a favourable variance of £117,000. However, due to the Capital Works at the Crematorium, the Final Accounts report to June's Executive agreed to reduce the income target at the crematorium by £150,000 for 2015/16 and this was funded from the 2014/15 surplus. Therefore the Council will not be able to rely on this area of income to meet the Contingency Income Budget target.
- 3.2.4 There are other Contingency Budgets for Price Inflation (£42,000) and Contract Cleaning (£51,000) – both not used in 2014/15 – and a new Salary Underspend contingency (-£30,000) . Any forthcoming demands for the use of these budgets will be reported upon during the year.

3.3 Salary vacancy factor

- 3.3.1 The salary budgets are reduced by 2.5% to reflect savings which occur due to vacancies, with the savings accruing whilst posts are unfilled. For 2014/15 the unfunded salary vacancy factor (General Fund) that was not achieved amounted to £219,000, this being the first year such a saving was not achieved. This represents an overspend as part of the overall pay budgets. For 2015/16 the salary vacancy factor is being closely monitored and reported on regularly.

3.4 Revenue Slippage- Earmarked Reserves

- 3.4.1 Revenue slippage from 2014/15 has been added into the 2015/16 budget, totalling £407,300 for the General Fund. These will be monitored separately and reported to Executive on a quarterly basis. As at the end of June only £18,400 has been spent to date. In addition £180,400 of revenue slippage was approved for the HRA.

3.5 HRA

- 3.5.1 The following variances have been identified for the HRA

Housing Mgt Software Licence	£7,500 A	Recurring increase as more assets managed on system
Renewable Heat Initiative income for Biomass	£20,000 F	Recurring additional income
Sheltered Communal Carpeting	£40,000 A	Worn communal carpets becoming H&S risk
Tree works	£25,000 A	Removal of trees becoming dangerous or damaging homes
Total HRA Variance	£52,500 A	

- 3.5.2 Making these changes to the HRA budget will reduce the amount the HRA will contribute to the Housing Revenue Account Capital Investment Reserve.

3.6 Capital

3.6.1 Other Services Capital Programme slippage (£683,100) and Housing Investment Programme slippage (£4,314,600) have been added to the 2015/16 Capital Budgets as approved by members in June.

3.6.2 Castle Farm drainage £73k slippage to 2016/17. Awaiting decision on the future of Castle Farm pitches which is tied up with the Local Plan decisions and delay. Replacement Gym Equipment £29,406 slippage to 2016/17. The profile of spend on this budget in future will largely depend on the outcome of the Sports Development Programme and decisions regarding future investment in the leisure centres.

3.6.3 The Housing Investment Programme (H.I.P.) has reported the following variances, totalling £100,400 favourable against the 2015/16 Capital Budget.

Thermal Insulation	(£111,300) F	Reactive work only, awaiting Stock Condition Survey
Roof Covering	(£67,700) F	Reduced programmed works required, plus allowance for reactive work - awaiting Stock Condition Survey
Entry/Security/Systems	£78,600 A	Fire alarm systems reaching end of useful life, upgrade to latest requirements
Total HIP Variance	(£100,400) F	

3.6.4 It is proposed that these changes are made to the H.I.P which will increase the balance on the Major Repairs Reserve.

3.7 Medium Term Financial Strategy (MTFS)

3.7.1 In February, as part of the Budget/Council Tax Setting report to Executive, the General Fund savings requirement was as set out below:-

On-going Savings (-) required	2015/16 £000	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000
Additional Savings	0	689	302	-19	8
Cumulative Savings	0	689	991	972	980

The MTFS allowed for the following assumptions:-

- Council Tax increases of 1.99% per annum from 2016/17
- £300,000 savings from the proposed office move in 2018/19
- £100,000 savings from Different Ways of Working/Terms and Conditions from 2018/19
- £416,000 savings over 2016/17 and 2017/18 from further 2.5% per annum reductions in "non-contractual" budgets.
- Revenue Support Grant reducing from £2.5m in 2015/16 to £949k by 2019/20.

3.7.2 The savings requirement has now been reviewed, taking into account the following:-

- Rolling the strategy forward by a year to include 2020/21
- Latest current year variances
- Latest projections for business rates retention
- Any issues arising from the 2014/15 closedown and variances arising
- Reflection of any information available that may impact upon the future grant settlements.

The assumptions within para 3.7.1 have continued to be included. As at the time of writing this report it has not been possible to assess the implications for the medium term of the less significant variances for 2015/16 discussed in section 3.1.

3.7.3 Business Rates Retention

3.7.3.1 In closing the 2014/15 Accounts, there was a substantial increase in the numbers of Business Rate appeals, with these having to be submitted by 31 March 2015. Many of these are eligible to be backdated to 2010. Whilst some increase in appeals had been reflected in the February projections, the number of appeals was way in excess of this. In closing the accounts it was necessary to be prudent and assume that a large proportion of these appeals will be successful, and be duly backdated. The Council uses the services of Analyse Local to advise on the likely success of the appeals and sums which should be allowed for within the accounts.

3.7.3.2 Due to the regulations governing business rates retention, the Council's element of the back-dated appeals will impact upon the 2016/17 accounts. Most of this will be compensated for by contributions from the Council's Business rates Volatility Reserve. However, this is likely to leave the reserve totally depleted at 31 March 2017.

3.7.3.3 In addition to the cost of the back-dated appeals, there is the likely loss in future revenue, assuming these appeals are successful. Again this will commence to impact upon the Council's accounts from 2016/17. The district's element of this is estimated at £400,000 per annum which has been factored into the projections.

3.7.3.4 The main implication of the changes to the Business Rates Retention income is on the yearly profile of the income (notably impacting upon 2016/17), given that the previous projections already had been prepared on a prudent basis.

3.7.3.5 There remain risks with Business Rates Retention moving forward. These include the outcome of the appeals that have been received, and whether the provision allowed for is sufficient. With the forthcoming revaluation in 2017, there will be further appeals, the outcome of which will probably not be known for several years. Whilst new businesses and properties should increase the business rate base, there will continue to be revaluations which will reduce the value of this. In 2020 the Business Rates Retention scheme is due to be "reset"; as yet there are no details of this meaning it is totally uncertain how it will impact upon individual authorities.

3.7.4 New Homes Bonus Returned

3.7.4.1 In addition to the reduction for 2015/16 (discussed in paragraph 3.1.4), the estimate for this has reduced from £42,000 for 2016/17 to £10,000. Similar reductions have been made for the two subsequent years. However, this

funding was previously forecast to have ceased by 2018/19. This means that whilst these reductions do impact upon the annual savings profile, they do not alter the overall total.

3.7.5 Revenue Support Grant (RSG)

3.7.5.1 This has been reviewed further in the light of the March Budget. Based on work from Local Government Futures, the Council's advisors in these matters, the RSG is forecast to further reduce to £833,000 in 2020/21, this being over £100,000 below the February estimate.

3.7.5.2 The updated savings profile is set out below:-

On-going Savings (-) required	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	£000	£000	£000	£000	£000	£000
Additional Savings	0	977	-195	228	-15	92
Cumulative Savings	0	977	782	1,010	995	1,087

3.7.6.1 It will be noted that overall the savings have increased by £100,000. This increase may be largely explained by the projections being extended for a further year. The assumptions assume that expenditure will increase by inflation, as will income from fees and charges and council tax. However, RSG is forecast to reduce further, meaning that the gap between income and expenditure will continue to widen.

3.7.6.2 The savings profile is now very concentrated on 2016/17, with approaching a million pounds needing to be found by that date.

3.7.6.3 To put this savings requirement into context, the gross General Fund expenditure (excluding support service recharges and capital charges) is £62m. After taking account of all the service specific income from fees, charges and specific grants, the net expenditure is around £13m. This is the sum met from Council Tax (£7.5m), Revenue Support Grant and Retained Business Rates.

3.7.7 The projections are based on many key assumptions. The most notable of these are:-

- Business Rate projections
- Revenue Support Grant
- Inflation and pay awards
- Investment Interest returns
- Pension fund contributions
- Income from fees and charges.

At the time of writing this report, any information released as part of the Chancellor's Budget on 8 July has not been reflected. If necessary, members will be presented with an update to the figures at the meetings.

3.7.8 Options to balance the Council's Budget for 2016/17 onwards may include:-

- Making savings in the cost of service provision – all services have been reviewed in the last few years. This has enabled substantial savings to be made, whilst protecting main services. Whilst there may be some limited further savings to be made, they are unlikely to be substantial.
- Increasing income – The Council does have an annual review of fees and charges, where generally charges are increased by inflation, with greater or lesser increases sometimes being necessary (often to reflect the demand for a service). Alongside any changes to charges, members will need to agree any new proposed charges which may be able to help balance the budget.
- Use of Reserves – The Council does have limited reserves, some of which may be able to support revenue expenditure for a limited period. Reserves may only be used once. Most of the Council's reserves are held for specific purposes.
- Use of New Homes Bonus – Local authorities have been receiving New Homes Bonus for the last 4 years, and this amounting to £1.6m receipt for WDC for 2015/16. Noting the uncertainty of this scheme continuing, the Council's approach has been to use this income for one off projects and not rely upon it to fund core services.
- Increasing Council Tax – under current regulations council tax increases of 2% and above will need to be subject to a referendum. To date there has been one such referendum, whereby the local electorate voted against the increase.

All of these alternatives have limitations and risks attached to them. The September Executive will receive a report on Fit For the Future which will include details of the plans to close this budget gap and ensure that the Council's expenditure is maintained within resources available so enabling a balanced budget to be set for 2016/17 onwards.

3.7.9 Other Funding Liabilities

3.7.9.1 In addition to the projected shortfall in the Medium Term Financial Strategy, the Council also has the following liabilities to fund:-

- Asset Maintenance Liabilities – following the review of Corporate Assets, the future cost of maintaining all the Council's property assets and land holdings has been established, as previously reported to Executive. The cost of these works is only funded up to and including 2015/16. To fully fund the works required in subsequent years will amount to an additional cost averaging out at approximately £1m per annum.
- ICT – A separate ICT Reserve has been established to provide funding for the Council's ICT infrastructure. To be able to continue to fund this will require an additional £250,000 per annum from 2018/19.
- Equipment Renewals Reserve – For some years the Council has maintained an Equipment Renewals Reserve to fund service equipment replacement. Again, to ensure that this can continue, an additional £100,000 per annum from 2018/19 is required.

- 3.7.9.2 It is important that the Council's financial projections are as inclusive of all potential funding demands upon the Council as possible. It is important that Portfolio Holders and Heads of Service review all items currently budgeted for in the current and future years, and any further items which are currently not budgeted for inclusion in the financial projections and future Budget reports.

3.8 Business Rates Retention – Coventry and Warwickshire Pool

- 3.8.1 Since the Retention of Business Rates scheme began, the Council has been part of the Coventry and Warwickshire Business Rates Pool, along with all the other Warwickshire districts, the County Council and Coventry City Council. The Government has encouraged pooling as an incentive to authorities taking a more strategic approach to investment. Financially local authorities may benefit by reducing the overall amount of Business Rates "Levy" due to central Government. Appendices B and C consider the pool's performance for 2014/15.
- 3.8.2 Overall the Pool arrangement resulted in over £500k being retained locally from Business Rates, with WDC's share being £25k. However, due to the Council also receiving a safety net payment for 2013/14 from the Pool which is due to be repaid from future years' retained levy, the Council will not directly benefit from this.
- 3.8.3 The Council must confirm its membership of the Pool ahead of 2016/17, with this normally needing to be done by the autumn. It is proposed that the Head of Finance, in consultation with the Finance Portfolio Holder agree any appropriate changes to the Memorandum of Understanding for the Pool and the Council's membership for 2016/17.

3.9 Treasury Management

- 3.9.1 The main rating agencies (Fitch, Moody's and Standard & Poor's) have been reviewing the use of the Viability and Support ratings (or their equivalent) which through much of the financial crisis, provided some institutions with a ratings "uplift" based on their ability to stand alone or implied levels of sovereign support. More recently, in response to the evolving regulatory regime e.g. the requirement for investors to "bail in" and support an institution rather than for the Government to bail it out , the agencies indicated that they may remove these "uplifts". This process has now commenced with Fitch lowering its support rating from 1 to 5 for a significant number of the counterparties that it rates. A 5 rating is defined as "A bank for which there is a possibility of external support, but it cannot be relied upon." Thus there is little to no differentiation to be had by assessing Support ratings in the future. It is still considered more than likely that if a major UK bank with systemic importance to the UK banking system should ever be in a position to fail in the future then the UK Government will act as "lender of last resort" and step in to save the bank.
- 3.9.2 It is important to stress that these rating agency changes do not reflect any changes in the underlying status of the institution or credit environment, merely the implied level of sovereign support that has been built into ratings through the financial crisis. This removal of implied sovereign support has taken place as a result of changes to the regulatory and economic environments which have ensured that financial institutions are much stronger and less prone to failure in a financial crisis.
- 3.9.3 Both Fitch and Moody's provide "standalone" credit ratings for financial institutions. For Fitch, it is the Viability Rating, while Moody's has the Financial Strength Rating. Due to the removal of sovereign support from institution assessments, both

agencies have aligned these “standalone” ratings with their respective Long Term ratings for each counterparty. As such, there is no point monitoring both Long Term and these “standalone” ratings.

- 3.9.4 In view of the reliance placed upon credit ratings, and the possible limitations thereof, consideration is being given by the Council’s Treasury Team, Capita (as the Council’s Treasury consultants) and the Finance Portfolio Holder as to how the use of alternative investment instruments may present the Council with additional income opportunities whilst protecting the asset base . Any changes would need to be agreed by Council as part of agreeing the Annual Treasury Plan and Investment Strategy.
- 3.9.5 Therefore going forward, it is recommended that the Council’s current credit rating criteria for banks is amended to a minimum of a Short Term rating of F1 or above and Long Term rating of A+ or above (A in the case of a Part Nationalised UK Bank) i.e. deletion of the Support and Viability ratings. In all cases the minimum sovereign rating remains at that applicable to the UK at the time the investment was made.

4. Policy Framework

4.1 Policy Framework

This report is in accordance with the Council’s Financial Strategy as last approved by the Executive in February. This provides the Council with the resources to deliver its other policies and strategies.

4.2 Fit for the Future

One of the key elements of Fit For the Future is ensuring that the Council achieves the required savings to enable it to set a balanced budget whilst maintaining service provision. This report updates Members on the financial projections for future years, savings required to be found and some of the key issues affecting the Council’s Medium Term Financial Strategy up to 2020/21.

5. Budgetary Framework

- 5.1 The Council needs to find financial savings of £1.1m over the next five years for the General Fund as detailed elsewhere in this report. Officers review current year budgets on a monthly basis at the same time considering implications for the medium term. Members are updated on a quarterly basis.
- 5.2 The Budget Review Process provides a planning tool to ensure resources are directed to the Council’s priorities. Alongside the Council’s own activities, external factors influencing its finances are also taken into consideration, for example Central Government Financing, the Business Rates Retention scheme, changes in legislation and the economy.
- 5.3 The Council maintains its Reserves to deliver Capital and other projects, and to ensure that there are sufficient resources available to manage unforeseen demands and continue to deliver its services. Close monitoring of these Reserve balances, together with plans to replenish them will preserve the financial stability of the organisation for future years.

6. Risks

- 6.1 The Council's Significant Business Risk Register contains several risks which are finance related. Shortage of finance will impact upon the Council's plans for the provision of services. Reduced income or increased expenditure will reduce the funding available.
- 6.2 The main sources of income which may be subject to reductions include:-
- Government grant (e.g. Revenue Support Grant, Benefits Administration Grant)
 - Business Rates Retention
 - Fees and charges from the provision of services
 - Rent income
 - Investment Income
- 6.3 Increased expenditure in service provision may be due to:-
- Inflation and price increases for supplies and services.
 - Increased demand for services increasing costs
 - Changes to taxation regime
 - Unplanned expenditure
 - Assumed savings in budgets not materialising
- 6.4 Triggers for increased costs or reduced income include:-
- Economic cycle – impacting upon inflation, interest rates, unemployment, demand for services, Government funding available
 - Unplanned expenditure, e.g. Costs from uninsured events, Costs of planning appeals or other legal process
 - Project costs – whereby there are unforeseen costs, or the project is not properly costed, or the risks related to them are not properly managed.
 - Changes to assumptions underpinning the Medium Term Financial Strategy – these assumptions are closely monitored.

As referred to elsewhere in the report, the implications of the 2015 Budget have not as yet been fully assessed to feed into this report.

- 6.5 Many controls and mitigations are in place to help manage these risks. These include:-
- The comprehensive Budget Review process. This entails all budget managers reviewing their budgets on at least a monthly basis, considering previous, current and future years, along with any possible issues that may impact upon their budgets. As part of this process, Budget Review reports are issued to the Executive and Senior Management Team.
 - Financial Planning with the Medium Term Financial Strategy/financial projections, bringing together all issues that will impact on the Council's finances in the medium term.
 - Financial controls, including the Codes of Financial and Procurement Practice, system controls, reconciliations, audit (internal and external).

- Project Management and associated controls
- Trained staff and access to appropriate professional advice (eg WCC Legal, Local Government Futures for advice on local government funding).
- Risk Management process across the Council, including the on-going review and maintenance of risk registers.
- Scrutiny by Members of the Council's finances, including Budget Reports, and the financial implications of all proposals brought to them for consideration.
- Within the 2015/16 there is a Contingency Budget with an uncommitted balance of £215,000 for any unplanned unavoidable expenditure.
- Reserves –Whilst much of these Reserves have already been earmarked for specific projects, it is important that Reserves are held for any unforeseen demands.
- In addition to the reserves, the Council holds the General Fund Balance of £1.5m. This is available to accommodate any unplanned expenditure, or to make up any shortfall in income. However, the Council should seek to maintain the balance at this level.
- The specific causes of reductions to income or increased expenditure should continue to be managed by the relevant Service Area as part of managing the risks within each Service Risk Register. Individual Service Area Risk Registers are brought to F&A Scrutiny Committee every 2 years.

7. Alternative Option(s) considered

- 7.1 Monitoring expenditure and income and maintaining financial projections is good financial management and part of good governance. Accordingly, to propose otherwise is not considered.
- 7.2 Rather than fund most of the projected revenue shortfall for the current year now, using the £250,800 appropriated as part of the Final Accounts, it is possible to continue to leave this shortfall unfunded. However, given the size of the shortfall and the main driver (NHB Returned), this position is not likely to change and to leave it may be regarded as imprudent.
- 7.3 The Council could choose to leave the Coventry and Warwickshire Business Rates Pool. This would stop the Council from benefiting from any future benefit from the additional retained levy, and the Council would need to repay the Safety Net payment.
- 7.4 The Council may choose to leave the Council's credit ratings criteria un-amended. This will limit the Council's future investment opportunities and potentially reduce the investment returns.

WDC Contingency Budget	2015/16 £	Appendix A
Contingency February Budgets	221,000	
Transferred to LEP Contribution	-20,000	
Final Accounts 2014/15 Report	200,000	
General Contingency	401,000	
Lillington Socio-economic research	-20,000	March Executive Item 9
Lillington Further master planning work	-20,000	March Executive Item 9
Kites Nest Lane Reinstatement costs	-10,000	March Executive Item 13
Combined Authority Contribution	-50,000	March Executive Item 14
Lillington Further technical work	-25,000	March Executive Item 19
Strategic Opportunity Proposal	-50,000	March Executive Item 22
Maternity cover Spa centre	-10,000	Mike Snow delegated authority
Honorarium ICT	-1,000	Mike Snow delegated authority
General available	215,000	

Executive March 2015 - Funding requests

Agenda Number

7	HRA business Plan	£120,000	Stock condition Survey	HRA
9	Lillington	£20,000	Socio-economic research	GF contingency
9	Lillington	£20,000	Further master planning work	GF contingency
13	Kites Nest Lane	£10,000	Reinstatement costs	GF contingency
14	Combined Authority	£50,000	Contribution	GF contingency
19	Lillington	£600,000	Property acquisition	HRA
19	Lillington	£25,000	Buckley Road Options Agreements	HRA
19	Lillington	£50,000	Further technical work	GF contingency/HRA
20	Asset Management Redesign	£9,200	Increased revenue costs	GF - recurring
20	Asset Management Redesign	£3,200	Increased revenue costs	HRA - recurring
20	Asset Management Redesign	£31,800	Retirement/Redundancy	GF ERR
20	Asset Management Redesign	£6,100	Retirement/Redundancy	HRA ERR
22	Strategic Opportunity Proposal	£100,000		GF contingency/HRA

GF Cont

£20,000
£20,000
£10,000
£50,000

£25,000

£50,000
£175,000

Coventry & Warwickshire Business Rates Pool

2014/15 Year End Briefing Note

1. As outlined in the Memorandum of Understanding the fundamental objective of the Pool is to generate increased resources for the region, and individual pool members.
2. The benefit of a Pool is produced by reducing the levy on any growth that would otherwise be paid to central government.
3. At the end of 2014/15 the Pool is showing that the retained income from business rates has increased by £7.641m across the Pool, compared to DCLG baseline figures. Under the rules of the business rates retention scheme 50% of this is due to DCLG, 40% of their growth is retained by the districts/boroughs with the balance due to the County Council and Coventry, as a unitary authority retain 49% of their growth, with West Midlands Fire Authority retaining the remaining 1%.
4. Of the growth retained by the districts/boroughs £1.767m is deemed to be 'excessive' and should be an additional payment to DCLG. By pooling we have reduced the amount deemed to be excessive to £1.256m. The benefit of the pooling is therefore the £0.510m that would otherwise have been payable in levy to central government.
5. The breakdown by Pool member is shown in the table below.

Authority	Growth / (Decline) before Levy £m	Levy Due £m	Growth / (Decline) after Levy £m
Warwickshire	714,436	-	714,436
North Warwickshire	(22,299)	-	(22,299)
Nuneaton and Bedworth	423,363	211,681	211,681
Rugby	1,601,485	800,742	800,742
Stratford-on-Avon	928,232	464,116	464,116
Warwick	580,599	290,300	290,300
Coventry	3,415,612	-	3,415,612
Without Pool	7,641,427	1,766,839	5,874,588
By Pooling		1,256,455	6,384,972
Gain from Pooling (Retained Levy)		510,384	510,384

6. In accordance with the MoU, the £0.510 million retained levy is notionally allocated as follows:

£0.030m	Pool Administration Fee
£0.120m	Local Safety Net
£0.120m	Allocated according to Performance across Pool Members
£0.240m	Allocated by Spending Baseline across Pool Members

7. Appendix A included with this note provides the breakdown in more detail. The key features of the outturn position are:
- Although there was a decline in business rate income in North Warwickshire, it was not sufficient to trigger a safety net payment from the pool.
 - Last year Warwick District Council received a safety net payment of £327,010, but this year have achieved growth, and their share of the retained levy of £25,000 in accordance with the MoU will be used to pay down the outstanding safety net payment from last year.
 - The allocation of 25% of the retained levy to fund the safety net volatility fund, plus the £25,000 repaid by WDC, will reduce the overdraft on the Pool account to £0.125 million.
 - As last year we will hold the overdraft within the WCC accounts as an overdrawn reserve.
 - The predicted spike in appeals at year-end has led to an £8.7m increase in the provision for appeals between Q3 and outturn, the impact has not completely eliminated growth across the Pool.
8. The table shows the retained levy to be distributed and balance on the safety net accounts payable (repayable) to/by pool members on dissolution of the pool.

Pool Member	Retained Levy to be distributed £m	Memorandum Safety Net Account Balance £m
Warwickshire	0.097	-
North Warwickshire	0.003	0.006
Nuneaton and Bedworth	0.020	0.045
Rugby	0.058	0.071
Stratford-on-Avon	0.035	0.034
Warwick	-	(0.282)
Coventry	0.122	-
Pool Total	0.335	(0.125)

9. These figures remain provisional until September, when the audited NNDR-3 forms are submitted. Details on the collection of the levy and payment of retained levy will be made once DCLG have confirmed the final figures.

Martin Smith

Principal Accountant - Financial Planning
Warwickshire County Council – Lead Authority

Coventry and Warwickshire Business Rate Pool 2014/15 NNDR-1 Forecast

Item	Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford- on-Avon	Warwick	Warwickshire	Pool	Source
	£	£	£	£	£	£	£	£	
Business Rates Baseline	55,281,023	15,662,148	12,673,211	15,253,038	20,054,031	25,038,951	22,170,345	166,132,747	Levy and Safety Net Regulations SI 2013 737
Spending Baseline	72,016,807	1,711,430	3,287,856	2,150,233	2,200,153	3,069,789	57,084,029	141,520,296	2014/15 Finance Settlement
(Tariff) or Top Up	15,658,880	-14,255,825	-9,632,237	-13,399,942	-18,244,541	-22,456,934	34,481,794	-24,612,451	2014/15 Finance Settlement
Levy Rate	0.00%	50%	50%	50%	50%	50%	0.00%	16.44%	2014/15 Finance Settlement
Business Rates Net Rate Yield	115,178,183	41,689,197	33,835,433	41,183,777	52,551,822	68,834,496	238,094,725	353,272,908	2014/15 NNDR-1
NRY Share	56,437,310	16,675,679	13,534,173	16,473,511	21,020,729	27,533,798	23,809,473	175,484,672	
Localism Act Reliefs	0	0	50,000	0	0	0	50,000	50,000	2014/15 NNDR-1
Localism Act Reliefs Share	0	0	20,000	0	0	0	0	20,000	
Small Business Rate	4,912,307	1,199,303	1,721,360	1,714,792	3,202,691	2,069,482	9,907,628	14,819,935	2014/15 NNDR-1
Small Business Rate Share	1,203,515	239,861	344,272	342,958	640,538	413,896	495,381	3,680,422	
Provision Backdated Appeals 4/5ths	1,775,070	488,576	0	0	0	0	122,144	2,385,790	2014/15 NNDR-1
Provision Backdated Appeals Share 1/5th	443,768	122,144	0	0	0	0	30,536	596,448	
Rates Allocation +/- Tariff or Top Up	72,855,938	2,537,571	4,266,209	3,416,527	3,416,726	5,490,760	58,756,112	150,739,843	Calculated Field
National Safety Net Threshold	66,615,546	1,583,073	3,041,266	1,988,966	2,035,141	2,839,554	52,802,727	130,906,274	2014/15 Finance Settlement
National Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Growth before Levy	839,131	826,140	978,353	1,266,294	1,216,573	2,420,972	1,672,083	9,219,547	Calculated Field
Levy	0	413,070	489,177	633,147	608,287	1,210,486	0	1,515,940	Calculated Field
Retained Growth after Levy	839,131	413,070	489,177	633,147	608,287	1,210,486	1,672,083	7,703,607	Calculated Field
Spending Power without Pool	72,855,938	2,124,500	3,777,032	2,783,380	2,808,440	4,280,275	58,756,112	149,223,903	Calculated Field
Local Safety Net Threshold	68,415,966	1,625,859	3,123,463	2,042,721	2,090,145	2,916,299	54,229,828	134,444,281	Calculated Field
Local Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Spending Power with Local Safety Net	72,855,938	2,124,500	3,777,032	2,783,380	2,808,440	4,280,275	58,756,112	149,223,903	Calculated Field
Gain from Pooling								1,838,227	Calculated Field - Governed by the MoU
Allocation of Retained Levy									
Admin Fee								30,000	Calculated Field - Governed by the MoU
25 % to Safety Net	0	55,671	65,929	85,332	81,982	163,143	0	452,057	Calculated Field - Governed by the MoU
25% to Performer	0	55,671	65,929	85,332	81,982	163,143	0	452,057	Calculated Field - Governed by the MoU
50% to Pool by Spending Baseline	460,085	10,934	21,005	13,737	14,056	19,612	364,686	904,113	Calculated Field - Governed by the MoU
Allocation from Local Safety Net	0	0	0	0	0	0	0	0	Calculated Field - Governed by the MoU
Spending Power with Pool	73,316,023	2,191,105	3,863,965	2,882,449	2,904,477	4,463,029	59,120,798	148,741,846	Calculated Field
Extra Spending Power with Pool	460,085	66,605	86,933	99,069	96,037	182,754	364,686	1,356,170	Calculated Field
	0.63%	3.14%	2.30%	3.56%	3.42%	4.27%	0.62%		Calculated Field

Coventry and Warwickshire Business Rate Pool 2014/15 NNDR-1 Forecast

Item	Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford- on-Avon	Warwick	Warwickshire	Pool	Source
	£	£	£	£	£	£	£	£	
Memo Repayable Safety Net Account									
2013/14 Carry Forward	0	5,626	31,604	17,256	2,865	-329,498	0	-272,147	Calculated Field - Governed by the MoU
2014/15 Repayment / Balance	0	55,671	65,929	85,332	81,982	345,897	0	634,811	Calculated Field - Governed by the MoU
2014/15 End Balance	0	61,297	97,533	102,588	84,847	16,399	0	362,664	Calculated Field - Governed by the MoU

Coventry and Warwickshire Business Rate Pool 2014/15 Quarter One Forecast

Item	Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford- on-Avon	Warwick	Warwickshire	Pool	Source
	£	£	£	£	£	£	£	£	
Business Rates Baseline	55,281,023	15,662,148	12,673,211	15,253,038	20,054,031	25,038,951	22,170,345	166,132,747	Levy and Safety Net Regulations SI 2013 737
Spending Baseline	72,016,807	1,711,430	3,287,856	2,150,233	2,200,153	3,069,789	57,084,029	141,520,296	2014/15 Finance Settlement
(Tariff) or Top Up	15,658,880	-14,255,825	-9,632,237	-13,399,942	-18,244,541	-22,456,934	34,481,794	-24,612,451	2014/15 Finance Settlement
Levy Rate	0.00%	50%	50%	50%	50%	50%	0.00%	16.44%	2014/15 Finance Settlement
Business Rates Net Rate Yield	120,906,268	42,955,553	33,593,875	42,457,791	54,623,362	62,402,102	236,032,683	356,938,951	Quarterly Return by Pool Member
NRY Share	59,244,071	17,182,221	13,437,550	16,983,116	21,849,345	24,960,841	23,603,268	177,260,413	
Localism Act Reliefs	0	0	50,000	0	0	0	50,000	50,000	2014/15 NNDR-1
Localism Act Reliefs Share	0	0	20,000	0	0	0	0	20,000	
Small Business Rate	4,912,307	1,199,303	1,721,360	1,729,356	3,202,691	2,069,482	9,922,192	14,834,499	Quarterly Return by Pool Member
Small Business Rate Share	1,203,515	239,861	344,272	345,871	640,538	413,896	496,110	3,684,063	
Provision Backdated Appeals 4/5ths	1,775,070	488,576	0	0	0	0	122,144	2,385,790	Quarterly Return by Pool Member
Provision Backdated Appeals Share 1/5th	443,768	122,144	0	0	0	0	30,536	596,448	
Rates Allocation +/- Tariff or Top Up	75,662,699	3,044,113	4,169,585	3,929,046	4,245,342	2,917,803	58,550,636	152,519,224	Calculated Field
National Safety Net Threshold	66,615,546	1,583,073	3,041,266	1,988,966	2,035,141	2,839,554	52,802,727	130,906,274	2014/15 Finance Settlement
National Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Growth before Levy	3,645,893	1,332,683	881,730	1,778,813	2,045,189	-151,986	1,466,607	10,998,928	Calculated Field
Levy	0	666,341	440,865	889,406	1,022,595	0	0	1,808,518	Calculated Field
Retained Growth after Levy	3,645,893	666,341	440,865	889,406	1,022,595	-151,986	1,466,607	9,190,411	Calculated Field
Spending Power without Pool	75,662,699	2,377,772	3,728,721	3,039,639	3,222,748	2,917,803	58,550,636	150,710,707	Calculated Field
Local Safety Net Threshold	68,415,966	1,625,859	3,123,463	2,042,721	2,090,145	2,916,299	54,229,828	134,444,281	Calculated Field
Local Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Spending Power with Local Safety Net	75,662,699	2,377,772	3,728,721	3,039,639	3,222,748	2,917,803	58,550,636	150,710,707	Calculated Field
Gain from Pooling								1,210,690	Calculated Field - Governed by the MoU
Allocation of Retained Levy									
Admin Fee								30,000	Calculated Field - Governed by the MoU
25 % to Safety Net	0	65,145	43,101	86,953	99,974	0	0	295,172	Calculated Field - Governed by the MoU
25% to Performer	0	65,145	43,101	86,953	99,974	0	0	295,172	Calculated Field - Governed by the MoU
50% to Pool by Spending Baseline	300,415	7,139	13,715	8,970	9,178	12,805	238,123	590,345	Calculated Field - Governed by the MoU
Allocation from Local Safety Net	0	0	0	0	0	0	0	0	Calculated Field - Governed by the MoU
Spending Power with Pool	75,963,114	2,450,056	3,785,537	3,135,562	3,331,899	2,930,608	58,788,759	150,385,534	Calculated Field
Extra Spending Power with Pool	300,415	72,284	56,816	95,922	109,152	12,805	238,123	885,517	Calculated Field
	0.40%	3.04%	1.52%	3.16%	3.39%	0.44%	0.41%		Calculated Field

Coventry and Warwickshire Business Rate Pool 2014/15 Quarter One Forecast

Item	Coventry £	North Warwickshire £	Nuneaton and Bedworth £	Rugby £	Stratford- on-Avon £	Warwick £	Warwickshire £	Pool £	Source
Memo Repayable Safety Net Account									
2013/14 Carry Forward	0	5,626	31,604	17,256	2,865	-329,498	0	-272,147	Calculated Field - Governed by the MoU
2014/15 Repayment / Balance	0	65,145	43,101	86,953	99,974	12,805	0	307,978	Calculated Field - Governed by the MoU
2014/15 End Balance	0	70,771	74,705	104,209	102,839	-316,693	0	35,831	Calculated Field - Governed by the MoU
Appeals Information									

Category	Qtr 1 Forecast	2013/14 NNDR-3
Coventry	~8,000,000	~10,000,000
North Warwickshire	~2,000,000	~2,000,000
Nuneaton and Bedworth	~1,500,000	~1,500,000
Rugby	~2,500,000	~2,500,000
Stratford-on-Avon	~2,500,000	~2,500,000
Warwick	~5,500,000	~6,500,000
Total	~22,000,000	~25,000,000

Provision for Appeals									
2013/14 NNDR-3	10,188,301	2,112,060	1,558,654	2,201,422	2,623,067	6,553,156		25,236,660	2013/14 NNDR-3
Qtr 1 Forecast	7,911,700	2,277,183	1,558,654	2,201,422	2,454,466	5,907,156		22,310,581	Quarterly Return by Pool Member

Coventry and Warwickshire Business Rate Pool 2014/15 Quarter Two Forecast

Item	Coventry £	North Warwickshire £	Nuneaton and Bedworth £	Rugby £	Stratford- on-Avon £	Warwick £	Warwickshire £	Pool £	Source
Business Rates Baseline	55,281,023	15,662,148	12,673,211	15,253,038	20,054,031	25,038,951	22,170,345	166,132,747	Levy and Safety Net Regulations SI 2013 737
Spending Baseline	72,016,807	1,711,430	3,287,856	2,150,233	2,200,153	3,069,789	57,084,029	141,520,296	2014/15 Finance Settlement
(Tariff) or Top Up	15,658,880	-14,255,825	-9,632,237	-13,399,942	-18,244,541	-22,456,934	34,481,794	-24,612,451	2014/15 Finance Settlement
Levy Rate	0.00%	50%	50%	50%	50%	50%	0.00%	16.44%	2014/15 Finance Settlement
Business Rates Net Rate Yield	118,281,180	42,429,576	33,335,166	42,799,417	52,902,343	67,155,342	238,621,844	356,903,024	Quarterly Return by Pool Member
NRY Share	57,957,778	16,971,830	13,334,066	17,119,767	21,160,937	26,862,137	23,862,184	177,268,700	
Localism Act Reliefs	0	0	50,000	0	0	0	50,000	50,000	2014/15 NNDR-1
Localism Act Reliefs Share	0	0	20,000	0	0	0	0	20,000	
Small Business Rate	5,228,837	1,324,369	1,918,644	1,799,439	3,313,491	2,885,483	11,241,426	16,470,263	Quarterly Return by Pool Member
Small Business Rate Share	1,281,065	264,874	383,729	359,888	662,698	577,097	562,071	4,091,422	
Provision Backdated Appeals 4/5ths	1,775,070	488,576	0	0	0	0	122,144	2,385,790	
Provision Backdated Appeals Share 1/5th	443,768	122,144	0	0	0	0	30,536	596,448	
Rates Allocation +/- Tariff or Top Up	74,453,956	2,858,735	4,105,559	4,079,713	3,579,095	4,982,299	58,875,514	152,934,870	Calculated Field
National Safety Net Threshold	66,615,546	1,583,073	3,041,266	1,988,966	2,035,141	2,839,554	52,802,727	130,906,274	2014/15 Finance Settlement
National Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Growth before Levy	2,437,149	1,147,305	817,703	1,929,480	1,378,942	1,912,511	1,791,485	11,414,574	Calculated Field
Levy	0	573,653	408,852	964,740	689,471	956,255	0	1,876,861	Calculated Field
Retained Growth after Levy	2,437,149	573,653	408,852	964,740	689,471	956,255	1,791,485	9,537,713	Calculated Field
Spending Power without Pool	74,453,956	2,285,083	3,696,707	3,114,973	2,889,624	4,026,044	58,875,514	151,058,009	Calculated Field
Local Safety Net Threshold	68,415,966	1,625,859	3,123,463	2,042,721	2,090,145	2,916,299	54,229,828	134,444,281	Calculated Field
Local Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Spending Power with Local Safety Net	74,453,956	2,285,083	3,696,707	3,114,973	2,889,624	4,026,044	58,875,514	151,058,009	Calculated Field
Gain from Pooling								1,716,109	Calculated Field - Governed by the MoU
Allocation of Retained Levy									
Admin Fee								30,000	Calculated Field - Governed by the MoU
25 % to Safety Net	0	67,301	47,966	113,183	80,889	112,188	0	421,527	Calculated Field - Governed by the MoU
25% to Performer	0	67,301	47,966	113,183	80,889	112,188	0	421,527	Calculated Field - Governed by the MoU
50% to Pool by Spending Baseline	429,013	10,195	19,586	12,809	13,107	18,287	340,057	843,055	Calculated Field - Governed by the MoU
Allocation from Local Safety Net	0	0	0	0	0	0	0	0	Calculated Field - Governed by the MoU
Spending Power with Pool	74,882,970	2,362,579	3,764,260	3,240,965	2,983,619	4,156,519	59,215,571	150,606,482	Calculated Field
Extra Spending Power with Pool	429,013	77,496	67,553	125,993	93,995	130,475	340,057	1,264,582	Calculated Field
	0.58%	3.39%	1.83%	4.04%	3.25%	3.24%	0.58%		Calculated Field

Coventry and Warwickshire Business Rate Pool 2014/15 Quarter Two Forecast

Item	Coventry £	North Warwickshire £	Nuneaton and Bedworth £	Rugby £	Stratford- on-Avon £	Warwick £	Warwickshire £	Pool £	Source
Memo Repayable Safety Net Account									
2013/14 Carry Forward	0	5,626	31,604	17,256	2,865	-329,498	0	-272,147	Calculated Field - Governed by the MoU
2014/15 Repayment / Balance	0	67,301	47,966	113,183	80,889	242,663	0	552,002	Calculated Field - Governed by the MoU
2014/15 End Balance	0	72,927	79,570	130,439	83,754	-86,836	0	279,855	Calculated Field - Governed by the MoU
Appeals Information									

Category	Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford-on-Avon	Warwick
2013/14 NNDR-3	10,188,301	2,112,060	1,558,654	2,201,422	2,623,067	6,553,156
Qtr 1 Forecast	7,911,700	2,277,183	1,558,654	2,201,422	2,454,466	5,907,156
Qtr 2 Forecast	8,485,868	2,034,704	2,242,706	2,201,422	2,623,067	5,768,092

Provision for Appeals									
2013/14 NNDR-3	10,188,301	2,112,060	1,558,654	2,201,422	2,623,067	6,553,156		25,236,660	2013/14 NNDR-3
Qtr 1 Forecast	7,911,700	2,277,183	1,558,654	2,201,422	2,454,466	5,907,156		22,310,581	Quarterly Return by Pool Member
Qtr 2 Forecast	8,485,868	2,034,704	2,242,706	2,201,422	2,623,067	5,768,092		23,355,859	Quarterly Return by Pool Member

Coventry and Warwickshire Business Rate Pool 2014/15 Quarter Two Forecast

Item	Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford- on-Avon	Warwick	Warwickshire	Pool	Source
	£	£	£	£	£	£	£	£	
Business Rates Baseline	55,281,023	15,662,148	12,673,211	15,253,038	20,054,031	25,038,951	22,170,345	166,132,747	Levy and Safety Net Regulations SI 2013 737
Spending Baseline	72,016,807	1,711,430	3,287,856	2,150,233	2,200,153	3,069,789	57,084,029	141,520,296	2014/15 Finance Settlement
(Tariff) or Top Up	15,658,880	-14,255,825	-9,632,237	-13,399,942	-18,244,541	-22,456,934	34,481,794	-24,612,451	2014/15 Finance Settlement
Levy Rate	0.00%	50%	50%	50%	50%	50%	0.00%	16.44%	2014/15 Finance Settlement
Business Rates Net Rate Yield	118,796,916	41,180,121	34,481,147	41,708,849	52,306,023	69,342,362	239,018,502	357,815,418	Quarterly Return by Pool Member
NRY Share	58,210,489	16,472,048	13,792,459	16,683,540	20,922,409	27,736,945	23,901,850	177,719,740	
Localism Act Reliefs	0	0	50,000	0	0	0	50,000	50,000	2014/15 NNDR-1
Localism Act Reliefs Share	0	0	20,000	0	0	0	0	20,000	
Small Business Rate	5,471,979	1,324,369	1,970,489	1,829,306	3,183,375	2,977,262	11,284,801	16,756,780	Quarterly Return by Pool Member
Small Business Rate Share	1,340,635	264,874	394,098	365,861	636,675	595,452	564,240	4,161,835	
Provision Backdated Appeals 4/5ths	1,775,070	488,576	0	0	0	0	122,144	2,385,790	
Provision Backdated Appeals Share 1/5th	443,768	122,144	0	0	0	0	30,536	596,448	
Rates Allocation +/- Tariff or Top Up	74,766,236	2,358,953	4,574,320	3,649,459	3,314,544	5,875,463	58,917,348	153,456,323	Calculated Field
National Safety Net Threshold	66,615,546	1,583,073	3,041,266	1,988,966	2,035,141	2,839,554	52,802,727	130,906,274	2014/15 Finance Settlement
National Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Growth before Levy	2,749,430	647,523	1,286,465	1,499,226	1,114,391	2,805,674	1,833,319	11,936,027	Calculated Field
Levy	0	323,762	643,232	749,613	557,195	1,402,837	0	1,962,602	Calculated Field
Retained Growth after Levy	2,749,430	323,762	643,232	749,613	557,195	1,402,837	1,833,319	9,973,426	Calculated Field
Spending Power without Pool	74,766,236	2,035,192	3,931,088	2,899,846	2,757,348	4,472,626	58,917,348	151,493,722	Calculated Field
Local Safety Net Threshold	68,415,966	1,625,859	3,123,463	2,042,721	2,090,145	2,916,299	54,229,828	134,444,281	Calculated Field
Local Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Spending Power with Local Safety Net	74,766,236	2,035,192	3,931,088	2,899,846	2,757,348	4,472,626	58,917,348	151,493,722	Calculated Field
Gain from Pooling								1,714,038	Calculated Field - Governed by the MoU
Allocation of Retained Levy									
Admin Fee								30,000	Calculated Field - Governed by the MoU
25 % to Safety Net	0	37,074	73,656	85,838	63,804	160,638	0	421,009	Calculated Field - Governed by the MoU
25% to Performer	0	37,074	73,656	85,838	63,804	160,638	0	421,009	Calculated Field - Governed by the MoU
50% to Pool by Spending Baseline	428,486	10,183	19,562	12,793	13,090	18,265	339,639	842,019	Calculated Field - Governed by the MoU
Allocation from Local Safety Net	0	0	0	0	0	0	0	0	Calculated Field - Governed by the MoU
Spending Power with Pool	75,194,723	2,082,448	4,024,306	2,998,477	2,834,243	4,651,528	59,256,987	151,042,712	Calculated Field
Extra Spending Power with Pool	428,486	47,256	93,218	98,631	76,895	178,903	339,639	1,263,028	Calculated Field
	0.57%	2.32%	2.37%	3.40%	2.79%	4.00%	0.58%		Calculated Field

Coventry and Warwickshire Business Rate Pool 2014/15 Quarter Two Forecast

Item	Coventry £	North Warwickshire £	Nuneaton and Bedworth £	Rugby £	Stratford- on-Avon £	Warwick £	Warwickshire £	Pool £	Source
Memo Repayable Safety Net Account									
2013/14 Carry Forward	0	5,626	31,604	17,256	2,865	-329,498	0	-272,147	Calculated Field - Governed by the MoU
Repayment of 2013/14 Safety Net	0	0	0	0	0	329,498	0	329,498	Calculated Field - Governed by the MoU
2014/15 Safety Net	0	37,074	73,656	85,838	63,804	10,042	0	270,414	Calculated Field - Governed by the MoU
2014/15 End Balance	0	42,700	105,260	103,093	66,669	10,042	0	327,765	Calculated Field - Governed by the MoU
Appeals Information									

District	Amount (£)
Coventry	10,188,301
North Warwickshire	2,112,060
Nuneaton and Bedworth	1,558,654
Rugby	2,201,422
Stratford-on-Avon	2,623,067
Warwick	6,553,156
Total	25,236,660


Provision for Appeals									
2013/14 NNDR-3	10,188,301	2,112,060	1,558,654	2,201,422	2,623,067	6,553,156		25,236,660	2013/14 NNDR-3
Qtr 1 Forecast	7,911,700	2,277,183	1,558,654	2,201,422	2,454,466	5,907,156		22,310,581	Quarterly Return by Pool Member
Qtr 2 Forecast	8,485,868	2,034,704	2,242,706	2,908,985	2,623,067	5,768,092		24,063,422	Quarterly Return by Pool Member
Qtr 3 Forecast	8,485,868	2,034,704	1,075,684	2,725,892	2,623,067	3,329,857		20,275,072	Quarterly Return by Pool Member
YTD Change	-1,702,433	-77,356	-482,970	524,470	0	-3,223,299		-4,961,588	Quarterly Return by Pool Member

Item	Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford- on-Avon	Warwick	Warwickshire	Pool	Source
	£	£	£	£	£	£	£	£	
Business Rates Baseline	55,281,023	15,662,148	12,673,211	15,253,038	20,054,031	25,038,951	22,170,345	166,132,747	Levy and Safety Net Regulations SI 2013 737
Spending Baseline	72,016,807	1,711,430	3,287,856	2,150,233	2,200,153	3,069,789	57,084,029	141,520,296	2014/15 Finance Settlement
(Tariff) or Top Up	15,658,880	-14,255,825	-9,632,237	-13,399,942	-18,244,541	-22,456,934	34,481,794	-24,612,451	2014/15 Finance Settlement
Levy Rate	0.00%	50%	50%	50%	50%	50%	0.00%	16.44%	2014/15 Finance Settlement
Business Rates Net Rate Yield	119,459,406	39,342,738	32,063,457	41,642,375	51,558,910	63,306,813	227,914,293	347,373,699	2014/15 NNDR-3 Part 5 Line 1 column 5
NRV Share	58,535,109	15,737,095	12,825,383	16,656,950	20,623,564	25,322,725	22,791,429	172,492,255	
Localism Act Reliefs	0	0	17,546	0	0	0	17,546	17,546	2014/15 NNDR-3 Part 3 Line 34 column 3
Localism Act Reliefs Share	0	0	7,018	0	0	0	0	7,018	
Discretionary Reliefs	814,632	168,231	339,317	346,528	217,225	545,241	1,616,542	2,431,174	2014/15 NNDR-3 Part 3 Line 45
Discretionary Reliefs Share	399,170	67,292	135,727	138,611	86,890	218,096	0	1,045,786	
Small Business Rate	5,236,847	1,313,563	1,876,634	1,780,492	3,312,357	2,832,502	11,115,548	16,352,395	2014/15 NNDR-3 Part 3 Line 6
Small Business Rate Share	1,283,028	262,713	375,327	356,098	662,471	566,500	555,777	4,061,915	
Provision Backdated Appeals	1,775,070	488,576	0	0	0	0	122,144	2,385,790	
Provision Backdated Appeals Share 1/5th	443,768	122,144	0	0	0	0	30,536	596,448	
Rates Allocation +/- Tariff or Top Up	75,432,419	1,689,131	3,711,218	3,751,718	3,128,385	3,650,388	57,798,465	149,161,723	Calculated Field
National Safety Net Threshold	66,615,546	1,583,073	3,041,266	1,988,966	2,035,141	2,839,554	52,802,727	130,906,274	2014/15 Finance Settlement
National Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Growth before Levy	3,415,612	-22,299	423,363	1,601,485	928,232	580,599	714,436	7,641,427	Calculated Field
Levy	0	0	211,681	800,742	464,116	290,300	0	1,256,455	Calculated Field
Retained Growth after Levy	3,415,612	-22,299	211,681	800,742	464,116	290,300	714,436	6,384,972	Calculated Field
Spending Power without Pool	75,432,419	1,689,131	3,499,537	2,950,975	2,664,269	3,360,088	57,798,465	147,905,269	Calculated Field
Local Safety Net Threshold	68,415,966	1,625,859	3,123,463	2,042,721	2,090,145	2,916,299	54,229,828	134,444,281	Calculated Field
Local Safety Net Payment	0	0	0	0	0	0	0	0	Calculated Field
Spending Power with Local Safety Net	75,432,419	1,689,131	3,499,537	2,950,975	2,664,269	3,360,088	57,798,465	147,905,269	Calculated Field
Gain from Pooling								510,384	Calculated Field - Governed by the MoU
Allocation of Retained Levy									
Admin Fee								30,000	Calculated Field - Governed by the MoU
25 % to Safety Net	0	0	14,388	54,428	31,547	19,732	0	120,096	Calculated Field - Governed by the MoU
25% to Performer	0	0	14,388	54,428	31,547	19,732	0	120,096	Calculated Field - Governed by the MoU
50% to Pool by Spending Baseline	122,229	2,905	5,580	3,649	3,734	5,210	96,885	240,192	Calculated Field - Governed by the MoU
Allocation from Local Safety Net	0	0	0	0	0	0	0	0	Calculated Field - Governed by the MoU
Spending Power with Pool	75,554,648	1,692,036	3,519,506	3,009,053	2,699,550	3,385,031	57,895,349	147,755,172	Calculated Field
Extra Spending Power with Pool	122,229	2,905	19,969	58,078	35,281	24,942	96,885	360,288	Calculated Field
	0.16%	0.17%	0.57%	1.97%	1.32%	0.74%	0.17%		Calculated Field
Memo Repayable Safety Net Account									
2013/14 Local Safety Net Carried Forward	0	5,626	31,604	17,256	2,865	-327,010	0	-269,659	Calculated Field - Governed by the MoU
Repayment of 2013/14 Local Safety Net	0	0	0	0	0	44,675		44,675	
Rentention of 2014/15 Local Safety Net	0	0	14,388	54,428	31,547	0	0	100,364	
Balance on Account as at 31/03/2015	0	5,626	45,992	71,684	34,412	-282,336	0	-124,621	Calculated Field - Governed by the MoU

Coventry and Warwickshire Business Rate Pool 2014/15 - Outturn NNDR-3 May 2015

Item	Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford- on-Avon	Warwick	Warwickshire	Pool	Source																																										
	£	£	£	£	£	£	£	£																																											
Appeals Information																																																			
<table><thead><tr><th>Item</th><th>Coventry</th><th>North Warwickshire</th><th>Nuneaton and Bedworth</th><th>Rugby</th><th>Stratford-on-Avon</th><th>Warwick</th></tr></thead><tbody><tr><td>Qtr 4 Forecast</td><td>8,000,000</td><td>4,000,000</td><td>3,500,000</td><td>2,000,000</td><td>4,000,000</td><td>10,000,000</td></tr><tr><td>Qtr 3 Forecast</td><td>8,500,000</td><td>2,000,000</td><td>1,000,000</td><td>3,000,000</td><td>3,000,000</td><td>3,500,000</td></tr><tr><td>Qtr 2 Forecast</td><td>8,500,000</td><td>2,000,000</td><td>2,500,000</td><td>3,000,000</td><td>3,000,000</td><td>6,000,000</td></tr><tr><td>Qtr 1 Forecast</td><td>8,000,000</td><td>2,000,000</td><td>1,500,000</td><td>2,500,000</td><td>3,000,000</td><td>6,000,000</td></tr><tr><td>2013/14 NNDR-3</td><td>10,000,000</td><td>2,000,000</td><td>2,000,000</td><td>3,000,000</td><td>3,000,000</td><td>7,000,000</td></tr></tbody></table>										Item	Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford-on-Avon	Warwick	Qtr 4 Forecast	8,000,000	4,000,000	3,500,000	2,000,000	4,000,000	10,000,000	Qtr 3 Forecast	8,500,000	2,000,000	1,000,000	3,000,000	3,000,000	3,500,000	Qtr 2 Forecast	8,500,000	2,000,000	2,500,000	3,000,000	3,000,000	6,000,000	Qtr 1 Forecast	8,000,000	2,000,000	1,500,000	2,500,000	3,000,000	6,000,000	2013/14 NNDR-3	10,000,000	2,000,000	2,000,000	3,000,000	3,000,000	7,000,000
Item	Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford-on-Avon	Warwick																																													
Qtr 4 Forecast	8,000,000	4,000,000	3,500,000	2,000,000	4,000,000	10,000,000																																													
Qtr 3 Forecast	8,500,000	2,000,000	1,000,000	3,000,000	3,000,000	3,500,000																																													
Qtr 2 Forecast	8,500,000	2,000,000	2,500,000	3,000,000	3,000,000	6,000,000																																													
Qtr 1 Forecast	8,000,000	2,000,000	1,500,000	2,500,000	3,000,000	6,000,000																																													
2013/14 NNDR-3	10,000,000	2,000,000	2,000,000	3,000,000	3,000,000	7,000,000																																													

2014-15 KEY INFORMATION FOR POOLS										
Pool	Coventry & Warwickshire Pool									
	Local authorities within pool		Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford-on-Avon	Warwick	Warwickshire	Total for pool
	Baseline funding level (£)	0	72,016,807	1,711,430	3,287,856	2,150,233	2,200,153	3,069,789	57,084,029	141,520,296
of which	Council Tax Freeze (£)	1	1,199,993	45,512	81,746	61,413	68,446	79,642	2,369,050	3,905,802
	Early Intervention Funding (£)	2	4,510,990	0	0	0	0	0	5,749,832	10,260,823
	GLA General Funding (£)	3	0	0	0	0	0	0	0	0
	GLA Transport Funding (£)	4	0	0	0	0	0	0	0	0
	London Bus Service Operators Funding (£)	5	0	0	0	0	0	0	0	0
	Homelessness Prevention (£)	6	43,928	23,274	31,779	28,944	40,284	27,122	0	195,331
	Lead Local Flood Authority Funding (£)	7	51,887	0	0	0	0	0	58,037	109,925
	Learning Disability and Health Reform Funding (£)	8	598,271	0	0	0	0	0	5,024,343	5,622,614
	Tariffs and Top-Ups (£)	9	15,658,880	-14,255,825	-9,632,237	-13,399,942	-18,244,541	-22,456,934	34,481,794	-27,848,804
	Levy Rate	10	0.0000	0.5000	0.5000	0.5000	0.5000	0.5000	0.0000	0.1644
	Safety Net Threshold (£)	11	66,615,546	1,583,073	3,041,266	1,988,966	2,035,141	2,839,554	52,802,727	130,906,274
PROVISIONAL 2015-16 KEY INFORMATION FOR POOLS										
	Select pool by clicking on the cell below and using the drop-down menu									
Pool	Coventry and Warwickshire Business Rates Pool									
	Local authorities within pool		Coventry	North Warwickshire	Nuneaton and Bedworth	Rugby	Stratford-on-Avon	Warwick	Warwickshire	Total for pool
	Baseline funding level (£)	0	73,392,924	1,744,133	3,350,681	2,191,320	2,242,194	3,128,447	58,174,807	144,224,506
of which	Council Tax Freeze (£)	1	1,222,923	46,382	83,308	62,586	69,754	81,164	2,414,319	3,980,435
	Early Intervention Funding (£)	2	4,597,188	0	0	0	0	0	5,859,701	10,456,889
	GLA General Funding (£)	3	0	0	0	0	0	0	0	0
	GLA Transport Funding (£)	4	0	0	0	0	0	0	0	0
	London Bus Service Operators Funding (£)	5	0	0	0	0	0	0	0	0
	Homelessness Prevention (£)	6	44,768	23,719	32,386	29,497	41,053	27,640	0	199,064
	Lead Local Flood Authority Funding (£)	7	52,879	0	0	0	0	0	59,146	112,025
	Learning Disability and Health Reform Funding (£)	8	609,702	0	0	0	0	0	5,120,350	5,730,052
	Tariffs and Top-Ups (£)	9	15,958,095	-14,528,229	-9,816,292	-13,655,992	-18,593,163	-22,886,048	35,140,682	-28,380,947
	Levy Rate	10	0.0000	0.5000	0.5000	0.5000	0.5000	0.5000	0.0000	0.1644
	Safety Net Threshold (£)	11	67,888,455	1,613,323	3,099,380	2,026,971	2,074,029	2,893,813	53,811,696	133,407,668
Change between in 2014-15 to 2015-16										
	Baseline funding level (£)		1,376,117	32,702	62,825	41,087	42,041	58,658	1,090,778	2,704,209
	Council Tax Freeze (£)		22,930	870	1,562	1,173	1,308	1,522	45,268	74,633
	Early Intervention Funding (£)		86,197	0	0	0	0	0	109,869	196,067
	GLA General Funding (£)		0	0	0	0	0	0	0	0
	GLA Transport Funding (£)		0	0	0	0	0	0	0	0
	London Bus Service Operators Funding (£)		0	0	0	0	0	0	0	0
	Homelessness Prevention (£)		839	445	607	553	770	518	0	3,732
	Lead Local Flood Authority Funding (£)		991	0	0	0	0	0	1,109	2,100
	Learning Disability and Health Reform Funding (£)		11,432	0	0	0	0	0	96,007	107,438
	Tariffs and Top-Ups (£)		299,214	-272,404	-184,055	-256,050	-348,622	-429,113	658,888	-532,143
	Levy Rate		0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
	Safety Net Threshold (£)		1,272,909	30,250	58,113	38,006	38,888	54,259	1,008,969	2,501,394
	Baseline funding level (%)		1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%
	Council Tax Freeze (%)		1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%
	Early Intervention Funding (%)		1.9108%						1.9108%	1.9108%
	GLA General Funding (%)									
	GLA Transport Funding (%)									
	London Bus Service Operators Funding (%)									
	Homelessness Prevention (%)		1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%		1.9108%
	Lead Local Flood Authority Funding (%)		1.9108%						1.9108%	1.9108%
	Learning Disability and Health Reform Funding (%)		1.9108%						1.9108%	1.9108%
	Tariffs and Top-Ups (%)		1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%
	Levy Rate									
	Safety Net Threshold (%)		1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%	1.9108%

 Executive 29th July 2015		Agenda Item No. 4
Title	Gypsies and Travellers – update on the progress of the Draft Development Plan Document to allocate sites	
For further information about this report please contact	Lorna Coldicott Lorna.coldicott@warwickdc.gov.uk 01926 456505	
Wards of the District directly affected		
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	11 th March 2015 Minute number 145	
Background Papers	None	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	Yes/No (If No state why below)
N/A	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	02.06.15	Chris Elliott/Bill Hunt
Head of Service	02.06.15	Tracy Darke
CMT	02.06.15	Chris Elliott, Bill Hunt, Andy Jones
Section 151 Officer	02.06.15	Mike Snow
Monitoring Officer	02.06.15	Andy Jones
Finance	02.06.15	Mike Snow
Portfolio Holder(s)	13.07.15	Cllr Stephen Cross
Consultation & Community Engagement		
Final Decision?	No	

1. Summary

1.1 This report:

- Informs Members of the current position with regard to the preparation of the Draft Development Plan Document
- Updates Members on opportunities for working with a housing provider to bring forward sites
- Updates Members on the funding opportunities through the Homes and Communities Agency (HCA)
- Enables consideration of applying for HCA funding and working with a housing provider and possible future need for Council investment to deliver sites
- Enables consideration of previously approved approach to seeking Green Belt land
- Enables consideration of invoking the Council's powers of Compulsory Purchase Order to secure land for sites

2. Recommendations

- 2.1 That Executive notes the latest position in respect of Green Belt Gypsy and Traveller site provision and agrees that officers should not take any further proactive steps to identify potential Gypsy and Traveller sites in the Green Belt.
- 2.2 That Executive notes the funding that may be available from HCA and a housing association and agrees that it will consider business cases for site delivery that involve the use of council funds.
- 2.3 That subject to agreeing recommendation 2.2, Executive agrees to officers progressing Gypsy and Traveller options at the following sites:
- a. Harbury Lane (Leamington Football Club) (see plan at Appendix 1);
 - b. Land off Birmingham Road (Oaklands Farm) (see plan at Appendix 2)
- 2.4 That Executive re-affirms the policy position in the Draft Local Plan that should any further non-Green Belt sites be identified as potential for Gypsy & Traveller provision, any business case can include the option of Compulsory Purchase Order (CPO) and that officers should reconsider non-Green Belt sites that were previously discounted on the grounds that the owner would not sell.
- 2.5 That Executive notes the opportunity for a Gypsy & Traveller site (either permanent or transit) on land to the east of Europa Way (see plan at Appendix 3) and agrees that officers develop respective business cases for such provision with full details being brought to a future Executive meeting.

3. Reasons for the Recommendations

- 3.1 In March 2015 the Executive approved a new approach to the identification of Gypsy & Traveller sites by considering land currently within the Green Belt that may be removed from the Green Belt through the Local Plan process, so freeing up a suitable site for further consideration. Since that time, officers have been working to identify land which is coming onto the open market, both within the Green Belt and outside for its suitability against the criteria within the Local Plan (policy H8). To date, this search has not yielded any additional, suitable, potential sites, even if that land were to be excluded from the Green Belt. Furthermore, the Government has tightened up the guidance on the allocation

of sites within the Green Belt to accommodate Gypsies and Travellers and the 'exceptional circumstances' required to allocate such land do not include the lack of non-green belt sites (Planning Policy for Traveller Sites, 2012). Planning applications have also been 'called in' by the previous Secretary of State for his own decision to ensure that Green Belt sites are only developed where the 'exceptional circumstances' are strictly enforced. Sites therefore that are in the Green Belt and considered acceptable, sustainable and deliverable in every other way, would have to be taken out of the Green Belt through the Local Plan process, as advised in the last Executive report. It is therefore recommended that given officers' fruitless search for Green Belt sites and the tightening of Government guidance, further resource is not deployed in exploring this as an option.

- 3.2 However, previously reported and identified Green Belt land at Oaklands Farm, Birmingham Road, Budbrooke is worthy of further consideration. It has the potential to accommodate 15 pitches, is currently for sale on the open market and discussions have taken place in the past with the landowner with a view to the provision of a Traveller site there. Indeed, the site was included during the Issues and Options stage of the Gypsy and Traveller Site Allocations document and was carried forward as a potential site in the Preferred Options stage of the document, but then reconsidered because of its Green Belt status. The land is still available and is well located and previously developed. If this was considered a suitable site to pursue however, it could be taken out of the Green Belt through the Local Plan process and a logical, defensible boundary be drawn around the site.
- 3.3 At that same March 2015 meeting the Executive approved that officers make an approach to the HCA with regard to potential funding for a Gypsy and Traveller site(s). Officers have since met with a representative from the HCA to discuss possible funding options. HCA grants are provided to assist delivery of sites through Local Authorities or Housing Associations within a set period of time. Currently funding is only applicable to projects within the 2015 – 2018 timeframe with no certainty of any funding available beyond that period. Consequently, with the hiatus in Warwick District Council's Local Plan process, it is highly unlikely that a scheme could be completed by March 2018. However, should the Plan process get back on track then it is worth Members understanding the following issues:
- 3.3.1 HCA is not allowed to help fund any sites within the Green Belt, but is able to fund transit sites as well as permanent outside the Green Belt. Sites that have been removed from the Green Belt through the Local Plan process are eligible for funding;
- 3.3.2 There is a ceiling of £90k per pitch inclusive of land acquisition costs, available toward the sites HCA can invest in. Agricultural land values locally average just under £10k per acre (Savills Market Survey 2014). However, the overall cost of setting up a site for 15 pitches is in the region of £1.6 million, based on other Councils' experiences. This would obviously leave a considerable shortfall when these additional costs are taken into account (land purchase, VAT, provision of services and ground-works to construct individual pitches);
- 3.3.3 To make up the shortfall in funding a housing association and/or a Local Authority could assist. An example that Members may wish to consider involves a site in North Somerset Council's area (July 2014), where the local authority contributed £600k to make up the shortfall on a 24 pitch site; the other costs being met by HCA funding and money from Elim Housing Association;

- 3.3.4 There may be a further round for bidding post 2018 and so officers will continue to monitor funding announcements.
- 3.4 In addition to this work, officers have met with a housing association, Rooftop Housing, who provide affordable housing and have also set up and manage sites for Gypsies and Travellers in Worcestershire and Solihull. This group is interested in providing the same service in Warwick District. Importantly, the housing association would not only work with the HCA to obtain funding, but also own and manage sites, allocating pitches to ensure that tenants form communities that integrate with existing residents. A meeting last month with a representative, which included visits to potential sites, has shown that Rooftop is interested in those specific sites and is impressed with the locations, access and other aspects which make them not only suitable but also desirable for this use. Those sites are at Harbury Lane (Leamington Football Club) and potentially at Oaklands Farm, Birmingham Road, Budbrooke, (see above). Officers have also considered the possibility of providing a Traveller site as part of the new Local Plan housing allocation at Europa Way where it could be integrated into the larger residential element of the site. However, this site is required to help address the shortfall of affordable housing together with the community stadium/ hub. If a Gypsy and Traveller site were also to be included here, there would be substantial impacts on not only the delivery of the other necessary community benefits, but also upon the viability of the overall site. It has therefore been dismissed as a potential way of providing such a site.
- 3.4 Officers were also made aware of two other housing associations that may be prepared to provide sites for Gypsies and Travellers but of these, one will only work in the Bristol area and the other has decided not to pursue this sector of their business in future. Rooftop therefore remains the only such provider willing to work with us to set up a site(s) in this district.
- 3.5 At a meeting of the Executive on 12 February 2014, members committed in principle to invoke the Council's use of Compulsory Purchase Powers to ensure delivery in the event that an insufficient number of sites set out in Policy PO1 and PO2 of the Preferred Options consultation document came forward with the support of the landowners, to ensure that the required number of pitches are delivered. Subsequent to that meeting, it was agreed by the Executive that this would not apply to the Leamington Football Club site on Harbury Lane as the potential move of the club from this site to another to be allocated in the Local Plan, dictated whether or not this land would become available and the Council had no intention of using Compulsory Purchase powers to evict the club. Thus far no other such undertaking has been given for other non-green belt sites.
- 3.6 The CPO process is lengthy, costly (typically the legal costs alone are in the region of £100k plus the value of the land and relocation of any business uses plus 'disturbance allowances'), unpopular and has so far not delivered any Gypsy and Traveller sites in other parts of the country. In the circumstances however, where there is potentially acceptable land available but for the reluctance of landowners to part with it for such a use, officers would suggest that CPO needs to be an option and indeed Policy H9 of the submitted Local Plan states that the Council will consider this as an option but as a last resort. Officers would further recommend that they revisit the non-green belt sites (table attached at Appendix 4) which have been previously subject to public consultation, to ascertain whether there are any that could be delivered in this way if the reason for their unsuitability was the land-owners reluctance to release land.

- 3.7 Land within the ownership of Warwickshire County Council was identified as potentially suitable for the use as a Gypsy and Traveller site to the east of Europa Way. This land has been consulted upon throughout all stages of the preparation of the Plan and has received little opposition. Warwickshire County Council has formally agreed to transfer the ownership of this land to Warwick District Council with the proviso that if the District Council were to subsequently sell the land, any uplift in value would be paid back to the County Council. This land represents an excellent opportunity to provide a small site for either permanent or possibly transit use within a relatively short time frame. Officers are also investigating the possibility of gaining an additional area of land from a private landowner to extend the boundary of this site resulting in a larger developable area, but this is at an early stage. At this point no commitment has been sought to purchase any land as this would form part of the overall business case for Members' consideration.

4. **Policy Framework**

- 4.1 **Submitted Local Plan** - The site choices will need to conform to the Gypsy and Traveller Site Provision Criteria policy H8 within the Submitted Local Plan. It will also need to align with the plans of our partners' documents, including the Warwickshire Local Transport Plan
- 4.2 **Fit for the Future** – The final version of the DPD will need to align with and help deliver the Sustainable Community Strategy (SCS) and the Council's Fit for the Future programme where appropriate. It will also need to align with the Local Plan and our partners documents, including the Warwickshire Local Transport Plan
- 4.3 **Impact Assessments** – During the preparation of the Local Plan an Equalities Impact Assessment was undertaken. This looked at a wide range of potential impacts and concluded that three areas needed to be focussed on in addressing potential negative impacts: consultation; housing mix/affordable housing and Gypsies and Travellers. The preparation of the Plan has addressed these three issues, with further extensive consultations in line with the Statement of Community Involvement; a clear and strong approach to affordable housing (see policy H2) and housing mix (see Policies H4, H5 and H6); and ongoing work to identify suitable site for provide for the accommodation needs of Gypsies and Travellers (see policies H7 and H8)

5. **Budgetary Framework**

- 5.1 Undertaking this work will have resource implications on the Council which will not all be covered by the existing budget. These aspects will need to be discussed further if members decide on certain courses of action and will be brought back to the Executive at a future date with a business plan representing a substantial amount of money. This may be to assist with the setting up of sites as outlined in para.3.2 above and could also include the cost of compulsory purchase as outlined in para.3.4 above.
- 5.2 The Council may be expected to lay out a considerable amount of money to enable a site, but the rents accrued by letting the pitches would be payable to the housing association. These rents are likely to be similar to those achieved on other such sites locally. In Stratford upon Avon district, Council owned sites attract a rent of £63 per week for a single pitch and £67 for a double. On the

Rooftop sites a standard pitch is in the region of £95 per week or £96 for a DDA compliant pitch and at the Griff site in Nuneaton where the pitches each have a park home provided, £108 per week. These rent levels are unlikely to repay investment quickly.

6. Risks

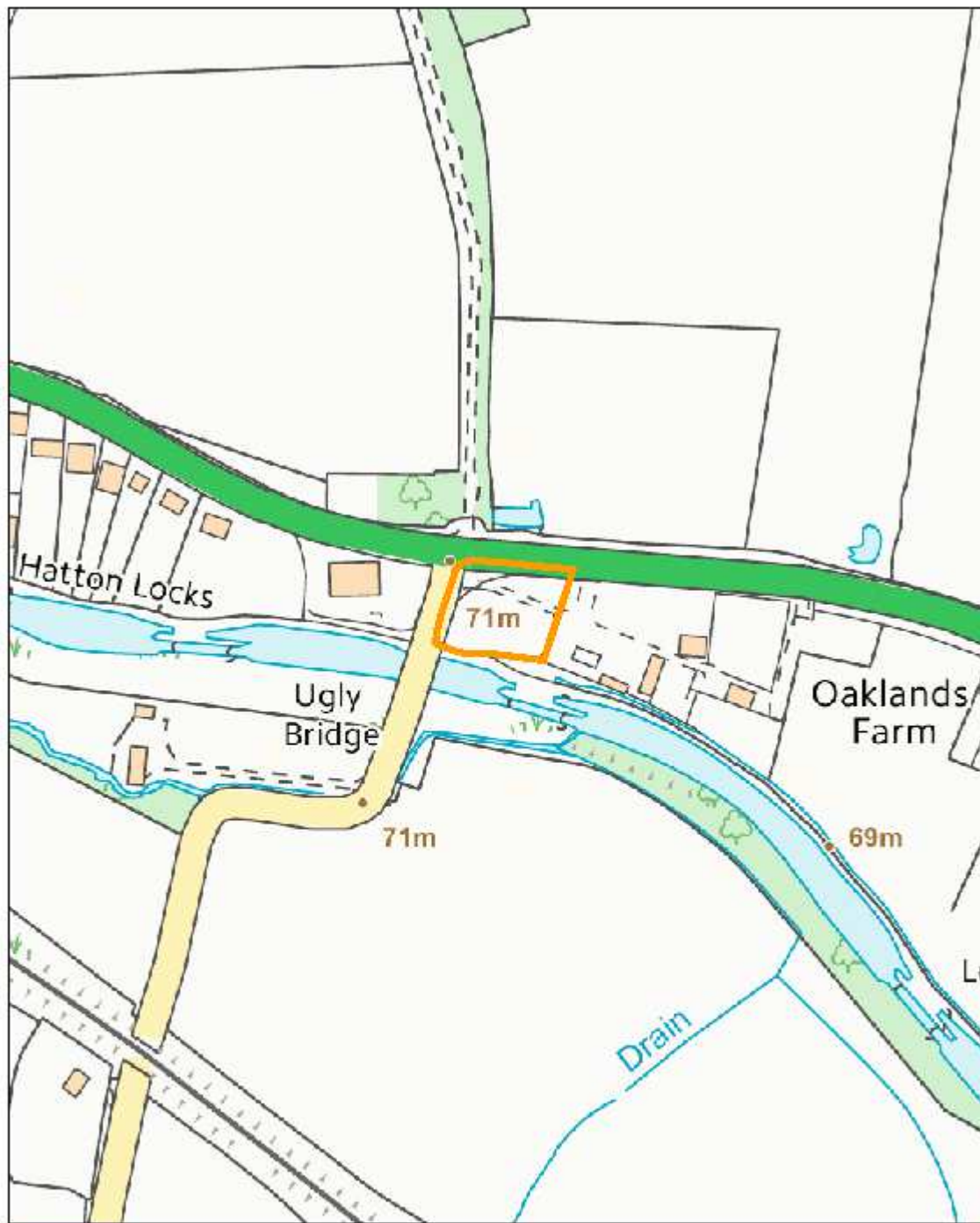
- 6.1 There are a number of risks connected with elements of this strategy. By not progressing this work, principally the risk of not meeting the required need for the provision of Gypsy and Traveller sites impacting on the progress and soundness of the submitted Local Plan.
- 6.2 There is also a significant risk that we could lose planning appeals on illegal sites, such as that experienced at Kites Nest Lane in recent years, because we have not made progress in the allocation of sites specifically for this sector of our community.
- 6.3 There is also a risk that by allocating land within the Green Belt and proposing to remove this land from the Green Belt, the DPD will be found unsound unless we can clearly demonstrate exceptional circumstances. This would result in the Council still not fulfilling its responsibilities to accommodate Gypsies and Travellers.
- 6.4 Additionally there is a risk that if the Council used its CPO powers to acquire a site outside the Green Belt that a landowner was unwilling to sell or use for this purpose, subsequent time and considerable expense could be wasted if the Secretary of State then failed to confirm the CPO, as has been experienced elsewhere in the country. This would result in the Council still not fulfilling its responsibilities to accommodate Gypsies and Travellers.

7. Alternative Option(s) considered

- 7.1 An option would be to not allocate sites for Gypsies and Travellers, but this would be contrary to national policy and the DPD would be found unsound without a commitment to meeting the need demonstrated by the GTAA.
- 7.2 Another option would be to not consider using CPO powers to purchase land. There are known risks to the procedure outlined in paragraphs 3.4 and 6.3 above. There is therefore a high risk of failure with this strategy but it may also be the only way to deliver acceptable sites outside the Green Belt.

Appendix 1
Map of Harbury Lane site





GT19 - Land off Birmingham Road, Budbrooke, Oaklands Farm

Scale
0 15 30 45 60 75 m

SP2566SE | 1:2500 @ A4 | 20/01/2014 | DSR | Grid Reference: 425598E, 266367N

Policy, Projects and Conservation, Development Services. ldf@warwickdc.gov.uk (01926) 456504


Appendix 3
Land east of Europa Way



Sites which are outside the Green Belt but were rejected due to lack of support by landowners

Site	Green Belt?	PD land?	Red/Amber /Green	Commentary
GT02 Land abutting Fosse Way at junction with A425 (part)	No	No	Green	<ul style="list-style-type: none"> • Access from Fosse Way possible if visibility splays achieved. New access cannot be opposite an existing – potential loss of intact hedgerow with associated ecological objections • Wholly within low risk flood zone 1 and is sequentially preferable • Ancient woodland to north west boundary-Parlour Spinney • Grade 3 and 3a agricultural land • Strong opposition from adjacent businesses – potential loss of employment • Roman pottery has been recorded from within the proposed site itself. There is a potential for the proposed development to disturb archaeological deposits associated with the Roman and later occupation of this area • Owner not willing to sell
GT06 Land at Park Farm/Spinney Farm (part)	No	No	Amber	<ul style="list-style-type: none"> • Would cause problems for viable agricultural unit • Proximity to Grade 1 Listed Park and Garden at Castle Park • Contamination issue related to former landfill site on western third of site reduces developable area • Noise issue connected with proximity to A452 and M40 just beyond along boundary to south • Lies within Flood Zone 1 and therefore sequentially preferable • Access should be achievable north of Park Farm • A range of prehistoric features have been recorded to the north and west of the proposed site. These include a number of features partially excavated ahead of the construction of the Warwick bypass, including a Neolithic cursus and a double pit alignment and settlement of Iron Age date. There is a potential for the proposed development to disturb archaeological deposits associated with the prehistoric and later occupation of this area. • Land owner not willing to sell
GT11 Land at Budbrooke Lodge, Racecourse and Hampton	No	No	Amber	<ul style="list-style-type: none"> • Reduced site area due to areas in Flood Zone 3 and potential road noise issues from A46 • Gog Brook modelled so confident of extent of floodplain

Road (part)				<ul style="list-style-type: none"> • Uncertainty over impact on racecourse and Budbrooke Lodge • Includes Gog Brook LWS • Immediately adjacent to local services and facilities at Chase Meadow • Edge of urban area • Close to primary road network • Good pedestrian access • Vehicular access may be achievable but Budbrooke Lodge access preferred and not available therefore this may make the site undeliverable • May be able to connect to main sewers serving Chase Meadow • Dependent upon the extent of any groundworks associated with the proposal, further detailed archaeological assessment may be appropriate in order to evaluate the potential for previously unrecorded archaeological remains • Land owner not willing to sell without whole of site to the north included as this part forms the access to land on which residential is envisaged and that value needs to be attained
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 Executive – 29th July 2015		Agenda Item No. 5
Title	Exemption from the Code of Procurement Practice - Provision of Support and Re-settlement Service	
For further information about this report please contact	Jacky Oughton Sustaining Tenancies Manager Housing and Property Services 01926 456433 jacky.oughton@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers		

Contrary to the policy framework:	Yes
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality & Sustainability Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Deputy Chief Executive		Bill Hunt/Andy Jones
Head of Service	13.07.15	Andy Thompson/Mike Snow
CMT		Chris Elliott, Andrew Jones, Bill Hunt
Section 151 Officer		Mike Snow
Monitoring Officer		Andy Jones
Finance		Sue Simmonds
Portfolio Holder(s)	16.07.15	Cllr. Phillips
Consultation & Community Engagement		
n/a		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 This report seeks approval from the Executive for an exemption from the Code of Procurement Practice to extend the arrangements for the provision of a Support and Re-settlement Service to provide housing related support to homeless families (or those families at risk of becoming homeless) provided by Bromford Support until 31st March 2016

2. RECOMMENDATIONS

- 2.1 That Executive grants an exemption to the Code of Procurement Practice to allow for the extension to no later than 31st March 2016 of the current contract for the provision of the Support and Re-settlement Service.
- 2.2 That Executive notes that the extension of the current contract is dependent on the continued provision of Housing Related Support (Supporting People) funding from (WCC). The service will end when WCC's funding ends, unless alternative funding can be sourced.

3. REASONS FOR THE RECOMMENDATION

- 3.1 The Support and Re-settlement Service to homeless families is funded primarily from Housing Related Support (Supporting People) resources provided by WCC to Warwick District Council (WDC). WCC commissions WDC to provide the service, which WDC has opted to do by outsourcing it to a third party. A three year contract to provide the service was let to Bromford Support in April 2012.
- 3.2 WCC has, since 2014, been reviewing the future of Housing Related Support (Supporting People) funding. As this work progressed, it was increasingly clear that there was little intention to continue funding for the Support and Re-settlement Service beyond March 2015. Housing and Property Services considered that in the absence of funds from WCC, the context of a review of temporary accommodation and related services for homeless people scheduled for 2015-2016 and the budgetary pressures on the General Fund that it would not be a wise use of funds to continue funding this service using district council resources. It is for these reasons that no provision was made to re-procure this service.
- 3.3 WDC was however advised on the 31st March 2015 by WCC that the County Council was to extend funding for the Support and Resettlement Service for a period of up to 12 months, expiring March 2016. The County Council has reserved the option to terminate this funding on the 30th September 2015 or at any point after 30th September 2015 (subject to no less than three months' notice)
- 3.4 WCC is currently expected to make a final decision on commissioning and funding for Housing Related Support (Supporting People) services in August 2015. If it does not continue funding for the Support and Re-settlement Service, then WDC will be under no obligation to continue this service in any way. The Council may however wish to consider delivering such a service in-house or retendering for an external supplier. The cost of this option would need to be met from the General Fund.
- 3.5 While having had access to the service for three years has been useful, in the context of reducing resources available to the Council officers do not feel that

the Council should itself consider funding the full cost of such a service. The current service has for three years been located within the Council's offices alongside the Housing & Property services teams. This has allowed for a degree of learning to be gained by our own officers who are now better placed to work with homeless households in need of support.

- 3.6 If WCC were to make funding available beyond March 2016, then WDC would retender for the service.

4. POLICY FRAMEWORK

- 4.1 The Code of Procurement Practice is an integral element of the Council's policy framework. The Code provides for an exemption to be sought where:
- There are exceptional circumstances in which it would not be in the Council's best interests to follow the tender or quotation procedure.
- 4.2 It is the advice of the Procurement Team that the late decision by Warwickshire County Council constitutes a reason beyond the control of Warwick District Council. This fact therefore justifies the exemption to the Code of Practice being sought in this report for this service.

5. BUDGETARY FRAMEWORK

- 5.1 The annual value of the contract is £35,000, of which £30,600 of funding comes from WCC. The remainder is funded from WDC's General Fund which has the capacity to continue funding the scheme at this level (£4,400 per annum) until March 2016.

6. RISKS

- 6.1 There is a risk that the Council could be challenged by third parties regarding the extension of the current contract. It is however unlikely that such a challenge will be received given the value and duration of the proposed extension.

7. ALTERNATIVE OPTION(S) CONSIDERED


- 7.1 Not continuing with the service beyond March 2015

- 7.1.1 Ending the service on March 31st 2015 would have:
- Brought to an end a service that is helpful to the overall provision of services to homeless people and which could have been continued at minimal cost WDC.
 - Reduced the opportunity to maintain the current service and its associated skills and knowledge base while WCC concludes its review of Housing Related Support services, now currently scheduled for August 2015. The review may allow for the service to be retained in the future and having the service in place during that period would help allow for continuity of provision.
 - Contravened the spirit of the agreement with WCC under which WDC was expected to continue to provide the service while WCC funding remained available.

- 7.1.2 Not continuing with the service beyond March 2015 was therefore not deemed to be a wise course of action.

7.2 Retendering

- 7.2.1 The option of retendering without clarity over long term funding would have meant managing the following complex issues which would have militated against a sensible and beneficial procurement exercise:
- It was unclear for how long the funding would be available for beyond that initial six month period other than an end date of March 2016.
 - The tender would have been for a short-term contract of uncertain length. This would have been unlikely to generate interest from the marketplace other than from the incumbent supplier
 - The service may have had to be suspended during the procurement process which could have taken up to half the original six month guaranteed extension. The time and resources to retender the contract would have been disproportionate for any benefits, in the context of the limitations of the tender on offer that may have been gained from such an exercise.
- 7.2.2 Retendering the service in the light of the limitations imposed on the process such as lack clarity around future funding was therefore not deemed to be a sensible course of action.

 Executive 29th July 2015		Agenda Item No. 6
Title	Proposed exemption to the Code of Procurement Practice – Cost Management Services	
For further information about this report please contact	Matt Jones/Andy Thompson	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	Executive 12 th March 2014 – Agenda Item 13 – Housing & Property Services: Contracts Update Report	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	No
Equality & Sustainability Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Deputy Chief Executive	15.07.2015	Bill Hunt
Head of Service	15.07.2015	Andy Thompson
CMT	15.07.2015	Chris Elliott, Andrew Jones, Bill Hunt
Section 151 Officer	15.07.2015	Mike Snow
Monitoring Officer	15.07.2015	Andy Jones
Finance	15.07.2015	Sue Simmonds/Mark Smith
Portfolio Holder(s)	16.07.15	Cllr. Phillips
Consultation & Community Engagement		
n/a		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 This report seeks an exemption from the Code of Procurement Practice to extend the contract with Impart Links for open book cost management services to support the Council's housing repairs and maintenance service. While the Council does have the time to re-procure this service before the current arrangements end, to do so is not deemed to be in the best interests of the Council.

2. RECOMMENDATIONS

- 2.1 That the Executive approves the recommendation for an exemption to the Code of Procurement Practice under item 6.2.3 of the Code, to extend the Contract for open book cost management with Impart Links to 16th October 2016, to cover the reconciliation and final account of the 2015/2016 open book contracts.
- 2.2 That Executive notes that Housing & Property Services are currently undertaking a review of contract pricing models that will determine the future of the open book contracts. The review is programmed to be completed in November 2015.

3. REASONS FOR THE RECOMMENDATION

- 3.1 In 2012 the Council re-procured its principal housing repair and maintenance contracts. Partnering contracts, using an open book cost model, were procured for an initial five year term commencing on 1st April 2013 and expiring on 31st March 2018 with options to renew for two further five year periods.
- 3.2 To facilitate the development and mobilisation of the open book cost model, and train staff in its operation, the previous Head of Service recruited the services of a consultancy firm. However, the service was suspended because the consultants had not been procured in accordance with the Council's code of procurement practice. The resulting hiatus in cost management services severely disrupted the mobilisation, staff training and management of the contract for the first year of the term.
- 3.3 To limit the disruption to the management of the partnership contracts and to enable training of staff, Housing & Property Services procured a contract for cost management services based on a twelve month call-off arrangement with an estimated value of £100,000.
- 3.4 The contract coincided with the redesign of Housing and Property Services in which the Asset Management team was subject to review and restructuring. This meant that it was not practicable, due to the availability of resources and the uncertainty over which posts would inherit responsibility for the partnership contracts, to take forward comprehensive training of staff in this approach to cost management.
- 3.5 The contract with Impart Links expired on 17th May 2015. However, the contract allowed for call offs made before this date to continue until the services requested have been completed. This means that the audit and production of final accounts for the 2014/15 financial year contracts and the completion of the first quarterly reconciliation of the 2015/16 contracts can be completed under this contract. The current programme allows for this work to be completed in October 2015.

- 3.6 The Council needs to retain the specialist skills of a commercial cost consultant with specific experience of open book target cost models if it is to effectively complete the remaining three quarterly reconciliations for 2015-2016 and the annual final accounts of the open book contracts.
- 3.7 The Council has two options to make sure that these skills are available to it. These are considered below.
- 3.8 Re-procurement
- 3.8.1 If the contract were re-procured it would need to be awarded to commence in the first week of October. There is sufficient time from the date of this report to do this in a way that is fully compliant with the Council's Code of Procurement Practice. The implications of re-procuring are set out below.
- § If the contract is re-procured and a new consultant is awarded the contract it is likely that this will disrupt progress on several other corporate priorities. Officers engaged on other organisational priorities, including the review of the way the Council can most effectively procure its repair and maintenance services, would need to be re-assigned to mobilize the new contractor.
 - § The Council now benefits from a discounted day rate that came into effect after 50 days of service had been received, which was secured as part of the previous procurement exercise. If the Council were to re-procure the service it is likely that costs would increase as the Council would no longer benefit from this discounted rate.
 - § Housing and Property Services are currently reviewing the suitability of the current partnering contracts. It is possible that the service area may elect to adopt a more traditional procurement strategy and move away from open book cost models. While a timetable for this change would need to be confirmed it may render the need for long term cost management services and the development of open book accounting skills redundant. The Council would therefore be wise to defer any re-procurement of cost management services until the future need for these services is fully understood and agreed.
- 3.9 Extending the Current Contract
- 3.9.1 Extending the current contract would allow the Council to mitigate the risks and problems detailed above in section 3.8.1. This is why officers believe that under the terms laid out in paragraph 6.2.3 of the Code of Procurement Practice that an exemption should be made from the Code of Procurement Practice to allow the current contract with Impart Links to be extended to allow the completion of remaining quarterly reconciliations and final accounts for 2015-2016 contracts.
- 3.9.2 Paragraph 6.2.3 states that an exemption to the Code of procurement practice can be made if: "there are exceptional circumstances in which it would not be in the Council's best interests to follow the tender or quotation procedure".
- 3.10 It is therefore considered that the re-procurement of Cost Management Services is not considered to be in the Council's best interests, and that exceptional circumstances exist to justify the exemption proposal.

4. **POLICY FRAMEWORK**

- 4.1 The partnering contracts are key service contracts which support the delivery of the Council's statutory obligations and ensure its housing stock remains fit for purpose, directly contributing to the Council's unifying vision of making Warwick District a great place to live, work and visit.
- 4.2 The Code of Procurement Practice is an integral element of the Council's policy framework. The Code provides for an exemption to be sought when:

"There are exceptional circumstances in which it would not be in the Council's best interests to follow the tender or quotation procedure"

5. **BUDGETARY FRAMEWORK**

- 5.1 The table below illustrates actual expenditure to date and forecasted expenditure based on current and future service requirements to 16th October 2016:

Description	Value
Contract Expenditure to June 15	£86,000
Forecasted Contract Expenditure July 15 to Oct 15	£10,000
Forecasted Extension Value Oct 15 to Oct 16	£40,000
Total	£136,000

*Periods reflect the requirements of the open book accounting process


- 5.2 No additional budget is required to support the extension which will be funded from the existing HRA budget.

6. **RISKS**

- 6.1 The Council could be challenged regarding the extension of the Contract by third parties. Following discussions with procurement it is unlikely that such a challenge will be received given the value of the extension and the overall value of the contract being less than the Public Contract Regulations procurement threshold for service contracts.
- 6.2 The Council may need to re-direct its resources to mobilise a new cost management contractor if the Council were to opt not to extend the current arrangements and re-procure the contract. This could delay the progress of other corporate priorities.
- 6.3 The Council would be exposed to the risk of increased costs resulting from the inability to undertake quarterly reconciliation and annual final account audits in to the same detail as a commercial cost manager if it were to opt not extend or re-procure the contract.
- 6.4 The recommendations of this report are made directly to minimise to the lowest possible level the risks detailed above.

7. ALTERNATIVE OPTION(S) CONSIDERED

- 7.1 The option of undertaking a procurement exercise has been considered. For the reasons offered in Section Three of this report this option is not recommended.
- 7.2 The Council could decide not to extend the current contract and also not to re-procure the service, discontinuing the cost management support services. This would expose the Council to the risk of increased costs resulting from the inability to perform reconcile and annual account audits. If this is the preferred option, the Council would need to accept this risk and acknowledge that there may be increases in costs for repairs and maintenance that may not be justifiable.
- 7.3 Housing & Property Services are currently undertaking a review of contract pricing models that will determine the future of the open book contracts. The review is programmed to be completed in November 2015. If this review concludes that open book cost models should remain in place either for the remaining duration of the repairs and voids contracts or for a period of transition to a different cost model, then re-procurement of cost management services for the appropriate period will be undertaken at that time, to cover works ordered from April 1st 2016 onwards until such time as the open book cost model comes to an end.

 Executive 29th July 2015		Agenda Item No. 7
Title	Pump Room Gardens Parks for People project	
For further information about this report please contact	David Anderson X6214 david.anderson@warwickdc.gov.uk	
Wards of the District directly affected	Leamington Clarendon	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	Executive 10th July 2013 - Pump Room Gardens Parks for People project	
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	Yes 718
Equality Impact Assessment Undertaken This was carried out when developing the Pump Room Gardens Activity Plan as part of the project.	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	3 rd July 2015	Bill Hunt
Head of Service	3 rd July 2015	Robert Hoof
CMT	6 th July 2015	
Section 151 Officer	3 rd July 2015	Mike Snow
Monitoring Officer	3 rd July 2015	Andrew Jones
Finance	3 rd July 2015	Mike Snow
Portfolio Holder(s)	2 nd July 2015	Cllr David Shilton
Consultation & Community Engagement		
<p>The Friends of the Pump Room Gardens and Warwickshire County Council have worked in partnership with the Council to form the Pump Room Gardens Project Steering Group and have developed the detailed plans and proposals to restore the Pump Room Gardens. Leamington BID has also been consulted on the proposals.</p> <p>A variety of consultation methods have been used in developing the plans including face to face interviews, discussion groups, formal meetings, workshops, online surveys and questionnaires.</p>		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 At its meeting of 10th July 2013 the Executive approved a first round application to the Heritage Lottery Fund (HLF) for funding to restore the Pump Room Gardens. Following this successful application, a development grant was awarded by the HLF. This has been used to progress detailed plans and proposals for the Pump Room Gardens and to develop the Council's second and final round application, which is due to be submitted by 31st August 2015.
- 1.2 The purpose of this report is to update the Executive of the Pump Room Gardens restoration project and seek approval to proceed with a second round Heritage Lottery Fund (HLF) Parks for People bid. The report provides an overview of the project, highlighting the financial implications and the benefits of the project.

2. **Recommendations**

- 2.1 To approve the Pump Room Gardens project designs and plans. A Pump Room Gardens Masterplan showing the various capital improvements is included Appendix A.
- 2.2 That subject to agreeing recommendation 2.1, Executive authorise the Head of Neighbourhood Services, in consultation with the Neighbourhood Services Portfolio Holder, to finalise the details to the project designs and plans between now and the submission date; and
- 2.3 To approve a submission for a second round Heritage Lottery Fund (HLF) Parks for People bid to be submitted by 31st August 2015.

3. **Reasons for the Recommendations**

- 3.1 The Friends of the Pump Room Gardens have worked in partnership with Warwick District Council and Warwickshire County Council to develop the detailed plans and proposals for restoring the Pump Room Gardens, with its members sitting on the Pump Room Gardens Project Steering Group and also the Pump Room Gardens Project Board.
- 3.2 The detailed plans and proposals have been informed by a robust evidence base. This has included extensive public consultation and engagement feedback, historical research, and a full range of site specific surveys, such as topographical, ecological and arboricultural surveys. They have been informed by the HLF guidance on developing designs and plans.
- 3.3 The information gathered has been used to develop the following plans which are needed to support the Council's second round bid application, and which will be used in the future management and maintenance of Pump Room Gardens:
 - Master plan drawings prepared to Royal Institute for Built Architecture (RIBA) Stage D.
 - Conservation Management Plan setting out the significant heritage elements and how conservation issues will be addressed.
 - Ten year costed Management and Maintenance Plan setting out how the gardens will be managed and maintained to a high standard once the improvement works have been carried out.
 - Activity Plan setting out detailed proposals to increase the range of users, volunteers and learning opportunities.

- Cost Plan setting out the detailed estimates to deliver the master plan proposals.

- 3.4 The majority of the designs and plans have been completed though there are further refinements required to complete the documents to support the application.
- 3.5 Due to the unique nature of the Pump Room Gardens, significant funding is required to bring it up to the standard expected for an English Heritage Grade II listed Garden. The survey work has identified significant issues with the bandstand, footpaths, drainage, landscaping and other infrastructure.
- 3.6 The HLF Parks for People fund provides the opportunity for major capital investment into the Pump Room Gardens to conserve and restore the heritage features within it, while broadening the range and number of activities. If the Council is successful in a second round bid then the total grant available from the HLF is estimated to be £912,200 in addition to the match funding proposed, totalling £1,327,750.
- 3.7 The Pump Room Gardens restoration project is well suited to the aims of the Heritage Lottery Fund 'Parks for People' programme and its required outcomes.
- 3.8 The Council has reported regularly to the HLF throughout the development phase to ensure the proposals continue to meet HLF outcomes. On 27th April 2015, the Project Steering Group formally presented the detailed plans and proposals to the HLF as part of a review process. The proposals were well received with only a few minor changes have had to be made to the plans to satisfy the HLF. This has allowed the Council to proceed to the next stage of the development process.

4. **Policy Framework**

- 4.1 The principles of Fit For the Future have been considered in the formation of the proposal.
- **Services** – Improving or maintaining a range of the services to the community – in this case a restoring a recreational area of the District of historical significance.
 - **Money** – Attracting external funding to restore the Gardens.
 - **People** – As detailed in the Activity Plan developing new skills, volunteer opportunities, learning about heritage and more events and activities for people to enjoy and experience.
- 4.2 The provision of high quality parks and open spaces makes a significant contribution to making Warwick District a great place to live, work and visit.
- 4.3 The funding and restoration will help to deliver the Council's Green Space Strategy, which aims to protect and improve the parks and open spaces in the District.

5. **Budgetary Framework**

- 5.1 The costs presented in this report are RIBA Stage C project costs. They are still subject to approval from HLF and may change (albeit non-materially) in the coming weeks as the Stage D designs are finalised following discussions with HLF and the Project Steering Group. This will not change Warwick District Council match funding contribution of £100,000.

- 5.2 A breakdown of the project costs and funding for the second round HLF application is as follows:-

Expenditure

Capital (7d - £1,074,438)

Activity (7e - £146,384)

Other (7f - £106,928)

TOTAL £1,327,750

Income

Income (7g - £415,550)

HLF Grant £912,200

TOTAL £1,327,750

A more detailed breakdown can be seen in Appendix B

- 5.3 The total expenditure for the project has increased from £1,178,894 in the first round to £1,327,750 in the second round. This was not unexpected considering the first round bid is based on estimates and is without the robust evidence of surveys, professional expertise and consultation.
- 5.4 As a result further external funding has been sourced to fund the project by using developer contributions from a number of s106 agreements and those that relate to the Pump Room Gardens. As a result a further £49,999 has been identified and will be used as match funding towards the project.
- 5.5 At the same time the Council will be applying for a larger HLF grant of £912,200 compared to £852,200 in the first round. This has been discussed with the HLF at length and is seen as acceptable increase and can be justified.
- 5.6 HLF Parks for People application guidance states that applicants make a contribution towards the project. This is described as 'partnership funding' and it can be made up of cash, volunteer time, non-cash contributions, or a combination of all of these. Some of the partnership funding must be from the organisation's resources. At its meeting of 10th July 2013 the Executive approved £100,000 match funding towards the project and this will not change even though the total expenditure for the project has increased.
- 5.7 The guidance from HLF and the knowledge of other successful second round applications is that match funding should exceed the 10% requirement. Match funding is itemised in Appendix B and currently stands at £415,550. With a total delivery cost of £1,327,750 this represents 31% and exceeds the requirement.
- 5.8 An assessment has been made of any additional revenue maintenance costs arising from the enhancements, and the Council will need to make adequate provision following the delivery of the project. At this stage it is estimated that any additional revenue for grounds maintenance would be small and could be accommodated within existing budgets.

6. Risks

- 6.1 In accordance with good project management practice, a risk register has been set up which is actively managed and updated by the Project Steering Group.

- 6.2 The bid process is competitive and the Council will be competing against other local authorities for the funding. There are no guarantees that this will be a successful second round application.
- 6.3 The extensive consultation and engagement carried out has raised a high level of public awareness and support for the project. If the Council does not support the submission of a second round bid, there is a risk that the Council's credibility with both the public and the HLF will be damaged. This may jeopardise future HLF funding requests as well as public confidence in the Council.
- 6.4 If the Council does not support the submission of a second round bid or if the bid is unsuccessful, costs for ongoing repairs and maintenance will escalate over the next five years in order to prevent further decline and to ensure the site remains safe to use. Early estimates of repairs to the Gardens infrastructure would be in excess of £250,000 to include footpath and the bandstand repairs. Additional funding would have to be found as current budgets would not accommodate this.

7. Alternative Option(s) considered

- 7.1 The Council could decide to stop the project and not apply to HLF for funding and deal with the significant repairs and maintenance problems facing the Gardens on an ad hoc basis. However given the condition of the Gardens including the bandstand, footpaths and other infrastructure, this is not a feasible option if the Gardens are to be kept open to the public over the longer term. Furthermore, the Council would miss out on the opportunity to secure £912,200 of HLF and other external funding.
- 7.2 The Council could deliver a smaller project with no bid to HLF. This would include doing a basic makeover of the park with all of the capital and on-going revenue costs being met by the Council. This option gives little overall benefit other than to retain the park at its current offer. Again this option would miss the opportunity of external investment. It would however allow the gardens to remain open to the public.

8. Background

- 8.1 A development grant from the HLF has funded a dedicated Project Manager, Landscape Architect and an Activity Planner, all of whom were appointed in September 2014. Working with Council officers and the Friends of the Pump Room Gardens (FPRG) the Project Steering Group have been responsible for the management of the project, developing plans and preparation of the bid. The group has carried out extensive consultation and engagement work with park users, visitors and other stakeholders in developing the plans.
- 8.3 The Project Board have had a watching brief throughout the project. They have been updated on a regular basis and consulted on the detailed plans and proposals prior to public consultation.
- 8.4 The membership of the both the Pump Room Gardens Project Steering Group and Pump Room Gardens Project Board is as follows;

Project Steering Group Membership

Paul Baker, Chair of Steering Group (Friends of Pump Room Gardens)
Archie Pitts, Chair of Friends of Pump Room Gardens
Peter Storrie, Friends of Pump Room Gardens
Dave Anderson, Warwick District Council
Nathaniel Healy, Red Kite Network Limited
Howard Price, Ashmead Price
Allan Randall, Focused Learning
Sarah Douglas, Red Kite Environmental
Rebecca Williams, Warwickshire County Council

Project Board Membership

Bill Hunt, Warwick District Council
Robert Hoof, Warwick District Council
Paul Baker, Chair of Steering Group (Friends of Pump Room Gardens)
Peter Storrie, Friends of Pump Room Gardens
Jef Tuyn, Friends of Pump Room Gardens
Nathaniel Healy, Red Kite Network Limited

8.4 Project Timetable

A detailed project plan has been developed which sets out the key areas of work that need to be completed, the timing of this work and who is responsible for carrying it out. The key milestones are as follows:-

- Approval by Executive to submit a second round bid – 29th July 2015
- Second round bid submitted to HLF - August 2015
- Decision from HLF on second round bid - December 2015
- Permission to start received from HLF – January / February 2016
- Physical start on site - September 2016
- Capital works completed July 2017
- Grand opening August 2017
- Project completion autumn 2017



Leamington Pump Room
Gardens proposals

CMP 1 Linden Avenue- Dormer
Place section

CMP 2 Linden Avenue Parade
section

CMP 3 Path adjacent to the
Pump Rooms

CMP 4 WCC footpath York
Bridge to Bedford St entrance

CMP 5 Riverside path

CMP 6a,b,c,d Radial paths from
the bandstand

CMP 7 Bath Chair ramps

CMP 8 Bandstand surrounds

CMP 9 Dormer Place highway
boundary

CMP 10 York Bridge steps

CMP 11 Double hoop top fencing

CMP 12 Heritage bollards

CMP 13 Parade raised stone bed

CMP 14 York Bridge & approach

CMP 15 Bandstand

CMP 16 Seats

CMP 17 Litter Bins

CMP 18 a,b,c,d,e,f New Planting

CMP 19 a,b,c,d Tree works

CMP 20 Drainage

CMP 21 Rain Garden

CMP 22 Interpretation


Pump Room Gardens - Royal Leamington Spa

MASTERPLAN
Scale 1:500 @A1

AP-556-01-02
HLF Project PP 13-0598

June 2015
Ashmead.Price

[illegible]

 EXECUTIVE 29 JULY 2015		Agenda Item No. 8A
Title	Significant Business Risk Register	
For further information about this report please contact	Richard Barr Tel: (01926) 456815 E Mail: richard.barr@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	9 April 2015 – Executive	
Background Papers	Minutes of Senior Management Team	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality & Sustainability Impact Assessment Undertaken	No (N/A: no direct service implications)

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	6 July 2015	Chris Elliott / Andrew Jones
Head of Service	10 June 2015	SMT
CMT	6 July 2015	CMT
Section 151 Officer	6 July 2015	Mike Snow
Monitoring Officer	6 July 2015	Andrew Jones
Finance	6 July 2015	As S151 Officer
Portfolio Holder(s)	6 July 2015	Councillor Mobbs
Consultation & Community Engagement		
Senior Management Team review of Significant Business Risk Register.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1 **SUMMARY**

- 1.1 This report sets out the latest version of the Council's Significant Business Risk Register for review by the Executive. It has been drafted following discussions between the Leader of the Council, Chief Executive, Monitoring Officer, Section 151 Officer, and the Audit & Risk Manager.

2 **RECOMMENDATIONS**

- 2.1 That Executive should review the Significant Business Risk Register attached at Appendix 1 and consider if any further actions should be taken to manage the risks facing the organisation.

3 **REASON FOR THE RECOMMENDATIONS**

- 3.1 To assist members fulfil their role in overseeing the organisation's risk management framework (see section 7, below).

4 **POLICY FRAMEWORK**

- 4.1 The Significant Business Risk Register is based on the Council's corporate priorities and key strategic projects that are reflected in Fit for the Future. The Fit for the Future programme is also based on an agreed set of values amongst which are the ones of openness and honesty. This is integral to the consideration of risk in an organisation; risk issues needs to be discussed and debated and mitigation put in place, in order to prevent them materialising. It does not mean however, that all risks referred to are immediately impending or are likely to happen. Ironically, to not debate risks is to help them more likely to materialise.
- 4.2 It is worth members re-apprising themselves of the basis on which risks are scored in relation to likelihood and impact – see Appendix 3. The probability of a risk being realised and how many times it might happen, is assessed over a number of years, not as if it is going to happen tomorrow.

5 **BUDGETARY FRAMEWORK**

- 5.1 Although there are no direct budgetary implications arising from this report, risk management performs a key role in corporate governance including that of the Budgetary Framework. An effective control framework ensures that the Authority manages its resources and achieves its objectives economically, efficiently and effectively.
- 5.2 The risk register sets out when the realisation of risks might have financial consequences. One of the criteria for severity is based on the financial impact.

6 **RISKS**

- 6.1 The whole report is about risks and the risk environment. Clearly there are governance-related risks associated with a weak risk management process.

7 **ALTERNATIVE OPTIONS CONSIDERED**

- 7.1 This report is not concerned with recommending a particular option in preference to others so this section is not applicable but paragraph 4.1 above is also relevant here.

8 **RESPONSIBILITY FOR RISK MANAGEMENT**

- 8.1 In its management paper "Worth the risk: improving risk management in local government", the Audit Commission sets out clearly the responsibilities of members and officers with regard to risk management:

"Members need to determine within existing and new leadership structures how they will plan and monitor the council's risk management arrangements. They should:

- decide on the structure through which risk management will be led and monitored;
- consider appointing a particular group or committee, such as an audit committee, to oversee risk management and to provide a focus for the process;
- agree an implementation strategy;
- approve the council's policy on risk (including the degree to which the council is willing to accept risk);
- agree the list of most significant risks;
- receive reports on risk management and internal control – officers should report at least annually, with possibly interim reporting on a quarterly basis;
- commission and review an annual assessment of effectiveness: and
- approve the public disclosure of the outcome of this annual assessment, including publishing it in an appropriate manner.

The role of senior officers is to implement the risk management policy agreed by members.

It is important that the Chief Executive is the clear figurehead for implementing the risk management process by making a clear and public personal commitment to making it work. However, it is unlikely that the chief executive will have the time to lead in practice and, as part of the planning process, the person best placed to lead the risk management implementation and improvement process should be identified and appointed to carry out this task. Other people throughout the organisation should also be tasked with taking clear responsibility for appropriate aspects of risk management in their area of responsibility."

9 **SIGNIFICANT BUSINESS RISK REGISTER**

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

- 9.2 The SBRR is reviewed quarterly by the Council's Senior Management Team and the Council Leader and then, in keeping with members' overall responsibilities for managing risk, by the Executive.
- 9.3 The latest version of the SBRR is set out as Appendix 1 to this report.
- 9.4 A summary of all the risks and their position on the risk matrix, as currently assessed, is set out as Appendix 2.
- 9.5 The scoring criteria for the risk register are judgemental and are based on an assessment of the likelihood of something occurring, and the impact that might have. Appendix 3 sets out the guidelines that are applied.
- 9.6 In line with the traditional risk matrix approach, greater concern should be focused on those risks plotted towards the top right corner of the matrix whilst the converse is true for those risks plotted towards the bottom left corner of the matrix. If the matrix were in colour, the former set of risks would be within the area shaded red, whilst the latter would be within the area shaded green; the mid-range would be seen as yellow.
- 9.7 Any movements in the risk scores over the last six months are shown on the risk matrices in Appendix 1.
- 9.8 Six months ago there were five risks in the "red zone" (Risks 1, 2, 4, 6 & 16). The last time that the SBRR was reported to the Executive (9 April) Members were advised that two would have reduced scores taking them out of the "red zone" (Risks 1 and 2).
- 9.9 Since then, following the introduction of additional controls and mitigations, a further risk – Risk 4: 'Risk of corporate governance arrangements not maintained effectively' – has had its score reduced to move it out of the red zone. The factors here include:
- Group Leaders signing up to an informal protocol with regard to sanctions imposed by Standards against errant Members.
 - Well-attended induction training sessions, thus far, for new Members.
- 9.10 This now leaves two in the "red zone" as discussed below. An explanation of why the risks are in the red zone is set out below.

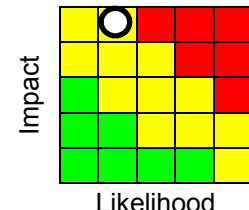
Risk 6 – Risk of insufficient finance to enable the Council to meet its objectives (including insufficient reduction in operational costs)

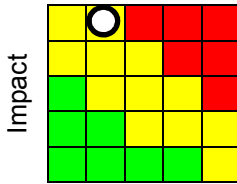
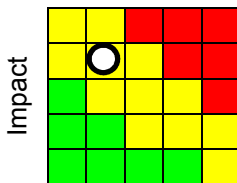
The risk rating is high here due to the anticipation of a poor Revenue Support Grant Settlement and the possibility that FFF Projects do not achieve sufficient savings. As reported in the Budget Review Report, various projects are being investigated which should enable savings to be made. Once there are more details of these projects and they are confirmed, it should be possible to reduce the likelihood of this risk occurring. However, until all of the FFF projects are complete the Council will remain in the red zone on this risk. In order to reduce the projected budget deficit Executive need to make a decision based on the four options presented to them. Not making a decision, or delaying making a decision, will keep this risk score high.

Risk 16 – Risk of Local Plan being delayed

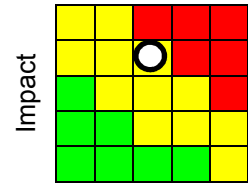
In the light of the Local Plan being rejected by the Planning Inspector recently the risk score has increased. The description of the risk has also changed slightly. Previously the risk was described as 'Risk of Local Plan being unsound or delayed'. As the Local Plan has now been found as unsound by the Planning Inspector the risk that remains is that of delay in implementation. Clearly the Local Plan cannot be implemented until it is approved. The Council is currently appealing against the decision of the Planning Inspector. Until the new local plan is agreed the Authority is exposed to the possible consequences that are detailed in the Local Plan Risk Register. It is also the case that until the whole of the Local Plan process is complete this risk will be likely to remain in the red zone. The consequences of the risk have been expanded to outline the impact the delay in the local plan may have on infrastructure funding and the Sustainable Community Strategy.

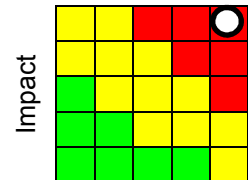
Significant Business Risk Register

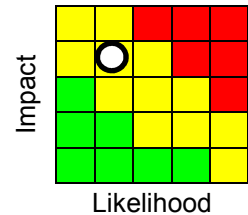
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Performance Management Risks				
1. Fit for the Future Change Programme not managed appropriately/effectively	<p>Poor organisational communication.</p> <p>Conflicting priorities and priorities increasing in number.</p> <p>Unable to dedicate appropriate resources due to the impact on existing services.</p> <p>Poor management.</p> <p>Ineffective use of project management or systems thinking.</p> <p>Lack of funding.</p>	<p>Reduced service levels.</p> <p>Non or reduced achievement of objectives.</p> <p>Adverse financial impacts.</p> <p>Reputational damage.</p> <p>Demoralised and de-motivated staff.</p>	<p>New OD team in place. (HoC&CS)</p> <p>Project prioritisation. (SMT)</p> <p>SMT are Programme Board. (SMT)</p> <p>Fit for the Future change programme and associated governance arrangements. (SMT)</p> <p>Budget monitoring process. (HoF)</p> <p>Clear communications, staff focus group. (SAMS)</p> <p>People Strategy Action plan. (SMT)</p> <p>Additional training for staff involved with project management. (HoC&CS)</p> <p>Strong leadership to ensure priorities are managed to a deliverable level. (SAMS)</p> <p>Securing additional resources to support existing service provision. (CMT)</p> <p>Projects drawn up within RIBA framework.</p>	

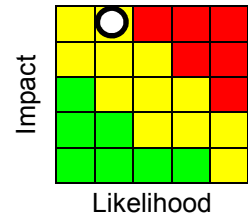
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Performance Management Risks (Cont.)				
2. Risk of sustained service quality reduction.	<p>Shortage of staff skills and knowledge.</p> <p>Staff skills and resources diverted to service redesign proposals as part of delivering Fit For the Future and other emerging corporate priorities.</p> <p>Cannot afford cost of maintaining service quality.</p> <p>Partners such as WCC make service cuts.</p> <p>Pandemic.</p> <p>Contractor failure.</p>	<p>Poor customer service and reductions in income.</p> <p>Lack of direction with critical projects and services being compromised</p> <p>Public lose confidence in Council's ability to deliver.</p> <p>Demoralised and de-motivated staff.</p>	<p>Effective Management of Change Programme. (CMT)</p> <p>Agreeing additional resources where service quality is reduced. (CMT)</p> <p>Strong leadership to manage priorities to a deliverable level. (SAMS)</p> <p>Effective vacancy control. (SAMS)</p> <p>Service Reviews. (SAMS)</p> <p>Workforce Planning. (SAMS)</p> <p>Enhanced Performance Management System (SMT)</p> <p>Use of Measures/KPIs (SMT)</p>	<p>Impact</p>  <p>Likelihood</p>
3. Risk of major contractor going into administration.	<p>Poor procurement of contractor.</p> <p>Poor contract management.</p> <p>Poor management of company.</p> <p>External factors.</p> <p>State of economy.</p>	<p>Reduced service levels.</p> <p>Non or reduced achievement of objectives.</p> <p>Adverse financial impacts.</p> <p>Reputational damage.</p>	<p>Properly procured contracts. (SAMS)</p> <p>Active contract management. (SAMS)</p> <p>Business Continuity Plan. (SAMS)</p>	<p>Impact</p>  <p>Likelihood</p>

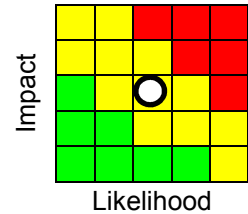
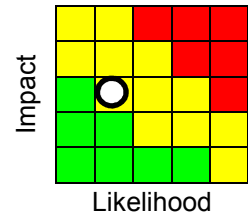
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Corporate Governance Risks				
4. Risk of corporate governance arrangements not maintained effectively.	<p>Ineffective political and senior management leadership.</p> <p>Complacent attitudes.</p> <p>Delays in making, or failure to make, key decisions by Council Members.</p> <p>Breakdown of member-officer relationships.</p> <p>Election of new members.</p>	Breakdown in internal controls leading to: non-achievement of objectives; high volumes of staff, customer, and contractor fraud; and loss of reputation.	<p>Council's constitution. (DCE(AJ))</p> <p>Council's strategies and policies, including Code of Financial Practice. (SMT)</p> <p>Strong scrutiny arrangements. (SMT)</p> <p>Effective internal audit function. (HoF)</p> <p>Annual Governance Statement. (DCE(AJ))</p> <p>Codes of Conduct. (Members)</p> <p>Effective Political Group discipline. (Group Leaders)</p> <p>Councillor training (CMT)</p> <p>New Member/Officer Protocol introduced.</p>	<p>Likelihood reduced as Group Leaders have now signed up to protocol regarding sanctions imposed by Standards Committee.</p>

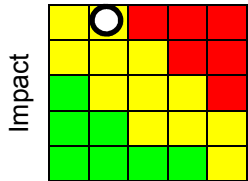
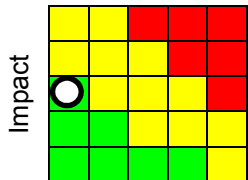
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Human Resources Risks				
5. Risk of staff not developed effectively.	Ineffective workforce strategies. Not managing staffing resources efficiently and effectively.	Disruption to Council services – staff cannot undertake level or volume of work to meet all priorities. Poor customer service. 'Industrial' action.	People Strategy. (SMT) Management development programme. (HoC&CS) Succession planning. (SAMS) Prioritisation of work. (SAMS) Appropriate use of external resources. (SAMS)	 <p>Impact</p> <p>Likelihood</p>

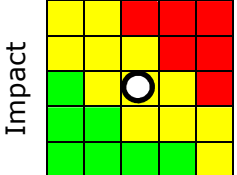
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks				
6. Risk of insufficient finance to enable the council to meet its objectives (including insufficient reduction in operational costs).	<p>Poor financial planning.</p> <p>Unexpected loss of income and/ or increase in expenditure.</p> <p>FFF Projects do not achieve sufficient savings.</p> <p>Risk of poor Revenue Support Grant Settlement.</p> <p>Business Rate Retention.</p> <p>Council Tax income base reducing.</p> <p>National Economy declines.</p> <p>Local economy declines</p> <p>Tightening of Government fiscal policy.</p> <p>Changes to Government Policy.</p> <p>Reduced Government grants.</p> <p>Demographic changes.</p> <p>Focus on FFF priorities which compromise existing service delivery.</p> <p>Weak financial planning and forecasts.</p> <p>External competition.</p> <p>Member decision making.</p> <p>Council policy framework not conducive to enterprise development.</p>	<p>Forced to make large scale redundancies.</p> <p>Forced to make urgent decisions without appropriate planning.</p> <p>Forced to make service cuts.</p> <p>Increased costs.</p> <p>Fines/penalties imposed.</p>	<p>Codes of Financial Practice and Procurement Practice. (HoF)</p> <p>Effective internal audit function. (HoF)</p> <p>External audit of financial accounts. (HoF)</p> <p>Effective management of FFF Projects. (SAMS)</p> <p>All projects accompanied with robust financial appraisals and programme forecasts that allow the Council to understand projected funding requirements. (HoF)</p> <p>Council's constitution. (DCE(AJ))</p> <p>Financial training. (HoF)</p> <p>Robust financial planning and a Medium Term Financial Plan that can accurately forecast income and expenditure. (HoF)</p> <p>Regular review of Financial Strategy. (HoF/SMT)</p> <p>Funding agreed for Prosperity Agenda.</p> <p>Code of Financial Practice Training being provided.</p> <p>Deloittes Fees & Charges Review Completed.</p> <p>To continue to develop and deliver plan to fill the anticipated budget shortfall. (HoF/SMT)</p> <p>Provide Code of Financial Practice Training. (HoF/SMT)</p> <p>Implement Prosperity Agenda. (DCE BH)</p> <p>Complete Deloittes Fees & charges Review (HoF/SMT)</p> <p>Complete Leisure Options Review (HoCS/CMT)</p>	 <p>Potential impact of risk materialising has to be at highest level.</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks (Cont.)				
7. Risk of additional financial liabilities.	<p>Risk of revenue implications of capital schemes not being fully identified.</p> <p>Risk of loss or delay of capital receipts.</p> <p>Risk of increase in superannuation fund contributions.</p> <p>Uninsured loss.</p> <p>Risk of Medium Term Financial underestimating future revenue income and expenditure (including capital)</p> <p>Legal challenge e.g. relating to a planning development.</p>	<p>Greater level of savings to be sought.</p> <p>Forced to make sub-optimum and short term decision without proper planning.</p> <p>Reduced levels of service.</p> <p>Payment of compensation.</p> <p>Failure to deliver service.</p>	<p>Fit for the Future change programme. (CMT)</p> <p>Project Risk Registers. (SAMS)</p> <p>Project Management. (SAMS)</p> <p>Asset Management. (HoH&PS)</p> <p>More effective financial planning and scenario analysis. (HoF)</p> <p>Regular monitoring of Fit for the Future. (SMT)</p> <p>Legal advice on projects. (SAMS)</p> <p>Projects drawn up within RIBA framework.</p> <p>Use of reserves to smooth impact of fluctuations in income.</p>	

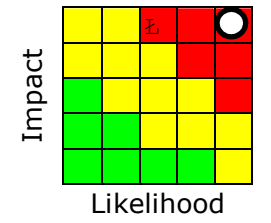
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks (Cont.)				
8. Risk of not investigating potential income sources.	Ineffective management. Complacency. Lack of resources to investigate. Other priorities.	More loss making services. Reduced income for the Housing Revenue Account that could compromise banking covenants.	<p>FFF Programme. (SMT)</p> <p>Effective fees and charges schemes. (HoF)</p> <p>Communications & Marketing Strategy. (SAMS)</p> <p>Regular review of financial forecasts to ensure income projections are up to date. (HoF)</p> <p>Secure additional resources to ensure existing services are not impacted as a result of a focus on FFF/corporate priorities. (HoF)</p> <p>Funding agreed for Prosperity Agenda.</p> <p>Implement Prosperity Agenda. (DCE(BH))</p> <p>Introduce effective Local Plan. (Members)</p> <p>Appointment of Grant-Funding Advisor (HoDS)</p>	 <p>Impact</p> <p>Likelihood</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Procurement Risks				
9. Risk of improper procurement practices and legislative requirements not being complied with.	Weak governance arrangements. Ineffective procurement. Poor procurement function.	Reduced levels of service provision. Increased costs. Fines/penalties imposed.	Codes of Financial Practice and Procurement Practice. (HoF) Training of staff. (HoF/SAMS) Monitoring of departmental procurement. (SMT) Procurement Strategy (incl. action plan). (HoF) Code of Procurement Practice and related documents updated.	
Partnership Risks				
10. Risk of partnerships not delivering stated objectives.	Poor management. Failure to apply a robust process for entering into partnerships. Lack of framework governing partnerships.	Required outcomes not achieved. Increased costs. Reduced level of service or failure to deliver service.	Ongoing scrutiny of partnerships. (DCE(AJ)) Normal management arrangements. (SAMS) Partnership checklists. (DCE(AJ))/SAMS Annual healthcheck completed by senior officers. (DCE(AJ))/SAMS Scrutiny committee regular review. (DCE(AJ)) Audit of partnership arrangements. (DCE(AJ)) Project Groups for significant services. (SAMS)	
Legal Risks				

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
11. Risk of not complying with key legislation or legal requirements, including failure to protect data.	Breakdown in governance.	External censure. Financial loss. Litigation. Financial sanctions/penalties Damage to reputation.	Constitution. (DCE(AJ)) External legal advice. (DCE(AJ)) Ongoing monitoring of all Executive recommendations. (DCE(AJ)) Ongoing professional training. (SMT)	 <p>Impact</p> <p>Likelihood</p>
Information Management Risks				
12. Risk of ineffective utilisation of information and communications technology.	Poor management of IT function. Lack of specialist staffing. Lack of finance. Lack of trained staff.	Costly services. Inefficient services. Poor customer service. Data disclosures.	ICT Strategy. (DCE (AJ)) Fully-resourced, effective and secure IT function. (DCE (AJ)) Training for staff. (DCE (AJ))	 <p>Impact</p> <p>Likelihood</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Asset Management Risks				
13. Risk of failing to provide, protect and maintain Council-owned property.	<p>Poor management.</p> <p>Lack of finance.</p> <p>Ineffective asset management.</p> <p>Incomplete data on asset conditions.</p> <p>Lack of effective asset management planning.</p> <p>Insufficient resources to maintain assets.</p>	<p>Lack of a suitable and safe living or working environment for residents, staff and visitors.</p> <p>Sub optimum asset decisions that are poor value for money.</p> <p>Building closure.</p>	<p>End-to-end systems intervention of the Property Service undertaken.</p> <p>New Asset Management Strategy developed linked to Asset Database. (HoH&PS)</p> <p>Overall strategic decisions regarding Council's corporate assets managed by multi-disciplinary Strategic Asset Management Group (SAG) – chaired by Deputy Chief Executive. (HoH&PS)</p> <p>The operational management of the corporate repairs budget is overseen by the Corporate Property Investment Board (CPIB) – chaired by Property Manager. (HoH&PS)</p> <p>Improvements made to end to end systems to manage electrical testing, asbestos and gas servicing. (HoH&PS)</p> <p>Completion of condition survey. (HoH&PS)</p>	<p>Impact</p>  <p>Likelihood</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Emergency Response and Business Continuity Risks				
14. Risk of a major incident not responded to effectively.	Numerous causes including terrorism, natural disaster, loss of ICT facilities/data and pandemic such as bird flu.	Partial or total loss of resources such as staff, equipment, systems. Major media engagement. Major disruption to all Council services. Possible legal action for damages.	Emergency plan reviewed every 6 months. (CMT) Business continuity plan reviewed every 6 months. (CMT) Training for SMT – exercises and reviews. (HoH&CP) ICT Business Continuity contract, inc. annual off-site rehearsal (ICT) Perimeter network protection (Firewall, 2 Factor Authentication, Spam filter, Antivirus, etc.), including penetration testing (ICT) Backup and recovery procedures (ICT)	<p>Impact</p> <p>Likelihood</p>
Environmental Risks				
15. Risk of climate change challenges not responded to effectively.	Lack of expertise. Lack of finance. Failure to reduce carbon footprint.	Budgetary impacts. Service changes required if long recovery phase. Loss of reputation and external censure. Disruption to services. Public health issues.	Climate Change Strategy in place.	<p>Impact</p> <p>Likelihood</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Planning Risks				
16. Risk of Local Plan being unsound or delayed.	<p>Developer challenge before local plan complete. Political procrastination. Lack of involvement of external key players. Local Plan not evidenced properly. Failure to identify suitable sites for Gypsies and Travellers.</p> <p>Sub-Regional Housing Allocation not addressed.</p>	<p>Non or reduced achievement of objectives. Adverse financial impacts such as failure to set the Community Infrastructure Levy. Reputational damage. Possible legal action for damages. Development not where required. Increased costs. Additional work. Local Plan found unsound. Reduction in investment in area. Increase in appeals. Risk of insufficient Infrastructure Funding. Impact on Sustainable Community Strategy (SCS) objectives.</p>	<p>Published timetable. (HoDS) Plan based on robust evidence. (HoDS) Project management. (HoDS) Local Plan Programme Board. (HoDS) Local Plan Risk Register. (HoDS) Agree Gypsy and Traveller sites. (Members) Appeal letter to Greg Clarke, Secretary of state for DCLG. (HoDS)</p>	 <p>Likelihood increased significantly since Local Plan was rejected.</p>

Key:

New narrative

Narrative transferred

Deleted narrative

☞ = Current risk score

etc = Previous risk scores

Æ etc = trail (direction) of changes

CMT : CorporateManagement Team

SMT : Senior Management Team

DCE(AJ) : Deputy Chief Executive – Andrew Jones

HoC&CS : Head of Corporate & Community Services

HoF : Head of Finance

HoDS : Head of Development Services

HoH&CP : Head of Health & Community Protection

Summary of Significant Business Risks

APPENDIX 2

Consequences	Probability of Occurrence				
	Low	Low-Medium	Medium	Medium-High	High
High		Risks 1, 2, 4, 8 & 11			Risks 6 & 16
Medium-High		Risks 3 & 7	Risks 5 & 14		
Medium	Risk 12	Risk 10	Risks 9 & 13		
Low-Medium			Risk 15		
Low					


Methodology for assessing risk: Criteria for scoring residual risk rating

Probability of Occurrence

Estimation	Description	Indicators
5: High (Probable)	Likely to occur each year (defined as more than 25% chance of occurrence in any one of the years covered by the assessment).	<ul style="list-style-type: none"> Potential of it occurring several times within the specified period (for example - ten years). Has occurred recently.
4: Medium to High	Apply judgement	Apply judgement
3: Medium (Possible)	Likely to occur during a 10 year period (defined as between 2% and 25% chance of occurrence in any one of the years covered by the assessment).	<ul style="list-style-type: none"> Could occur more than once within the specified period (for example - ten years). Could be difficult to control due to some external influences. Is there a history of occurrence?
2: Low to Medium	Apply judgement	Apply judgement
1: Low (Remote)	Not likely to occur in a 10 year period (defined as less than 2% chance of occurrence in any one of the years covered by the assessment).	<ul style="list-style-type: none"> Has not occurred. Unlikely to occur.

Consequences

Estimation	Description
5: High	<ul style="list-style-type: none"> Financial impact on the organisation is likely to exceed £500K Significant impact on the organisation's strategy or operational activities Significant stakeholder concern
4: Medium to High	Apply judgement
3: Medium	<ul style="list-style-type: none"> Financial impact on the organisation likely to be between £100K and £250K Moderate impact on the organisation's strategy or operational activities Moderate stakeholder concern
2: Low to Medium	Apply judgement
1: Low	<ul style="list-style-type: none"> Financial impact on the organisation likely to be less than £10K Low impact on the organisation's strategy or operational activities Low stakeholder concern

 Executive – 29th July 2015		Agenda Item No. 8B
Title	Rural/Urban Capital Improvement Scheme (RUCIS) Application	
For further information about this report please contact	Jon Dawson Finance Administration Manager 01926 456204 e mail: jon.dawson@warwickdc.gov.uk	
Wards of the District directly affected	Kenilworth	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	Rural/Urban Capital Improvement Scheme details. Rural/Urban Capital Improvement Application file no. 206 onwards; correspondence with Applicant.	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	13.7.15	Chris Elliott
Head of Service	13.7.15	Mike Snow
CMT	13.7.15	Chris Elliott, Bill Hunt and Andy Jones
Section 151 Officer	13.7.15	Mike Snow
Monitoring Officer	13.7.15	Andy Jones
Finance	13.7.15	Mike Snow
Portfolio Holder(s)	13.7.15	Cllr Coker (Cllr Whiting has declared an interest)
Consultation & Community Engagement		
Community Partnership Team and Manoj Sonecha (Active Communities Officer); Copy of report forwarded 1 st July 2015.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 This report provides details of a Rural/Urban Capital Improvement Scheme grant application by Kenilworth Tennis, Squash and Croquet Club to refurbish five tennis courts that have now come to the end of their life span.

2. **Recommendation**

- 2.1 It is recommended that the Executive approves a Rural/Urban Capital Improvement Grant from the urban cost centre budget for Kenilworth Tennis, Squash and Croquet Club of 50% of the total project costs to refurbish five tennis courts that have now come to the end of their life span, as detailed within paragraphs 1.1, 3.2 and 8.1, up to a maximum of £28,995 excluding VAT.

As supported by appendix 1.

3. **Reasons for the Recommendation**

- 3.1 The Council operates a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grant recommended is in accordance with the Council's agreed scheme and will provide funding to help the project progress.
- 3.2 This project contributes to the Council's Sustainable Community Strategy; the five tennis courts are at the end of their life span, without refurbishment the courts will become unusable upon which opportunity for the community to participate in sporting activity will be vastly reduced, for example; schools who use the facility for PE lessons and organised tennis matches, hosting of a free annual Great British Tennis Weekend open to all and also holiday camps for children. Other detrimental effects may also include:
- Potential increase in anti-social behaviour as many children and young adults currently use the club to socialise as well as participating in sporting activity.
 - Potential increase in obesity, including in children, as there will be less opportunity for the community to be active.
 - Potential disengagement and weakening of the community; the club is managed and run by a wide range of volunteers from across the community, the activities also bring people together, for example; hosting tournaments including the County Ladies Over 60's home matches.

4. **Policy Framework**

- 4.1 The Rural and Urban Capital Improvement Scheme supports the Sustainable Community Strategy and the cross cutting themes which form the priorities for funding areas as follows:-
- Community Engagement & Cohesion (including Families at Risk)
 - Targeting disadvantaged rural locations
 - Reducing inequalities

5. Budgetary Framework

- 5.1 The budget for the Rural/Urban Capital Improvement Scheme applications for 2015/16 is £150,000 (£75,000 for rural projects and £75,000 for urban projects).
- 5.2 In addition there is the unallocated budget from 2014/2015 of £131,040 which sits within a separate cost centre budget; this could then be used for either rural or urban schemes once the 2015/16 budget has been used.
- 5.3 There is £67,360 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the rural cost centre budget in 2015/16.
- 5.4 There is £75,000 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from the urban cost centre budget for 2015/16. If the application within this report from Kenilworth Tennis, Squash and Croquet Club of 50% of the total project costs, up to a maximum of £28,995 is approved, £46,005 will remain in the urban cost centre budget.

6. Risks

- 6.1 There are no main risks for this proposal.

7. Alternative Option(s) considered

- 7.1 The Council has only a specific capital budget to provide grants of this nature and therefore there are no alternative sources of funding if the Council is to provide funding for Rural/Urban Capital Improvement Schemes.
- 7.2 Members may choose not to approve the grant funding, or to vary the amount awarded.

8. Background

- 8.1 Kenilworth Tennis, Squash and Croquet Club have submitted a RUCIS application to refurbish five tennis courts that have now come to the end of their life span.

The project work includes:

- Resurfacing two courts
- Colour coating three courts
- New fencing installation
- New gate installation
- Gate replacement
- Raising the height of existing fencing

- 8.2 The application is for 50% of the total project costs up to a maximum of £28,995.
- 8.3 Kenilworth Tennis, Squash and Croquet Club have committed £28,895 to the project from their cash reserves. These funds have been evidenced through their annual accounts and the provision of recent bank statements; a current snapshot of the accounts shows cash reserves of £58,743 before deduction of the club's contribution to the project.

- 8.4 Kenilworth Tennis, Squash and Croquet Club is vat registered (number: 272739533); they will be reclaiming vat in connection to this project therefore the award will be excluding vat. The vat will initially be paid by the club from their cash reserve which has been evidenced by the provision of recent bank statements.
- 8.5 Although it appears that the club have quite significant cash reserves, after the deduction of their £28,895 contribution to the project the remaining cash reserve of £29,848 is approx. 17% of the annual operating cost; the club's 2014 operating costs were £173,214. Additionally, the club will also have £11,638 vat to pay and although part of this will eventually be reclaimed from HMRC, in the interim this would further reduce the cash reserve to £18,210 which is approx. 11% of the annual operating cost. The RUCIS scheme allows for remaining cash reserves to be no more than one year's operating costs therefore the club's reserves are well within criteria.
- 8.6 An application has been submitted to Kenilworth Town Council requesting a £100 contribution towards the project; verbal discussions with the Town Clerk have indicated that this application will be agreed, however, should it be declined the club will cover this remaining amount from their cash reserves to ensure that there is no budget shortfall. Again, their ability to do this has been evidenced through the provision of their recent bank statements.
- 8.7 Kenilworth Tennis, Squash and Croquet Club have not previously had a RUCIS grant.

It is therefore recommended that the Executive approves an award of a Rural / Urban Capital Improvement grant to Kenilworth Tennis, Squash and Croquet Club of 50% of the total cost of the project excluding vat subject to a maximum of £28,995.

RURAL/URBAN CAPITAL IMPROVEMENT GRANTS APPLICATION FOR 29th JULY 2015 EXECUTIVE :

Applicant :	Kenilworth Tennis, Squash and Croquet Club		
Description of scheme:	<p>Refurbishment of five tennis courts that are at the end of their life span, project work includes:</p> <ul style="list-style-type: none"> • Resurfacing two tennis courts with pro sand-dressed artificial grass surface • Treating three hard tennis courts for moss, cleaning, putting a binder coating to the surface and painting • Making necessary fence improvements around four of the courts to make them safe and secure for use • Installing a new gate and replacing an existing gate • Purchasing a sandbrusher to prolong the lifespan of the four astro courts 		
Evidence of need:	<p>There is a visible need; the two show courts have reached the end of their playing life and need to be resurfaced, the three hard courts are in dire need of moss treatment, re-binding and re-painting. None of the courts will last another Winter Season. The Tennis Coach, James Roe, has provided a letter stating that in his professional opinion that courts are at the end of life span and the works that are required to keep them in use.</p>		
3 years accounts received?	<p>2012 - 2014 accounts have been received, along with recent bank statements for the three accounts held covering the period April to May 2015; this evidences sufficient cash reserves to meet the contribution stated on the application form.</p>		
Financial Performance; minus figure = deficit	<p>Year ended 30/09/14</p> <p>£30,434</p>	<p>Year ended 30/09/13</p> <p>£32,975</p>	<p>Year ended 30/09/12</p> <p>£44,048</p>
Available Funds (cash and reserves)	<p>Year ended 30/09/14</p> <p>£56,890</p>	<p>Year ended 30/09/13</p> <p>£56,066</p>	<p>Year ended 30/09/12</p> <p>£179,908</p>
Details of membership, fees etc:	<p>There are membership fees, covering a wide range of categories across the sports of tennis, squash and croquet, including; junior, student, single person, family memberships. A full list of subscriptions has been provided, however, as a brief summary:</p> <ul style="list-style-type: none"> • Tennis only membership – ranges between £42 for a child to £280 for an adult • Squash only membership – ranges between £37 for a child to £245 for an adult • Combined membership – ranges between £47 for a child to £315 for an adult • Adult group coaching sessions - members are £5 per session, non-members £6 per session • Holiday camps – £16 per day per child for members, non-members £17 per day • Junior nights are every Friday from May to July - £3 for non-members and non-members can attend three sessions per year 		
Details of usage:	<p>The Club has 222 junior members and 478 adult members; the majority of members are from Kenilworth and the surrounding areas. The number of non-members who use the tennis facilities is hard to quantify but should be in the region of 100 to 200 people, non-members also attend many activity sessions that the club run, for example:</p> <ul style="list-style-type: none"> • Kenilworth School & Sixth Form play home tennis matches (free of charge) – 10 home matches per season, approx. 40 school students involved. • St Nicholas C of E Primary School (Year 3 & 4 pupils) hold weekly PE lessons all year round at the club (free of charge) - approx. 60 pupils per week • All Kenilworth Primary Schools are offered a free session for their reception children - held either at the school or at the club (Headteachers choice) • Weekly tennis cardio sessions for adults (held all year round) – can be attended by members and non-members, approx. 10 adults attend each week, half of which are normally non-members • Tennis holiday camps for children are held every day over the school holidays - camps are open to members and non-members, they are publicised through school newsletters and by giving out leaflets to all Kenilworth Schools, approx. 30 to 50 children attend each day over the school holidays, approx 40% of these children are non-members • Weekly adult improvers and beginners tennis courses, held every week (4 separate sessions) during term time -open to members and non-members, approx. 10 to 20 adults attend each session, approx 30% of these will be non-members 		
Details of Organisations equalities policies:	<p>A copy of the Kenilworth Tennis, Squash and Croquet Club Equality and Diversity Policy has been provided, however, in summary; the aim of the policy is to ensure that everyone is treated fairly and with respect and that members, non-members, visiting clubs and teams are not denied access to the club because of a discriminatory reason.</p>		
3 quotes provided:	<p>Yes - three quotes have been received.</p>		
Which of the Council's Corporate Priorities are met?	Evidence		
Reduce anti-social behaviour	<p>The club encourages many young people in the area to join or to use the facilities as a non-member in organised tennis events and there is also community usage of the club for example;</p> <ul style="list-style-type: none"> • Kenilworth School and Sixth Form use the courts for their match courts • An annual community event is hosted (The Great British Tennis weekend) where the club is open free of charge (this year there was 100+ members of public on the Saturday and 70+ juniors on the Friday night) • Hold weekly tennis improvement sessions for adult non-members • Hold junior coaching sessions during the week for non-members who are also able to attend Friday night junior nights <p>Provision of these activities helps towards reducing anti-social behaviour; if the courts aren't refurbished and become unusable there is a risk that activities will cease and that anti-social behaviour will potentially increase.</p>		

Reducing obesity, particularly in children	<p>The club encourages many young people in the area to join or to use the facilities as a non-member in organised tennis events and there is also community usage of the club for example;</p> <ul style="list-style-type: none"> • Kenilworth School and Sixth Form use the courts for their match courts • St Nicholas C of E Primary School hold weekly PE lessons all year round at the club • All Kenilworth Primary Schools are offered a free session for their reception children • An annual community event is hosted; "The Great British Tennis weekend" • Hold weekly tennis improvement sessions for adult non-members • Hold junior coaching sessions during the week for non-members <p>Provision of these activities helps towards reducing obesity, particularly in children; if the courts aren't refurbished and become unusable there is a risk that activities will cease and obesity will potentially increase.</p>	
Increase opportunities for everyone to enjoy and participate in sports, arts and cultural activities	<p>Five tennis courts are now at the end of their life span, without refurbishment these courts will need to be withdrawn from use and activities provided will cease. This would naturally decrease opportunities for the community to participate in sporting activity ranging from adult members, non-members and local school children.</p>	
Engaging and strengthening communities	<p>The club is managed and run by a wide range of volunteers from the local community and the activities that are available also bring together a wide range of people; this all helps to engage and strengthen the community. If the courts aren't refurbished and become unusable activities will cease which will potentially disengage and weaken the community.</p>	
Targeting disadvantage in rural / urban areas:	<p>There is free-of-charge community usage of the club for example;</p> <ul style="list-style-type: none"> • Kenilworth School and Sixth Form use the courts for their match courts • St Nicholas C of E Primary School hold weekly PE lessons all year round at the club • All Kenilworth Primary Schools are offered a free session for their reception children • An annual community event is hosted; "The Great British Tennis weekend" <p>If the courts aren't refurbished and become unusable activities will cease which will potentially disadvantage the Kenilworth area and surrounding rural areas.</p>	
Total cost of scheme (including VAT where appropriate)	£58,190 This is the net amount; the club will be claiming back vat therefore the award is excluding vat	
Funded by:	Status	
Parish Council	£100	
Own Funds	£28,895	
Total RUCIS	£28,995	
equates to	49.8%	

RURAL/URBAN CAPITAL IMPROVEMENT SCHEME - 29th JULY 2015 EXECUTIVE**APPENDIX 2****Summary of Financial Impact of Approving Scheme**

Scheme Description	RURAL	URBAN	SLIPPAGE	TOTAL
<u>Original 2015/16 Budget</u>	£75,000	£75,000	£0	£150,000
<u>Resources brought forward from 2014/15 to 2015/16</u>				
Total Slippage from 2014/15 to 2015/16	£0	£0	£294,562	£294,562
Rural/Urban Capital Improvement Grants already approved 2014/15	£0	£0	-£163,522	-£163,522
Rural/Urban Capital Improvement Grant unallocated balance 2014/15	£0	£0	£131,040	£131,040
				£281,040
 <u>1st July 2015 Executive</u>				
Cubbington Village Hall	-£7,640			-£7,640
 <u>29th July 2015 Executive</u>				
Kenilworth Tennis, Squash and Croquet Club (proposed)		-£28,995		-£28,995
 <u>Projects Closed - Underspends and Withdrawn 2015/16</u>				
Kenilworth Town FC (withdrawn - no longer required)			£13,250	£13,250
Whitnash TC - Measured Mile - Third Party Payment (underspend)			£28	£28
 Remaining Budget	£67,360	£46,005	£144,318	£257,683