

Executive

Thursday 5 January 2017

A meeting of the Executive will be held at the Town Hall, Royal Leamington Spa on Thursday 5 January 2017 at 6.00pm.

Membership:

Councillor A Mobbs (Chairman)	
Councillor N Butler	Councillor P Phillips
Councillor M Coker	Councillor D Shilton
Councillor S Cross	Councillor P Whiting
Councillor M-A Grainger	

Also attending (but not members of the Executive):

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

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.

Part 1

(Items upon which a decision by Council is required)

2. Local Council Tax reduction scheme 2017

To consider a report from Finance **(Pages 1 to 4 plus appendices)**

3. Council Tax empty property exemption period

To consider a report from Finance **(Pages 1 to 4)**

4. Pre-application charging regime for development proposals

To consider a report from Development Services **(Pages 1 to 8)**

Part 2

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

5. The Rental Exchange Project

To consider a report from Housing and Property Services **(Pages 1 to 7)**

6. Consultation on draft Community Infrastructure Levy (CIL) Charging Schedule

To consider a report from Development Services
(Pages 1 to 6 plus appendices 1 to 3)

7. Cloister Way Affordable Housing

To consider a report from Housing and Property Services **(Pages 1 to 4)**

8. Significant Business Risk Register

To consider a report from Finance **(Pages 1 to 20)**

9. Visitor Information Review

To consider a report from Development Services **(To follow)**

10. 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 item 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	1	Information relating to an Individual

- | | | |
|----|---|---|
| 11 | 2 | Information which is likely to reveal the identity of an individual |
| 11 | 3 | Information relating to the financial or business affairs of any particular person (including the authority holding that information) |

11. **Decision Made under Chief Executive's Emergency Powers CE(4)**

To consider a report from the Chief Executive

(Pages 1 to 4)
(Not for publication)

Agenda published Wednesday 21 December 2016

General Enquiries: Please contact Warwick District Council, Riverside House, Milverton Hill, Royal Leamington Spa, Warwickshire, CV32 5HZ.

Telephone: 01926 456114


E-Mail: committee@warwickdc.gov.uk

For enquiries about specific reports, please contact the officers named in the reports
You can e-mail the members of the Executive at executive@warwickdc.gov.uk

Details of all the Council's committees, Councillors and agenda papers are available
via our website www.warwickdc.gov.uk/committees

Please note that the majority of the meetings are held on the first floor at the Town Hall. If you feel that this may restrict you attending this meeting, please call (01926) 456114 prior to this meeting, so that we can assist you and make any necessary arrangements to help you attend the meeting.

The agenda is also available in large print, on request, prior to the meeting by calling 01926 456114.

 Executive 5 January 2017		Agenda Item No. 2
Title	Local Council Tax Reduction scheme 2017	
For further information about this report please contact	Andrea Wyatt ext 6831	
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	July 2016	
Background Papers	Consultation document	

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
Equality Impact Assessment Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	12/12/2016	Chris Elliott
Head of Service	12/12/2016	Mike Snow
CMT	12/12/2016	CMT
Section 151 Officer	12/12/2016	Mike Snow
Monitoring Officer	12/12/2016	Andrew Jones
Finance	12/12/2016	Andrea Wyatt
Portfolio Holder(s)	12/12/2016	Cllr Whiting
Consultation & Community Engagement		
Invitations to participate in the consultation were sent to all working age residents currently in receipt of council tax reduction.		
Final Decision?		Yes – subject to full Council
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 This report provides the results of the consultation in respect of the proposed changes to the Local Council Tax Reduction Scheme (LCTRS) which ended on the 6th November 2016 and recommends changes to be agreed by Council to be implemented from 1 April 2017.

2. **Recommendation**

- 2.1 That members accept the following changes to the Council Tax Reduction scheme.
- 1) To amend the rules which will ensure that people with the same level of income will be treated equally whether they receive Universal Credit or other means tested welfare benefits from 1 April 2017.
 - 2) To remove the family premium in the calculation of Council Tax Reduction for all new claims made from the 1st April 2017.
 - 3) To remove the child premium in the calculation of Council Tax reduction for any 3rd or subsequent child born on or after the 1st April 2017.
 - 4) To review the applicable amounts, premiums, allowances and non dependant deductions annually so that they reflect those prescribed by the Government in the prescribed –pensioner scheme from 1 April 2017.
 - 5) To maintain the maximum 3 month backdate period.

3. **Reasons for the Recommendation**

- 3.1 The Government have made changes to other national welfare benefits, including housing benefit, and to the pension age Council Tax Reduction Scheme. The changes proposed will ensure that Council's Council Tax Reduction Scheme remains aligned with other means tested benefits. Failure to align with other Benefits will increase the amount a new claimant can receive in council tax reduction.
- 1) Recommendation 1 – Universal Credit is gradually being rolled out nationally and replaces a number of means tested benefits. The way that the reduction is currently calculated needs to be amended so that it remains fair to all working age claimants, and does not favour those claiming Universal Credit any more than those who are not. The majority of respondents agreed to this proposal.
 - 2) Recommendation 2 – The family premium was removed from the calculation of other welfare benefits in May 2016, including council tax reduction for pensioners, however the Council's local working age scheme did not change. This proposed change ensures our scheme remains aligned to other welfare benefits. The majority of respondents did not know whether this should be removed or not, however this will only be applied to new claims made after 31st March 2017.

- 3) Recommendation 3 – A person claiming welfare benefits, including pensioner council tax reduction, will no longer receive an increase in those benefits for any 3rd or subsequent child born after 1st April 2017. This change will ensure the scheme remains aligned to other welfare benefits. There was a mixed response to this, the majority of claimants agreed with this proposal.
- 4) Recommendation 4 - The amounts used to calculate reduction for pensioners are prescribed annually by Government. It is proposed that in future, the applicable amounts, premiums, allowances and non dependant deduction will be amended annually to align with those used in the Government pensioner council tax reductions scheme. This will ensure our working age scheme remains aligned with the pensioner scheme. The majority of respondents agreed with this proposal.
- 5) Recommendation 5 – The proposals suggested reducing the maximum period a claim could be backdated from three months to one month, however the majority of respondents did not think we should reduce this. Consequently this original proposal is not being recommended as a change to the Council's LCTRS.

4. Policy Framework

4.1 Fit for the Future –

The Warwick District LCTRS contributes to the Council's vision to make Warwick District a great place to live, work and visit ensuring that the most vulnerable people within the community receive help towards payment of their council tax.

4.2 Impact Assessments

An equality impact assessment has been carried out and this is attached at Appendix 1. The proposed changes do not adversely impact any of the equality strands, LCTRS is a means tested benefit based on financial circumstances only, and there are no proposals to change the additional allowances and premiums used in the calculation for persons with a disability. There are differences in premiums and allowances for pensioners but these are prescribed by Government.

5. Budgetary Framework

- 5.1 Any changes made to other welfare benefits directly impacts the amount of council tax reduction a claimant can receive. If the scheme is not changed to align with other benefits, the cost to the Council could increase as new claimants will be entitled to increased awards of council tax reduction.

6. Risks

- 6.1 If the scheme is not changed the costs to the Council could increase.
- 6.2 Tax payers continue to have the right of legal challenge against the scheme via Judicial review.

7. Alternative Option(s) considered

- 7.1 The Council could decide to reject the recommendations and retain the scheme in its current form.

8. Background

- 8.1 Following the July 2016 report, invitations to participate in the consultation were issued to all 3360 working age people currently claiming council tax reduction, advising them how they could participate and details were also promoted on the website. A total of 68 combined online and paper responses were returned. Details of the proposals were also issued to both the County Council and the Police and Crime Commissioner. The County Council have responded supporting the changes, however no comments have been received from the police and crime Commissioner.
- 8.2 Since our local council tax reduction scheme was last reviewed, there have been a number of changes to other welfare benefits schemes, including the council tax reduction scheme for pensioners and the housing benefit scheme both of which are administered by the local authority.
- 8.3 The majority of customers who claim working age council tax reduction also receive at least one other welfare benefit. Any changes made to other benefits affect the income a claimant receives and this then directly impacts upon the amount of council tax reduction a person is entitled to. Therefore it is important to review the scheme so that it aligns with other income related welfare schemes to prevent the cost of the scheme increasing whilst ensuring claimants still receive the help they need.
- 8.4 The changes to the scheme should not adversely effect anyone currently receiving council tax reduction, those who currently receive a family premium or an increase in reduction for any third or subsequent child will continue to do so for as long as they are continuously entitled to the reduction.
- 8.5 The proposed changes will not affect new claimants who apply for the reduction and receive Job Seekers Allowance (income based), Income Support, and Employment and Support Allowance (income related) and they will still be able to receive the maximum entitlement which will remain at 85% reduction.
- 8.6 Many other Local Authorities are proposing to make similar changes to their schemes to ensure that they continue to align with other welfare benefit schemes and to ensure the cost to the council does not increase.
- 8.7 The Council will continue to provide support to residents within the District through budgeting support, job clubs and discretionary payments for those claimaing housing benefit.

**Equality Impact
Assessment/ Analysis (EqIA)
Introduction & Forms**

March 2016

Adapted for WDC using WCC template and framework



Equality Impact Assessment/ Analysis

Service Area	Finance
Policy/Service being assessed	Local Council Tax Reduction Scheme
Is this is a new or existing policy/service? If existing policy/service please state date of last assessment	Existing Policy August 2012
EqIA Review team – List of members	
Date of this assessment	November 2016
Signature of responsible officer (to be signed after the EqIA has been completed)	

A copy of the Equality Impact Assessment Report including relevant data and information to be forwarded to XXXXX

If you require help, advice and support to complete the forms, please contact the Equalities team on equalities@warwickshire.gov.uk or call 01926 412659/418199



Form A1

INITIAL SCREENING FOR STRATEGIES/POLICIES/FUNCTIONS FOR EQUALITIES RELEVANCE TO ELIMINATE DISCRIMINATION, PROMOTE EQUALITY AND FOSTER GOOD RELATIONS

 High relevance/priority
 Medium relevance/priority
 Low or no relevance/priority

Note:

1. Tick coloured boxes appropriately, and depending on degree of relevance to each of the equality strands
2. Summaries of the legislation/guidance should be used to assist this screening process

Business Unit/Services:	Relevance/Risk to Equalities																										
State the Function/Policy /Service/Strategy being assessed:	Gender			Race			Disability			Sexual Orientation			Religion/Belief			Age			Gender Reassignment			Pregnancy/ Maternity			Marriage/ Civil Partnership (only for staff)		
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Local Council Tax Reduction Scheme (LCTRS)			✓			✓			✓			✓			✓	✓					✓			✓			✓
Change to the way Universal Credit is treated in the assessment of the LCTRS			✓			✓						✓			✓	✓				✓			✓			✓	
Family premium no longer to be included in the assessment of LCTRS for new			✓			✓			✓			✓			✓				✓			✓			✓		

[illegible]

Form A2 – Details of Plan/ Strategy/ Service/ Policy

Stage 1 – Scoping and Defining

(1) What are the aims and objectives of Plan/Strategy/Service/Policy?

The aim of the LCTRS is to provide financial assistance to council taxpayers who have a low income. The rules for calculating the reduction for working age claimants are locally determined by Warwick District Council whilst the rules for pensioners are prescribed by Central Government.

This equality impact assessment considers the proposed changes to the rules for working age customers from April 2017.

Where a working age customer breaks their claim and reclaims or claims for the first time it is proposed that the new claim is calculated using the same rules as are currently in place for pensioners.

- End the family premium used in the assessment
- Restrict the award of a child premium to the first two children in any family.

These changes will not apply to a person who receives either Employment and Support Allowance (Income Related), Income Support or Job Seekers Allowance (Income related). Claimants in receipt of these primary benefits will continue to receive reduction at the same rate as previously.

(2) How does it fit with Warwick District Councils wider objectives?	The scheme provides help to residents who are on a low income and are liable to pay council tax and fits with the overall aim to make Warwick District a great place to live, work and visit in that it meets as far as possible equality and sustainability. It also assists the local economy and ensure that persons on a low income will be able to meet their council tax liability.
(3) What are the expected outcomes?	<p>The rules for pensioners are prescribed by Central Government, and these have already been amended to incorporate the changes proposed for working age claimants. However pensioners can still receive up to 100% reduction in their council tax liability.</p> <p>Working age claimants will continue to receive the same level of help whilst they remain continuously entitled to council tax reduction. The proposals will only affect new claims and are designed to align with other welfare benefit changes including council tax reduction for pensioners.</p>
(4) Which of the groups with protected characteristics is this intended to benefit? (see form A1 for list of protected groups)	Pension age claimants can still receive up to 100% reduction in council tax liability.
<u>Stage 2 - Information Gathering</u>	
(1) What type and range of evidence or information have you used to help you make a judgement about the plan/ strategy/ service/ policy?	Data modelling.
(2) Have you consulted on the plan/ strategy/ service/policy and if so with whom?	The major pre-cepting authorities were asked for their comments. Public consultation was undertaken.
(3) Which of the groups with protected characteristics have you consulted with?	None.

Stage 3 – Analysis of impact			
<p>(1) From your data and consultations is there any adverse or negative impact identified for any particular group which could amount to discrimination?</p> <p>If yes, identify the groups and how they are affected.</p>	<p>RACE</p> <p>No – any award of LCTR is based on the customers’ financial circumstances only.</p>	<p>DISABILITY</p> <p>No – any award of LCTR is based on the customers’ financial circumstances only. There will be no changes to the current disability premiums included when calculating any entitlement.</p>	<p>GENDER</p> <p>No – any award of LCTR is based on the customers’ financial circumstances only.</p>
	<p>MARRIAGE/CIVIL PARTNERSHIP</p> <p>No – any award of LCTR is based on the customers’ financial circumstances only.</p>	<p>AGE</p> <p>No – any award of LCTR is based on the customers’ financial circumstances only.</p>	<p>GENDER REASSIGNMENT</p> <p>No – any award of LCTR is based on the customers’ financial circumstances only.</p>
<p>(2) If there is an adverse impact, can this be justified?</p>	<p>RELIGION/BELIEF</p> <p>No – any award of LCTR is based on the customers’ financial circumstances only.</p>	<p>PREGNANCY / MATERNITY</p> <p>No – any award of LCTR is based on the customers’ financial circumstances only.</p>	<p>SEXUAL ORIENTATION</p> <p>No – any award of LCTR is based on the customers’ financial circumstances only.</p>

(3) What actions are going to be taken to reduce or eliminate negative or adverse impact? (this should form part of your action plan under Stage 4.)	Current working age claimants will see no change to their LCTR entitlement. These proposals will only affect new claims.
(4) How does the plan/strategy/service/policy contribute to promotion of equality? If not what can be done?	The scheme provides financial support to those residents receiving a low income by helping them meet their Council Tax liability; contributing towards sustainability and equality.
(5) How does the plan/strategy/service/policy promote good relations between groups? If not what can be done?	If customers are awarded LCTR they have demonstrated that they would be struggling to meet their Council Tax costs. If the customer requires further independent advice including financial e.g. full benefit checks, all notification award letters signpost the claimants to the local Citizens Advice Bureau.
(6) Are there any obvious barriers to accessing the service? If yes how can they be overcome?	No – in addition to the traditional paper application forms, we have extended our service to allow the customer to choose to complete an on-line application form for LCTR. Private facilities and appointments are available for customers wishing to claim and where appropriate a Visiting Officer will call to assist applicants.


<u>Stage 4 – Action Planning, Review & Monitoring</u>					
<p>If No Further Action is required then go to – Review & Monitoring</p> <p>(1) Action Planning – Specify any changes or improvements which can be made to the service or policy to mitigate or eradicate negative or adverse impact on specific groups, including resource implications.</p>	EqIA Action Plan				
	Action	Lead Officer	Date for completion	Resource requirements	Comments
(2) Review and Monitoring State how and when you will monitor policy and Action Plan					

Please annotate your policy with the following statement:

'An Equality Impact Assessment/ Analysis on this policy was undertaken on 15th November 2016 and will be reviewed on 15th November 2019 or sooner should any revisions be made to the scheme prior to then

Survey results

	Yes	No	Don't know
To change the way Universal Credit is treated in the calculation of council tax reduction to ensure the scheme is fair to all claimants.	57%	19%	24%
Remove the family premium used in the assessment of Reduction for new claimants only	27%	26%	47%
Restrict the child premium awarded to the first two children only	48%	20%	32%
Review the allowances, premiums and non dependant deductions annually in line with other welfare benefits and maintain alignment with the pensioner scheme.	40%	26%	34%
Reduce backdating period from three months to one month	35%	47%	18%

 Executive – 5th January 2017		Agenda Item No. 3
Title	Council Tax empty property exemption period	
For further information about this report please contact	David Leech Exchequer Manager 01926 456052 email: david.leech@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	N/A	

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	12/12/16	Chris Elliott
Head of Service	12/12/16	Mike Snow
CMT	12/12/16	Chris Elliot, Bill Hunt and Andy Jones
Section 151 Officer	12/12/16	Mike Snow
Monitoring Officer	12/12/16	Andy Jones
Finance	12/12/16	Mike Snow
Portfolio Holder(s)	12/12/16	Cllr Whiting
Consultation & Community Engagement		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		
To be considered by full Council		

1. **Summary**

- 1.1 This report provides details of a proposal to remove the council tax one month exemption period in respect of empty properties that are unoccupied and unfurnished. The proposed change, if approved, would take effect from 01 April 2017 and as a consequence would mean that council tax would be payable regardless of whether a property was occupied or empty. The liable person for the charge would be the person entitled to possession of the property which in many cases will be the owner/landlord but on occasions will be a tenant who may have vacated or not yet taken up occupation but still holds the tenancy.

2. **Recommendation**

- 2.1 It is recommended that the Executive approves a proposal to remove the council tax one month empty property exemption period in respect of empty properties with effect from 01 April 2017.

3. **Reasons for the Recommendation**

- 3.1 The current policy which allows a one month exemption period once a property becomes unoccupied and unfurnished leads to confusion with taxpayers as the exemption relates to the property and not the taxpayer. Inevitably this can lead to repeated enquiries leading to disputes over occupation/vacation dates and often the Council can become involved in lengthy wrangling between landlords and tenants.
- 3.2 It will make it a lot simpler for the council tax payer to understand and will remove the number of enquiries about our policy on this matter. It will also remove the many administrative difficulties in establishing exemption start and end dates and determining the person entitled to the exemption.
- 3.3 Removing the exemption from empty properties provides an incentive to owners to reoccupy or bring property back into use as quickly as possible and reduce the number of empty properties.
- 3.4 At any one time there are on average approximately 165 properties in receipt of our current exemption. Based on the assumption that they are band D properties the Council could raise an additional £267,000 (approx £27,000 for WDC) in revenue from removing the exemption.

4. **Policy Framework**

- 4.1 Removing the exemption on empty properties should encourage owners to bring property back in to use which assists with meeting the Housing need in the area.

5. **Budgetary Framework**

- 5.1 Based on the recommendations, the additional revenue is set out below:-

	Revenue from removing exemption
Warwick District Council	£26,433
Warwickshire County Council	£207,459
Warwick Police Authority	£33,108
TOTAL additional revenue	£267,000

- 5.2 The Council incurs 100% of the administrative costs consequently, although not possible to quantify, there will be saving in terms of the time and resource not having to deal with the queries and issues arising from the exemption period. This time and resource from this policy change can be better used to help alleviate council tax backlogs.
- 5.3 Warwick District Council as a landlord would have increased pressure to bring down void periods between tenancies because during these periods there would be a small cost to the Housing Revenue Account.

6. Risks

- 6.1 There is some possibility of bad publicity particularly from landlords of unfurnished property who would be under increased pressure to avoid gaps in tenancy periods otherwise they would incur a council tax liability. This does not affect Housing Associations as they still enjoy a separate 6 month national statutory exemption for empty properties.

7. Alternative Option(s) considered

- 7.1 The Council has the discretion to award any exemption between 0 and 100% for any period up to 6 months. However, retaining an exemption period of any period of time will lead to the kind of administrative problems currently being experienced and whilst the existing period is only a month it could be a factor in slowing down the turnover of property as well as lost opportunity to raise additional revenue.


8. Background

- 8.1 For Council tax purposes a property is classified as empty if it is unoccupied and unfurnished. The liable person for council tax is the person entitled to possession of the property which in many cases will be the owner but on occasions will be a tenant who may have vacated or not yet taken up occupation but still holds the tenancy.
- 8.2 Prior to April 2013 there was a national statutory 6 month exemption period from Council tax during which no rates were payable. After this 6 month period council tax at the full rate was levied regardless of how long the property remained empty.
- 8.3 With effect from April 2013 new legislation was introduced which abolished the national statutory exemption and gave Local Authorities greater freedoms in respect of certain exemptions/discounts relating to Council tax and in particular, empty properties. Consequently in place of the 6 month exemption Local Authorities had discretion to introduce a discount of any amount in between 0 and 100 % of the full charge for a period between 0 and 6 months following a property becoming empty.
- 8.4 In light of the new powers the Council resolved to introduce a full 100% exemption for a period of 1 month only in respect of empty properties. A full charge is payable thereafter up until a property has been empty for 2 years. At this point the Council, in taking advantage of another new discretion, introduced a premium charge whereby empty properties in excess of 2 years attract a premium charge of 150%.

- 8.5 Since 2013 the adoption of the 1 month exemption period has led to many administrative difficulties and disputes. The one month exemption period relates to the property and not the owner and this causes a lot of confusion with taxpayers. Consequently if someone purchases a property that has been empty for 2 weeks and keeps it empty they will only receive the benefit of a further 2 weeks whereas they will be expecting a full month. This inevitably leads to correspondence to clarify the situation. The Council tax team have found themselves in the middle of many landlord and tenant disputes which can result in protracted discussions/correspondence with both parties with the Council having to side wherever the evidence is greater. One recent case went all the way to Valuation Tribunal only to be dropped at the last minute after we had intervened and obtained evidence from a removal firm when a property had been cleared of furniture. This is time consuming for a team struggling to prevent backlogs in light of increased workload from the rapidly increasing new properties coming on stream.
- 8.6 We are aware that many local authorities have reviewed their position on this exemption since 2013 in light of their experiences and many have either reduced or removed the exemption completely (e.g. Coventry, Stoke, Rotherham, Poole). Our neighbouring Warwickshire Councils all continue to offer an exemption for differing periods as shown below.

Local Authority	Current empty property exemption period
Warwick	28 days
Rugby	6 months
Stratford	3 months
Nuneaton & Bedworth	3 months
North Warks	14 days

- 8.7 This policy change does not change the remaining statutory exemptions that are still applicable for situations such as where the property is owned by a deceased person's estate prior to probate or where a person has left a property to give care.

 Executive 5 January 2017		Agenda Item No. 4
Title	Pre-application charging regime for development proposals.	
For further information about this report please contact	Gary Fisher	
Wards of the District directly affected	All wards	
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: 14 January 2015 and 1 July 2015; Overview and Scrutiny: 28 June 2016 and 1 November 2016.	
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	N/A

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	8/12/16	Chris Elliott/Bill Hunt
Head of Service	8/12/16	Tracy Darke
CMT	8/12/16	
Section 151 Officer	8/12/16	Mike Snow
Monitoring Officer	8/12/16	Andy Jones
Finance	8/12/16	Jenny Clayton
Portfolio Holder(s)	8/12/16	Councillor Stephen Cross
Consultation & Community Engagement		
N/A		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

1.1 The purpose of this report is:-

- i. To update Executive on progress with the pre-application advice scheme which since February this year has included a financial charge for advice;
- ii. To recommend that the revised scheme be adopted on a permanent basis.

2. **Recommendation**

2.1 That the Executive approves the introduction of the pre-application charging scheme as proposed to be modified in this report on a permanent basis, from 1 February 2017.

3. **Reasons for the Recommendation**

3.1 The revised pre-application scheme has been in operation since February 2016.

3.2 The purpose of the trialling of the scheme for a period of a year was to monitor its effectiveness particularly in terms of the income received relative to the costs of providing the service in order to consider whether it could be operated on a permanent basis through the provision of an additional Planning Officer role within the Development Management team.

3.3 To enable the monitoring of the scheme during its trial period, an additional temporary Planning Officer post was created within the Development Management team, recruited through a specialist agency.

3.4 To date, since February 2016, over 190 non-householder, pre application requests have been received, of which approximately 25% were exempt from the payment of a fee as per the exemptions set out in the charging schedule (Appendix 1).

3.5 Over that period, the cost of providing the service on a permanent basis, i.e. through the provision of a permanent member of staff rather than a temporary member of staff recruited through an agency, as is currently the case, would be £37,215 whilst the income received was £42,725.

3.6 At this stage, whilst the income received on an on-going basis remains variable, the evidence is nevertheless that it exceeds that required to fund a permanent Planning Officer post to provide an appropriate level of resource to deliver this service in an effective manner on a permanent basis.

3.7 The pre-application scheme has been designed to operate by making a charge for the provision of advice on a one-off basis by means of either a single meeting or a written response. Whilst at the outset, it is not possible to design a scheme to address all possible combinations of circumstances, officers have reflected on the experience of running the scheme to date particularly in respect of the way in which the exemptions to the making of a charge have operated but also to other circumstances which have arisen.

3.8 Revisions to the way in which those exemptions are applied are proposed, further details of which are set out in paragraph 8 of this report.

4. **Policy Framework**

4.1 **Fit for the Future** – Over the period of the trialling of the revised pre-application scheme, the experience has been that this enhanced service has increased the quality of development schemes coming forward contributing to the vision of making Warwick District a great place to live, work and visit as set out in the Sustainable Community Strategy.

4.2 The proposal is consistent with the Fit for the Future Programme as follows:

Service: To Maintain and Improve Services – the proposal will allow the Council to maintain a planning advice service of good quality.

Money: Achieve and maintain a sustainable balanced budget – the charges will enable the right level of resource to be available to provide the service at no additional cost to the Council.

People: Engaged and Empowered Staff – as it will help the Council to make sure it has the right staff in place and that they are appropriately supported and engaged to deliver the service.

4.3 **Impact Assessments** – It is anticipated that the permanent introduction of this enhanced service and the provision of an additional resource within the Development Management Team in that respect will assist with the appropriate provision of that service across all sections of the community.

5. **Budgetary Framework**

5.1 The budget necessary for running this scheme on a permanent basis needs to cover the cost of providing an additional staff resource within the development management team. The recruitment of a permanent member of staff will cost in total £43,000 per year and this is therefore the minimal level of income required to fund that cost. Any further income received will contribute towards the further costs that are incurred in supporting the service, for example, administrative, ICT costs, etc.

5.2 Members may recall that following a recommendation from the Finance and Audit Scrutiny Committee, last year, Executive authorised the scheme to be trialled for a 12 month period, using a member of staff recruited through a specialist agency in order that, should the scheme prove not to be successful, the role could be terminated speedily. Members will be aware that the cost of recruiting to a role in that way carries a significantly greater cost than recruiting a permanent member of staff, which in this case is circa £60,000 per year.

5.3 At the current level of demand for pre-application advice as set out above, the income received from the revised scheme exceeds the costs of providing the service on a permanent basis such that should that pattern and level of income continue there will be sufficient income in the longer term for the scheme to become self-funding.

5.4 The Executive in July 2015 agreed that any staffing costs arising from the initial trial of the revised regime which are not met from the income received from the scheme over that period would be funded from the Planning Reserve. With income to date of £42,725 and expenditure on additional agency staff of £51,930 this currently leaves a balance of £9,200 to be funded from the

Planning Reserve. Excluding this, the Planning Reserve has an unallocated balance of £457,000.

- 5.5 When considering the appropriate level at which to set the charges for pre-application advice, officers were mindful of the need to ensure that there is full cost recovery whilst also setting charges at a level which encourages customers to access this key initial element of the consideration of their development proposals. In doing so, the proposed charges were benchmarked against the wide range of fees set by other Local Planning Authorities and were set at a level which falls broadly within the mid range of those charges.
- 5.6 It is intended that that the level of charges will be reviewed on a regular basis, initially commencing prior to October 2017 in time for the annual setting of the Council's schedule of fees and charges.

6. Risks

- 6.1 Should the Executive authorise the making of charges for pre-application advice on a permanent basis, there is a risk that over future years, the level of income received may reduce such that the service is no longer able to be self-funding. However, given the income received to date over the trial period, and the nature and scale of the development proposals likely to be coming forward within the District in the foreseeable future, the likelihood of that being the case is considered to be low. The charges will in any case be reviewed annually.
- 6.2 Should the Executive not support the recommendation, there is however considered to be a greater risk associated with the continued provision of pre-application advice without charge and without any increase in the resourcing available within the team. Such a position would result in the service reverting back to a low level of customer service generating an increasing number of complaints and further lost opportunities to proactively influence development proposals at an early stage.

7. Alternative Option(s) considered

- 7.1 It is considered that the operation of this aspect of the development management service in the manner prior to the introduction of a charging regime did not provide an appropriate level of customer service or contribute as effectively as it could to the delivery of increasingly good development across the District. For that reason, in such circumstances, the only alternative to charging would be to cease providing any pre-application advice as there is no capacity to offer a free service.
- 7.2 Offering lower charges is not appropriate either since it would not generate sufficient financial resource to cover the cost of providing the service.

8 Background

- 8.1 Pre-application advice is a key element of the provision of a rounded and effective development management service.
- 8.2 The provision of such advice is important in providing developers with an appropriate steer as to the acceptability of their proposals prior to the submission of a planning application. It is also useful in identifying at an early stage, schemes where there is little or no prospect of success thereby

potentially preventing significant expenditure on the part of an applicant directed at schemes which are not acceptable.

- 8.3 It is widely acknowledged that the benefits of effective pre-application services are generally welcomed within the development industry and that developers are willing to pay for that service subject to it being provided in a timely and transparent manner.
- 8.4 Members will recall that the successful implementation of this scheme relies upon additional staff resource within the Development Management Team. This will build in sufficient capacity to ensure that pre-application work is undertaken in a focussed and timely manner.
- 8.5 This approach was agreed on a trial basis by Executive for a year to establish whether the scheme is successful and whether the level of income derived will be such that in the longer term the scheme will become at least self-funded. If the scheme was not successful, then the alternative was to cease any pre-application advice as there is no capacity to offer a free service.
- 8.6 To assist Members in considering this report, the scheme itself has been reproduced at Appendix 1 with proposed revisions highlighted, which are discussed below - the additions are included in italics and text proposed to be deleted is struck through.

The Current Position

- 8.7 As part of the updates to the Overview and Scrutiny Committee on the progress with the trial during 2016, officers reported that the commencement of the project was later than intended due to difficulties experienced in recruiting an Officer on a temporary basis and that unfortunately the officer initially recruited was not suitable and the contract was terminated after 3 months.
- 8.8 Subsequently, a further officer was recruited into the post who was also unable to fully undertake the role, leaving the authority in August this year. A third officer was recruited whose contract will expire on 31 March 2017.
- 8.9 This series of events over a 9 month period was inevitably disruptive to the provision and monitoring of the service, with other officers working as far as possible to backfill that role at the times during which there was no officer in post.
- 8.10 Whilst it has been evident that the level and nature of pre-application requests can vary significantly from week to week with the number of requests received in any one week varying between none and seven, and the fee income received in any one week ranging between zero and £3,450, as we have moved into the final quarter of the trial period it has become clear that the income being received is now significantly exceeding the cost of providing the service on a permanent basis.
- 8.11 Of the requests received that did not attract a fee, the majority have arisen from proposals relating to Listed Buildings and works on behalf of local charities and Housing Associations. It is noteworthy that these schemes have included significant proposals for market housing and offices and that the total fee income that would have arisen from all the exempt proposals had a fee been required, to date is £7,400.

- 8.12 As indicated above, whilst at this stage, the income received on an on-going basis remains variable, the evidence is nevertheless that it exceeds that required to fund a permanent Planning Officer post to provide an appropriate level of resource to deliver this service in an effective manner on a permanent basis.

Proposed Revisions to the Scheme

- 8.13 There have been circumstances over the last 9 months where proposals which are exempt from the payment of a fee have been the subject of repeated requests for further advice over and above that which would have been the subject of the fee. One of the reasons for this is likely to be that the scheme, as set out on the Council's website doesn't identify the approach to be taken in that set of circumstances.
- 8.14 In order to clarify that position, it is proposed that the charging schedule be amended to limit the advice provided free of charge to that provided by means of the first meeting or written response.
- 8.15 There have also been examples where advice has been provided free of charge to both local charities and housing associations in respect of proposals for large scale i. office and ii. residential schemes providing predominantly market housing, which do not directly benefit their service users and which therefore are considered not to fall within the spirit in which the exemption from paying a fee is provided.
- 8.16 It is therefore also proposed to revise the charging regime to ensure that the exemption may only be applied to smaller scale projects or larger proposals which directly benefit service users.
- 8.17 Finally, it has also become clear that there is a lack of clarity within the scheme relating to the circumstances where advice is sought following a grant of outline planning permission but prior to the submission of the details of a scheme which can often involve regular meetings with the developers involved or following the refusal of planning permission.
- 8.18 The intention of the pre-application scheme from the outset was to include the making of a charge for each meeting or written response provided and the charging regime is also proposed to be clarified in order that in such circumstances the relevant fee is paid in advance of each meeting.


Appendix 1

Warwick District Council Pre-Application Service Charges

Tier 1: Self service advice via the WDC website: No charge.
Tier 2A: Request for a written response as to whether planning permission is required. Fee of £35 for a written response.
Tier 2B: Request for a written response as to the acceptability of a minor proposal: Fee of £50 for householders or £150 for other proposals.
Tier 2C: Provision of verbal advice at the Development Management/Building Control householder drop in session: free of charge.
Tier 3: Provision of pre-application advice for small scale non-householder proposals which do not fall within tiers 4 – 6: Fee of £150 per meeting or written response; or £300 for both.
Tier 4: Provision of pre-application advice for proposals which fall within the “minor” development category: i.e. residential proposals of 1-9 dwellings or involving a site area up to 0.5 ha; commercial proposals involving less than 1,000 sq m of floor space or a site area of less than 1 ha: Fee of £300 per meeting or written response; or £600 for both.
Tier 5: Provision of pre-application advice for proposals which fall within the “small scale major” development category: i.e. residential proposals of 10 – 199 dwellings or involving a site area of 0.5 - 4 ha; commercial proposals involving between 1000 and 9999 sq m of floor space or a site area of 1 -2 ha: Fee of £600 per meeting or written response; or £1200 for both.
Tier 6: Provision of pre-application advice for proposals which fall within the “large scale major” development category: i.e. residential proposals of 200 or more dwellings or involving a site area of 4 ha or more; commercial proposals involving 10000 sq m or more of floor space or a site area of 2 ha or more: Fee of £900 per meeting or written response; or £1800 for both.

1. All fees are *exclusive* ~~inclusive~~ of VAT *and apply to all development proposals including those following both the grant of outline planning permission (i.e. prior to the submission of reserved matters applications) and the refusal of planning permission.*
2. *For any specific development proposal, a fee will not be charged for the first round of advice (provided by means of either a written response or meeting) relating to proposals which:-*
 - are brought forward by small charitable organisations that are based within Warwick District *where the proposal either i. falls within tiers 2 to 3 or where larger schemes falling within tiers 4 to 6 are proposed to directly benefit the users of the charity;*

- ~~are submitted by or on behalf of Housing Associations~~; *propose the provision of affordable housing within the District.*
- assist disabled people: for example, proposals involving modifications to make a house more accessible or user friendly.
- require Listed Building consent (not including redevelopment schemes where the work to a Listed Building is part of a wider proposal).
- are for employment development falling within the B use class.

 Executive 5 January 2017		Agenda Item No. 5
Title	The Rental Exchange Project	
For further information about this report please contact	John Gallagher Income Recovery and Financial Inclusion Strategy Manager 01926456411 john.gallagher@warwickdc.gov.uk	
Wards of the District directly affected	All wards	
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 March 16 th 2016	
Background Papers	Attached	

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 # 747
Equality and Sustainability Impact Assessment Undertaken	Yes
A detailed impact assessment was undertaken by Big Issue Invest, Experian and a number of housing associations involved in the original pilot scheme – the reports are available on request from the Income Recovery and Financial Inclusion Strategy Manager	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	24/11/2016	Bill Hunt
Head of Service	6/12/2016	Bill Hunt
CMT	6/12/2016	Bill Hunt
Section 151 Officer	6/12/2016	Mike Snow
Monitoring Officer	1/12/2016	Andy Jones
Finance	1/12/2016	Andrew Rollins
Portfolio Holder(s)	24/11/2016	Peter Phillips
Consultation & Community Engagement Local stakeholders including CAB, Cava and representatives of local Community Centres were consulted at the Affordable Credit Conference that took place on 27 th November 2015.		
Final Decision?	Yes	

1. **SUMMARY**

- 1.1 In March 2016, the Executive approved implementation of stage one of the Rental Exchange project. The results of stage one have been very positive, and therefore we want to move ahead to full implementation of the scheme, designed to help people secure lower priced credit and improve their digital profile.

2. **RECOMMENDATIONS**

- 2.1 That the Executive notes the outcomes of stage 1 of the Rental Exchange project.
- 2.2 That Executive approves the Council joining the Rental Exchange project and progresses to full implementation of the scheme.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 Following Executive approval for stage one. We passed information to Experian relating to our tenants. Experian have then assessed the data sent and advised us of the results.
- 3.2 The Warwick District Stage One results are very promising (see appendix One). Initial results indicate that:
- *71% of WDC tenants will improve their credit score*
 - *26% of WDC tenants will not be affected as they are in receipt of full housing benefit*
 - *3% of WDC tenants would have their credit score reduced*
 - *95% of WDC tenants will establish a satisfactory digital footprint*
- 3.3 These results indicate that a significant proportion of our tenants would be able to access cheaper forms of credit as a result of them paying their rent.
- 3.4 Following the approval to join the Rental Exchange scheme tenants will be notified formally of our intention to join the scheme. Tenants will be given clear information about the sharing of their information, how we will comply with the Data Protection Act and how they can then opt out of the scheme should they wish. Tenants who do not want their data shared will be able to opt out.

4. **POLICY FRAMEWORK**

4.1 **Fit for the Future**

- 4.1.2 The Rental Exchange project will have a positive effect on the Fit for the Future programme. By supporting tenants to improve their credit rating and potentially access affordable credit we are aiming to mitigate the risk of rent arrears and welfare reforms.

4.2 **Sustainable Communities Strategy**

- 4.2.1 Housing theme – By joining the scheme the Council's tenants should be able to improve their credit rating and access goods and services in their community at

a cheaper rate. This should have a positive effect on income collection as tenants should be able to manage their finances better. The recommendation in this report is consistent with and supports the delivery of the Council's adopted Housing Strategy 2014-17 action point 1.3: "working with our partners across all sectors to support people in financial difficulties".

- 4.2.2 Prosperity theme– Currently there are few opportunities to access affordable credit in Warwick District for people with poor credit ratings. As a result, tenants are more likely to access credit from loan sharks, door step lending and pay day loans. As credit ratings improve, tenants will be able to access loans and goods with lower rates of interest. That will increase the prosperity of the local communities as more income will be available for local goods and services
- 4.2.3 Health and Well Being theme – The link between health and well-being and income levels are well known. The savings a tenant can potentially be able to make over time should mean that they are better able to cope with fuel poverty, improve their diet and be better able to access sport facilities
- 4.2.4 Community Safety and Sustainability themes – Evidence from other organisations involved in the scheme such as Riverside, Affinity Sutton and Genesis Housing Associations, indicate that as circumstances for tenants improve through cheaper loans and improved credit ratings they are more likely to engage positively with their landlord in local communities

5. **BUDGETARY FRAMEWORK**

- 5.1 There is no cost to the Council in joining the Rental Exchange scheme apart from the letters sent to each of our 5,400 tenants. These costs will be met from existing budgets
- 5.2 There will be an opportunity cost in forming the project team to develop and implement the project plan

6. **RISKS**

- 6.1 The main risk associated with this project is that although the project will improve credit scores for the majority of our tenants. This only helps if they can access affordable credit.
- 6.2 As indicated 71% of our tenants would improve their score but a significant number of these tenants would still only be able to access loans at rates in excess of 500% APR as normal high street lending streams consider this group a risk.
- 6.3 This is the current position in Coventry and Warwickshire and has been for a number of years. We will consider the potential of working with other providers of affordable credit, such as City Save Credit Union to explore widening their geographical area of business to include Warwickshire. This would give our tenants access to more affordable rates of credit between 19.5% and 26.8% APR.

7. **ALTERNATIVE OPTION(S) CONSIDERED**

- 7.1 The Rental Exchange is a national initiative developed by Big Issue Invest and Experian. There is currently no alternative to this scheme which can provide the same benefits to the Council's tenants.

- 7.2 If the Council chose not to explore joining the Rental Exchange, it may miss out on an opportunity to help reduce the cost of credit and increase the payment options for services for its tenants.

8. BACKGROUND

- 8.1 In 2010 Big Issue Invest introduced the concept of using rental payment information to help address the financial exclusion challenges that Social Housing tenants face. Tenants can find it difficult to access mainstream financial services such as affordable loans, bank accounts and credit cards. Often this is because there is insufficient information held on their credit file.
- 8.2 Many organisations rely upon credit scoring to decide whether to give customers access to financial products such as a mobile phone contract, a bank account or a loan at an affordable interest rate.
- 8.3 Research indicates that many social housing tenants are excluded from affordable credit and services due to the lack of a credit history and this means they are more likely to be refused or pay more, putting extra pressure upon already challenging finances.
- 8.4 For someone to be eligible for mainstream credit the general authentication requirement is two digital proofs of identity - for example a gas bill and a rent record. Without rent data, only 39% of tenants hold two or more electronic proofs. Once rent data is included, this increases to 84%. Improving electronic identification rates will give tenants easier access to full banking services as well as a range of non-financial public and private services such as fuel bills and car insurance.
- 8.5 The majority of the Council's tenants pay their rent on time and so will be able to enhance their credit score.
- 8.6 Nationally, there are now 1.1 million social housing tenants currently taking part in the Rental Exchange. In addition to this a further 225 housing providers are in the process of joining the scheme.
- 8.7 In March 2016, Executive agreed for Stage one of the Rental Exchange Project to go ahead. At this stage Experian used our tenants information to gauge whether or not our sharing our tenants rent payment records would have a positive effect on their credit ratings. Stage one was completed in August 2016.
- 8.8 Big Issue Invest, the social investment arm of The Big Issue Group and the credit rating firm Experian, have developed The Rental Exchange in response to the financial, digital and social exclusion challenges that tenants face compared to homeowners in Britain. By observing rental payment data in the same way that mortgage payment data is viewed by credit rating agencies, the Rental Exchange allows tenants with little or no credit history to build up a good credit file.
- 8.9 Warwick District has a strong financial infrastructure. However, this is not the case for a significant minority of residents. Data from City Save Credit Union indicates that the average credit rating for our tenants who have applied for a loan or a savings account is relatively low. There are very few ways for our tenants with a poor credit history to improve their score in order to access cheaper goods and access to credit.

- 8.10 In the same way that mortgage payment information counts towards a credit profile, rental payment history can, as a result of the Rental Exchange, be used as proof of a tenant's financial standing and reliability. This will help tenants to create a proven and robust online identity, a good credit history and so make it easier to open a bank account, receive better gas and electricity rates or obtain cheaper credit. It will help reduce the risk of people turning to loan sharks and payday lenders for credit.
- 8.11 The Rental Exchange also helps tenants to build an online proof of identity which is important when applying for a utility supplier, a mobile phone provider or online shopping.
- 8.12 There are three stages to joining the Rental Exchange, set out below:
- 8.13 Stage One: This stage, conducted in a closed environment, is an initial sharing of data by the Council with Experian. Experian uses this data to assess the extent of the benefits that the Council's tenants may gain from the Council joining the Rental Exchange. There is no obligation on the Council at this stage to join the Rental Exchange.
- 8.14 Stage Two: If the research shows that there would be benefits to the Council's tenants, the Council would agree to move to Stage Two in which tenants are informed about the project, including the pros and cons of the Council becoming a full member of the Rental Exchange.
- 8.15 Stage Three: Following Stage Two the Council becomes a full member of the Rental Exchange, sharing data on a monthly basis. All data is shared in a secure way and in full compliance with data protection legislation. (see appendix two)



Data Analysis - Credit Scores

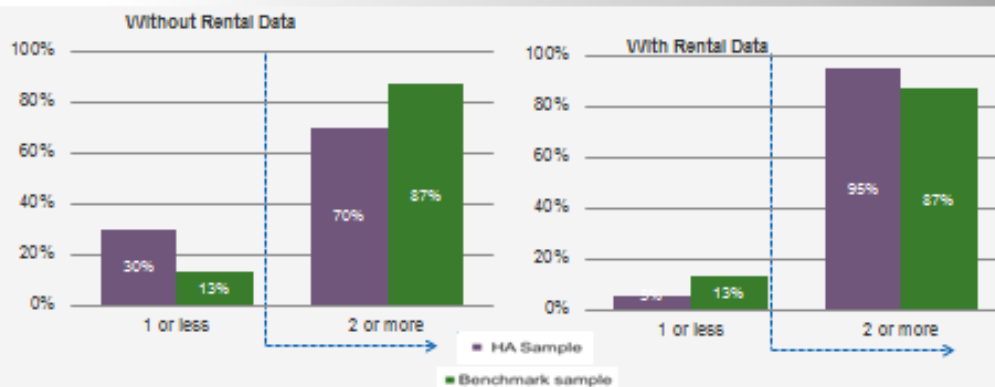
- **71% (3,479)** of Warwick District Council Housing tenants have no significant arrears on their rent and their credit scores would **improve** as a result of incorporating rental data.
- **11% (400)** of these tenants would gain access to previously inaccessible credit and services.
- **3% (130)** tenants have serious arrears on their rent so would have their credit score **reduced**.
- **13% (17)** of those tenants would move from the **accept to reject** category (around **82%** of those tenants with rent arrears also have a CAIS default which already impairs their credit score).



26% (1,298) of tenants are on Full Housing Benefit so would see no effect to their credit score.

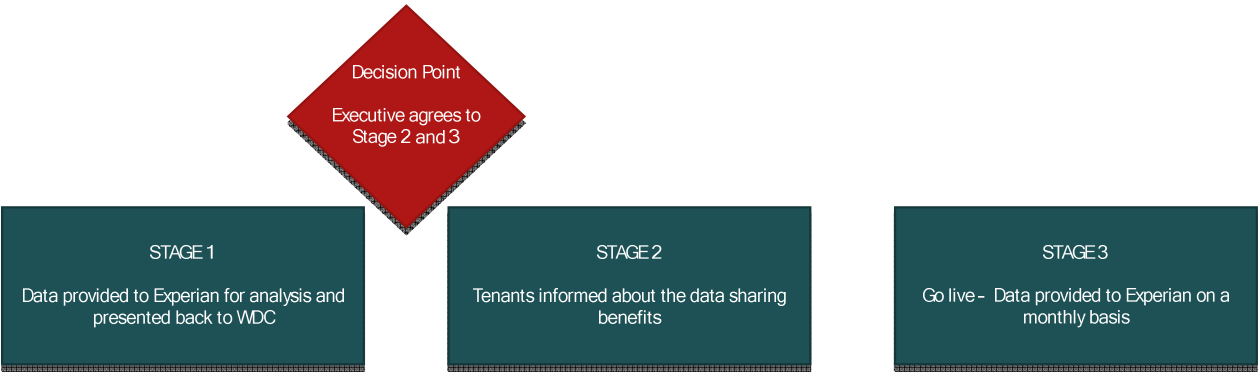


Data Analysis - Identification




- The general authentication requirements is **two online proofs of identity**. Typically in manual processing two proofs e.g. gas bill and a rent record would be sufficient as a means of authenticating identity.
- Number of tenants that hold **two or more electronic proofs** increases from **70% (3,431)** to **95% (4,665)**.
- Improving electronic identification rates will give tenants easier access to full banking services as well as a range of non-financial public and private services.

Appendix Two



Graphical depiction of the rental exchange stages

 EXECUTIVE – 5th January 2017		Agenda Item No. 6
Title	Consultation on draft Community Infrastructure Levy (CIL) Charging Schedule	
For further information about this report please contact	David Butler David.butler@warwickdc.gov.uk Strategic Economic Development Officer 01926 456017	
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	Full Council 28 th Jan 2015, Minute Number 67 Executive 4 th June 2013, Item 4	
Background Papers	BNP Paribas Viability Report (Update) – 2016 BNP Paribas Viability Report – 2015 BNP Paribas Report - 2013	

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 (ref 832)
Equality Impact Assessment Undertaken	Yes

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	08/12/16	Bill Hunt
Head of Service	08/12/16	Tracy Darke
CMT	08/12/16	Chris Elliott/Bill Hunt/Andy Jones
Section 151 Officer	08/12/16	Mike Snow
Monitoring Officer	08/12/16	Andy Jones
Finance	08/12/16	Mike Snow
Portfolio Holder(s)	08/12/16	Cllr Stephen Cross
Consultation & Community Engagement		
Consultation on the initial Preliminary Draft Charging Schedule (PDCS) took place in June 2013. This report proposes a further public consultation on the refreshed Draft Charging Schedule.		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		
Once consultation has taken place the conclusions and final decision will be brought before Full Council, prior to submission to the Planning Inspectorate.		

1. **Summary**

- 1.1 This report requests approval of the refreshed Community Infrastructure Levy (CIL) Draft Charging Schedule prior to public consultation.

2. **Recommendations**

- 2.1 That Executive notes the CIL Viability Refresh Report, prepared for the Council by BNP Paribas, attached as Appendix 1.
- 2.2 That Executive approves the CIL Draft Charging Schedule, as set out at paragraph 3.4 and shown in full in Appendix 1, for publication under Regulation 16 of the CIL Regulations 2010 to enable a four week period of consultation to commence, no later than 13th January 2017.
- 2.3 That Executive delegates authority to the Head of Development Services, in consultation with the Development Portfolio Holder, to make minor changes to the CIL Draft Charging Schedule and associated documents following the consultation period, prior to submission to Full Council.
- 2.4 That Executive notes that after the consultation has taken place and any subsequent amendments have been made, the CIL Draft Charging Schedule will be brought before Full Council, prior to submission to the Secretary of State.
- 2.5 That Executive notes that Member briefing sessions will be offered during the consultation period to further explain the role of CIL alongside Section 106 agreements in providing funding for Infrastructure.

3. **Reasons for the Recommendations**

- 3.1 The Council is committed to introducing a CIL Charging Schedule which, in addition to other funding mechanisms such as Section 106, will support the delivery of the infrastructure required for the level of growth proposed in the Local Plan. It is intended to complement rather than replace other funding streams and to promote development rather than hinder it.
- 3.2 The Council consulted on a Preliminary Draft Charging Schedule (PDCS) in June 2013. A summary of the consultation on the PDCS has been prepared, along with responses to the points made (see Appendix 2) and was brought before Full Council on 28 Jan, 2015. After the 2013 consultation was undertaken the Council reviewed the CIL viability study to ensure the viability evidence was up to date (reflecting for instance increased residential sales values and increased build costs), concluding that the originally drafted rates were still applicable. This Draft Charging Schedule was subsequently consulted upon in January 2015, with the intention of bringing adoption forward in tandem with the Local Plan.
- 3.3 However, the progress of preparing the Council's finalised CIL submission was subsequently halted by delays in the Local Plan. As such, the Draft Charging Schedule had fallen out of date and a viability refresh was commissioned to ensure the evidence remains robust and up-to-date. This refreshed Draft Charging Schedule is shown in Appendix 1. The charges within this draft schedule would be index linked in accordance with regulation 40 of the 2010 CIL Regulations.

- 3.4 The Viability Refresh was prepared on behalf of the District Council by BNP Paribas. The refresh was conducted using the same industry-standard methodology as the original 2013 Viability Study; testing charging models against both hypothetical developments and a sample of live strategic sites, ensuring that the level of CIL proposed is demonstrably viable. The Key Findings of the report (Appendix 1, Section 1.5-1.6, pages 3-4) detail the capacity to absorb CIL charges in the range of possible development types, and these findings are presented in table 1.6.1 (Appendix 1, page 5), reproduced below:

Type of development	Zones B & D (much of Leamington and high value rural)	Zone C (Kenilworth)	Zone A (Warwick, East of Leamington and lower value rural)
Residential	£190-£200	£140	£70
Strategic residential	£50-£60	£25	Nil
Retail – prime Leamington	£65	Nil	Nil
Convenience based supermarkets, superstores and retail parks	£105		
Student housing	£100		
Hotels	Nil		
Offices	Nil		
Industrial and warehousing	Nil		
D1 and D2 uses	Nil		

- 3.5 It should be noted that the proposed charges in the Draft Charging Schedule (DCS) are less than the maximum possible capacity for developments to absorb. It is important that the CIL rates are set at such a rate that they do not force developments to become unviable. The CIL regulations state that in setting its CIL rate the Council must:

"... aim to strike what appears to the charging authority to be an appropriate balance between:

- The desirability of funding CIL and the actual and expected costs of infrastructure required to support development and*
- The potential effects of the imposition of CIL on the economic viability of development across its area."*

- 3.6 Members will note that there are some changes to the proposed DCS when compared to the one consulted upon in 2015. Critically, the charge considered to be viable level to be levied on strategic sites has reduced. This is primarily due to an increase in assumed underlying development costs. For example, the viability model includes contributions of £13,000 section 106 payments per dwelling and £12,000 on-site infrastructure costs per dwelling. As noted earlier, CIL is complementary to other funding streams such as s106 and the viability assessment is obliged to take these into account when assessing what might constitute a viable levy. It should be noted that by making an allowance for Section 106 contributions and on-site infrastructure provision, the Council can continue to use other forms of funding infrastructure alongside CIL. This enables a flexible and pragmatic approach to be used to infrastructure funding and ensures that the approach is not over-reliant on CIL.

- 3.7 To adopt a CIL Charging Schedule, we will need to demonstrate that there is a funding gap which exceeds the likely receipts from other sources. This will be set out in a live and evolving document called a Regulation 123 List. The list does not require consultation, and will be refined prior to submission to Full Council in April. The Regulation 123 list is drawn from the Infrastructure Delivery Plan (Appendix 3) which was subject to the Local Plan Examination in Public that ended in December 2016.
- 3.8 Officers will carefully consider the representations made in relation to the CIL Draft Charging Schedule consultation. As part of this, officers will consider whether any amendments are required to support the soundness of the Draft Charging Schedule.
- 3.9 In order to fully brief all members, a short series of workshops will take place in February that will explore the role of CIL, its relationship to other funding streams and its purpose in helping to deliver vital infrastructure.

4. **Policy Framework**

- 4.1 **Fit for the Future** – The adoption of CIL will allow for the delivery of the infrastructure the District requires. It is therefore closely aligned with the Council's vision of the District as a great place to live, work and visit.
- 4.2 CIL will directly impact on the key strand of money - achieving and maintaining a balanced budget, by covering the funding deficit in infrastructure projects.
- 4.3 **Impact Assessment:** the Consultation will be undertaken in line with the Council's Statement of Community Involvement (SCI) 2016 approved by Executive in January 2016. The SCI specifically seeks to ensure that all relevant sectors of the community are consulted. The Local Plan has been subject to an equalities impact assessment which assessed the implications of consultations on equalities.

5. **Budgetary Framework**

- 5.1 The costs of conducting the consultation and reviewing the responses are covered within the existing budget framework.
- 5.2 Once submitted to the Secretary of State, an Inspector will be appointed and a short Examination in Public arranged. There will be costs associated with this such as room hire, but these will be met from existing budgets. However, should a significant additional cost be identified as part of this process a further report will be brought to Executive.
- 5.3 As referred to in Section 3, the adoption of CIL is an important mechanism to generate funding towards many of the infrastructure costs resulting from the Local Plan, with these items being included in the Regulation 123 list. It will be noted that the CIL has to be calculated on the basis of scheme viability, this being a substantial part of the attached study by BNP. CIL will not fund the entire 123 List, which will mean that the relevant authorities will need to seek alternative funding to supplement it.

6. Risks

- 6.1 The government is currently preparing a Housing White Paper that will address CIL issues. There is a risk that this progresses into legislation and provides alternate, differing advice that renders the Charging Schedule sub optimal. However, the timescales for any legislation coming out from the White Paper due to be announced in January 2017 is uncertain whilst the risks of not having a CIL Charging Schedule in place are increasing as Section 106 contributions are becoming less reliable and more challenging to secure. If the White Paper introduces significant changes to the direction the Council is taking, then a further report will be submitted to Executive.
- 6.2 Should CIL not be adopted, there is a risk that the significant growth expected within the District will not contribute fully to the infrastructure that is needed (for example, the development spike likely to follow the release of Green Belt land with the adoption of the Local Plan). This would leave a financial deficit that would need to be met from other sources, or not be met at all.

7. Alternative Option(s) considered

- 7.1 The Executive could choose not to pursue a CIL Charging Schedule or could choose to delay the consultation process on the Draft Charging Schedule. The former course of action would undermine the options the Council has to providing the funding needed to deliver the Infrastructure Delivery Plan. This is particularly important in the context of the CIL regulations which prohibit the pooling of more than 5 Section 106 contributions after 1st April 2015.

8. Background

- 8.1 The Community Infrastructure Levy (CIL) was introduced under the Planning Act 2008 and is a tariff system that enables local authorities to make a charge on most forms of new development to fund infrastructure needed to support development. The CIL Regulations came into effect in April 2010 and minor amendments were made to the Regulations in April 2011. Further Regulations were published during 2012.
- 8.2 CIL is a charge on new development; it is charged per square metre on net additional floor-space of development. CIL is not charged on affordable housing and developments used for charitable purposes. The amount payable will be set at the time planning permission is granted and payment will be linked to the commencement of development. Larger amounts will be payable in instalments over fixed time periods.
- 8.3 CIL is intended to complement rather than replace other funding streams and is intended to promote development rather than hinder it. Its main advantages are that:
- It is modest representing around 2-5% of total development costs and is not charged on types of development that cannot sustain it.
 - It is a fixed, non-negotiable charge and is therefore transparent and predictable.
 - It is less time-consuming and complicated than Section 106 planning obligations, with less need for protracted negotiations with applicants and the drawing up of legal agreements (although these will still be required to secure affordable housing and addressing onsite mitigation).

- Local communities will be able to influence how a proportion of CIL receipts are spent in their areas, so that communities can benefit from development in their area. In areas where a Neighbourhood Plan is in place, 25% of CIL receipts arising from developments in that area will be controlled by local neighbourhoods. Elsewhere, neighbourhoods will control 15% of CIL receipts relating to developments in each area.

8.4 Unlike funding from Section 106 agreements, CIL funds can be spent on a wide range of infrastructure to support development without the need for a direct geographical or functional relationship with the development. Planning obligations / Section 106 agreements will still be used, but in a more focused way to directly provide both 'off-site' infrastructure, through S106 contributions, and 'on site' improvements through planning conditions to mitigate the direct impact of the development proposed (e.g. landscaping, access roads).

8.5 Under CIL, developers can still be required to directly provide both 'offsite' infrastructure, through Section 106 contributions, and 'on site' improvements through planning conditions to mitigate the direct impact of the development proposed (e.g. landscaping, access roads).



Community Infrastructure Levy: Viability Study (2016 update)

Prepared for
Warwick District Council

November 2016

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1 Executive Summary

- 1.1 This report updates the results of our 2013 '*Community Infrastructure Levy Viability Study*'. The report tests the ability of a range of development types (including a sample of strategic sites) within Warwick District to yield contributions to infrastructure requirements through the Community Infrastructure Levy ('CIL') having regard to changes in key appraisal inputs since the 2013 study was completed. As was the case in the original report, levels of CIL has been tested in combination with the Council's other planning requirements, including the provision of affordable housing.

Methodology

- 1.2 The study methodology compares the residual land values of a range of hypothetical developments and a sample of five strategic sites to a range of benchmark land values. If a development incorporating a given level of CIL generates a higher value than the benchmark land value, then it can be judged that the proposed level of CIL will be viable.
- 1.3 The study utilises the residual land value method of calculating the value of each development. This method is used by developers when determining how much to bid for land and involves calculating the value of the completed scheme and deducting development costs (construction, fees, finance and CIL) and developer's profit. The residual amount is the sum left after these costs have been deducted from the value of the development, and guides a developer in determining an appropriate offer price for the site.
- 1.4 The housing and commercial property markets are inherently cyclical. The 2013 study was undertaken at a time when values had fallen below their peak and had subsequently recovered. During the following three years to 2016, that recovery has strengthened, although the result of the recent referendum on the UK's membership of the European Union has resulted in a degree of uncertainty. We have allowed for this by running a sensitivity analysis which decreases sales values by 5%, to enable the Council to take a view on the impact of any adverse movements in sales values in the short term. Our commercial appraisals incorporate sensitivity analyses on rent levels and yields.

Key findings

- 1.5 The key findings of the study are as follows:
- The results of this study are reflective of current market conditions, which are likely to improve over the medium term. It is therefore important that the Council monitors the viability situation on a regular basis. Should substantial changes in market conditions occur, the Council may then consider it appropriate to undertake a review of its CIL rates¹.
 - The ability of **residential schemes** to make CIL contributions varies between different parts of the District. Having regard to the need to set rates that are not at the margins of viability, our appraisals indicate that the following levels of CIL should not adversely impact on viability of development and delivery of the plan as a whole:
 - Much of Leamington Spa and higher value rural areas: £190 - £200 per square metre (Zones B and D on the charging zones map);
 - Kenilworth: £140 per square metre (Zone C on the charging zones map);
 - Warwick, East Leamington Spa and lower value rural areas (Zone A on the charging zones map): £70 per square metre.
 - Our appraisals of strategic sites (i.e. larger sites that make up a significant proportion of the Council's housing supply and subsequently of strategic importance) reflect the likely scale of on-site infrastructure requirements, including community infrastructure secured through Section

¹ The CIL regulations do not require charging authorities to publish specific dates or timescales for reviews of their charging schedules.

106 obligations (our appraisals incorporate an allowance of £13,000 per unit, which is broadly equivalent to a CIL charge of between £130 to £216 per square metre (depending on the percentage of affordable housing secured). As a result of these requirements, strategic sites will not be able to absorb the same levels of CIL as other residential developments, but they are providing community infrastructure on site in any event.

- At current rent levels, **Office development** is unlikely to come forward in the short to medium term as the capital values generated are insufficient to cover development costs. We therefore recommend that the Council sets a **nil rate** for office development.
- Our appraisals of developments of **industrial and warehousing floorspace** indicate that these uses are unlikely to generate positive residual land values. We therefore recommend a **nil rate** for industrial and warehousing floorspace.
- Retail developments in Leamington Spa's prime retail area generate sufficient surpluses to absorb a CIL of **£65 per square metre**, after allowing for a discount below the maximum rate.
- Although the 2013 CIL Viability Study recommended a CIL be applied to hotels, our updated appraisals indicate that this will no longer be possible due to rising costs and relatively static capital values over the intervening period.
- Residual values generated by **retail developments elsewhere** are unlikely to be sufficiently high to absorb a CIL charge. In any case, is likely that a significant proportion of retail development will involve the re-use of existing retail space, so the differential in value between current and newly developed space is modest in areas where rents are low. We therefore recommend a nil rate on retail development outside the prime Leamington Spa area.
- **Superstores, supermarket and retail parks**² are capable of generating greater surplus value and could absorb a CIL of £151 per square metre. After allowing for a discount below the maximum rate, we suggest a CIL of **£105 per square metre**.
- **Student housing** developments have capacity to absorb a CIL charge of up to £148 per square metre and we recommend a charge of £100 per square metre. This would apply to speculative private developments only, as the University would qualify for charitable relief for any residences that it develops itself.
- **D1 and D2** uses often do not generate sufficient income streams to cover their costs. Consequently, they require some form of subsidy to operate. This type of facility is very unlikely to be built by the private sector. We therefore suggest that a nil rate of CIL be set for D1 uses.

- 1.6 For residential schemes, the application of CIL of is unlikely to be an overriding factor in determining whether or not a scheme is viable. When considered in context of total scheme value, CIL will be a modest amount, typically accounting for less than 3% of value. Some schemes would be unviable even if a zero CIL were adopted. We therefore recommend that the Council pays limited regard to these schemes as they are unlikely to come forward during the life of the Charging Schedule.

² See definition in Table 1.6.1.

Table 1.6.1: Suggested CIL rates for DCS

Type of development	Zones B and D Much of Leamington Spa and rural higher value	Zone C Kenilworth	Zone A Warwick, East Leamington Spa & rural lower value
Residential	£190 - £200	£140	£70
Strategic residential	£50 - £60	£25	Nil
Retail development – prime Leamington Spa	£65	Nil	Nil
Convenience based supermarkets ³ and superstores and retail parks ⁴	£105		
Student housing	£100		
Hotels	Nil		
Offices	Nil		
Industrial and warehousing	Nil		
D1 and D2 uses	Nil		

³ Superstores/supermarkets are shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.

⁴ Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering for mainly car-borne customers.

2 Introduction

- 2.1 This study has been commissioned to contribute towards an evidence base to inform Warwick District Council's ('the Council') CIL Charging Schedule ('CS'), as required by Regulation 14 of the CIL Regulations April 2010 (as subsequently amended). The aims of the study are summarised as follows:
- to test the impact upon the economics of residential development of a range of levels of CIL;
 - for residential schemes, to test CIL alongside the Council's requirements for 40% affordable housing on sites of 10 or more units within urban areas and on sites of 5 or more units in rural areas; as well as other planning obligations; and
 - to test the ability of commercial schemes to make a contribution towards infrastructure through CIL.
- 2.2 Our methodology, adopts a standard residual valuation approach to test the impact on viability of a range of levels of CIL. However, due to the extent and range of financial variables involved in residual valuations, they can only ever serve as a guide. Individual site characteristics (which are unique), mean that conclusions must always be tempered by a level of flexibility in application of policy requirements on a site by site basis. As CIL is fixed at the point of adoption, it is essential that levels of CIL are set so as to allow a sufficient margin to allow for these site specific variations.

Policy Context

- 2.3 The CIL regulations state that in setting a charge, local authorities must aim to strike the "*appropriate balance*" between revenue maximisation on the one hand and the potentially adverse impact upon the viability of development on the other. The regulations also state that local authorities should take account of other sources of available funding for infrastructure when setting CIL rates. This report deals with viability only and does not consider other sources of funding.
- 2.4 The Statutory Guidance places emphasis on setting rates of CIL that do not threaten "*the ability to develop viably the sites and the scale of development identified in the Local Plan*". This guidance also suggests that charging authorities can treat major strategic sites as separate geographical zones "*where it is supported by robust evidence on economic viability*".
- 2.5 Local authorities must consult relevant stakeholders on the nature and amount of any proposed CIL at two stages; after publication of the Preliminary Draft Charging Schedule ('PDCS') and the Draft Charging Schedule ('DCS'). Following consultation, a charging schedule must be submitted for independent examination.
- 2.6 The regulations allow a number of reliefs and exemptions from CIL. Firstly, affordable housing and buildings with other charitable uses (if controlled by a charity) are subject to relief. Secondly, local authorities may, if they choose, elect to offer an exemption on proven viability grounds. The exemption would be available for 12 months, after which time viability of the scheme concerned would need to be reviewed. To be eligible for exemption, regulation 55 states that the Applicant must enter into a Section 106 agreement (and the costs of complying with the agreement must exceed the amount of CIL that would have been payable); and that the Authority must be satisfied that granting relief would not constitute state aid.
- 2.7 The 2010 regulations set out clear timescales for payment of CIL, which varied according to the size of the payment, which by implication is linked to the size of the scheme. The 2011 amendments to the regulations allow local authorities to set their own timescales for the payment of CIL if they choose to do so. This is an important issue that the Council will need to consider, as the timing of payment of CIL can have an impact on an Applicant's cashflow (the earlier the payment of

Economic and housing market context

GDP

- 2.8 The UK's first official growth figures since the referendum on the UK's future membership of the European Union have exceeded initial estimates. Office for National Statistics GDP release indicates that growth for Q3 of 2016 reached 0.5%, higher than many analysts' predictions of 0.3%. The ONS observes that *"the pattern of growth continues to be broadly unaffected following the EU referendum"*. Initial expectations are that the better than expected GDP figures will deter the Bank of England Monetary Policy Committee from more monetary easing through a reduction in interest rates from the current base rate of 0.25%. The Economy has slowed slightly from Q2 figure of 0.7% and the pattern is a slightly unbalanced one with only the services sector showing higher growth at 0.8%.
- 2.9 The Chancellor, Phillip Hammond, has suggested that *"the fundamentals of the UK economy are strong and today's data show that the economy is resilient"*. Data from the construction and manufacturing sectors indicate continuing stagnation and decline, with construction contracting by 1.4% and manufacturing 0.4%. Analysts had expected that manufacturing would be bolstered by the unprecedented fall in the value of the pound but this has failed to materialise. Overall the figures are better than analysts had expected, but forecasts for 2017 are less optimistic, as Britain begins the formal process of exiting the EU through the process of invoking article 50, which is due before the end of March 2017. Any economic impact of leaving the European Union is only likely to be take effect once the nature of Britain's relationship is established through negotiations with the other European governments. Nevertheless, the Bank of England's November Inflation report has revised GDP forecasts for 2017 upwards from 0.8% to 1.4%, but downgraded growth in 2018 from 1.8% to 1.5%. The revisions indicate that the Bank now considers the impact of the UK's decision to leave the European Union will be felt later than expected.

Inflation

- 2.10 The Consumer Prices Index ('CPI') increased to 1.0% in the year to September 2016, compared with 0.6% in the year to August. The rate of inflation is the highest since November 2014, when it was also 1.0%. The main upward contributors to the change in rate were rising prices for clothing, overnight stays in hotels, motor fuels and prices for gas. This has been largely attributable to the falling value of the pound which has made domestic prices in real terms more expensive. This figure was somewhat offset by the falling prices of air fares and food. Looking forward analysts expect that prices will continue to increase in the New Year with National Institute for Economic and Social Research expecting inflation to increase to 4% next year.
- 2.11 The Bank of England inflation forecast for November indicates that inflation is on an upward trajectory, but remains on course to be lower than its historical 2% target. The contribution to inflation from petrol prices is expected to turn increasingly positive, in part reflecting rises in oil prices since January. In addition, sterling has depreciated by 21% since its peak in November 2015, which will continue to push up the prices of energy and other imported goods and services.
- 2.12 The precise path for inflation will depend on the speed and degree to which companies pass through rising external costs to consumer prices, given domestic conditions. Subdued domestic demand growth is likely to weigh somewhat on companies' margins and wage growth, and offset slightly the upward pressure from external costs on inflation. The influence of domestic pressure on inflation will also depend on companies' and households' inflation expectations, insofar as they influence wage and price-setting behaviour.

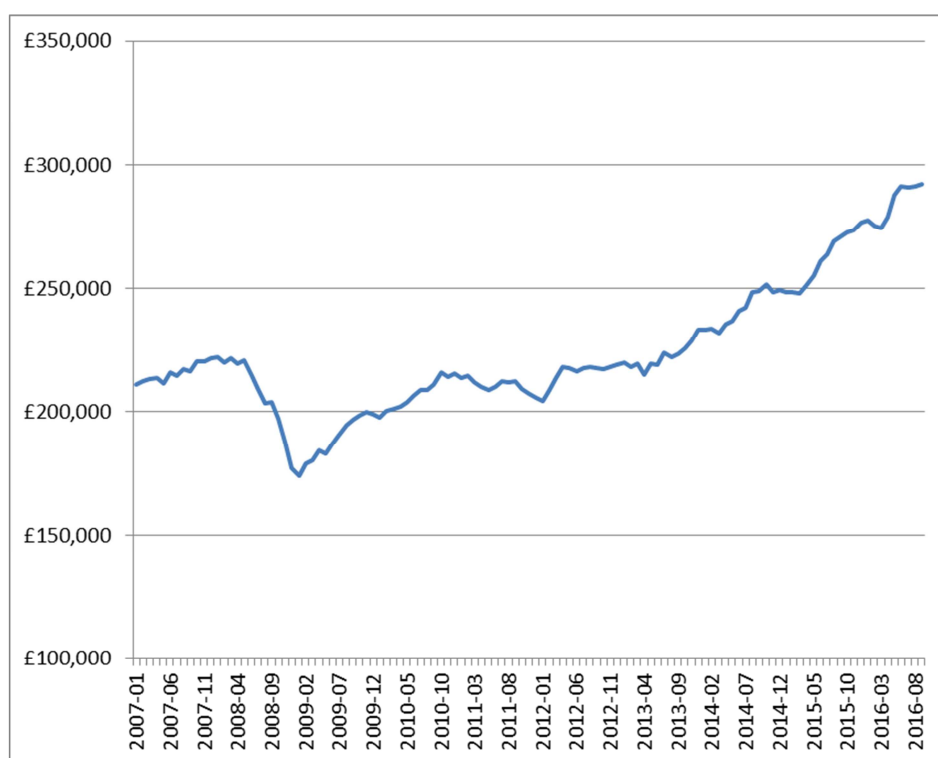
Housing Market

- 2.13 The most recent Halifax HPI report indicates that house prices in the three months to September were 5.8% higher on average than the equivalent three months of 2015, with the annual rate of growth easing from 6.9% in August to 5.8%. Prices in the last three months were however 0.1% lower than the preceding quarter. House prices have followed a steady downward trend in the last six months with clear evidence of a dampening in both activity levels and house price inflation. A lengthy period where house prices have outstripped earnings has put pressure on levels of

affordability. The HPI however indicates that low mortgage rates and a lack of supply in the market are likely to sustain price levels for the moment.

- 2.14 Looking to the New Year it is uncertain where prices will move, and any significant changes will be wholly dependent on the UK's terms of exit from the EU. That said the consensus in the market is that UK housing market will be more subdued for the next 2-3 years, as uncertainty in the economy will begin to have a dampening effect on the levels of activity.
- 2.15 According to Land Registry data, residential sales values in Warwickshire have recovered since the lowest point in the cycle in January 2009. Prices increased by 67.8% between January 2009 and September 2016, the most recent published data. In September 2016, sales values were 31.6% above their January 2008 peak value.
- 2.16 The future trajectory of house prices is currently uncertain, although Savills' current prediction is that values are expected to increase over the next five years. Medium term predictions are that properties in mainstream West Midlands markets will grow over the period between 2017 to 2021⁵. Savills predict that values in mainstream West Midlands markets (i.e. non-prime) will remain unchanged in 2017, increase by 1.0% in 2018, 5.0% in 2019, 3.0% in 2020 and 4.0% in 2021. This equates to cumulative growth of 14% between 2017-2021 inclusive, compared to a UK average of 21% cumulative growth over the same period.

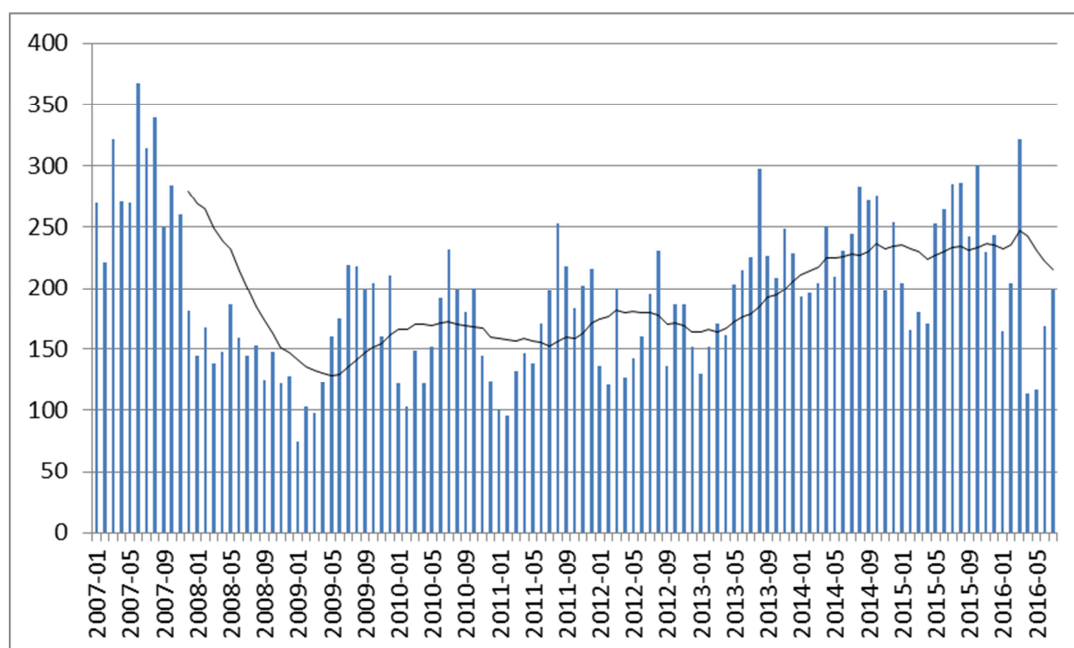
Figure 2.16.1: House prices in Warwick District



Source: Land Registry

⁵ Savills Research: Residential Property Focus, Qtr 4 2016 (October 2016)

Figure 2.16.2: Sales volumes in Warwickshire



Source: Land Registry

Local Policy context – affordable housing

- 2.17 In addition to financing infrastructure, the Council expects residential developments to provide a mix of affordable housing tenures, sizes and types to help meet identified housing needs. The Council's *Local Plan – Publication Draft* states that residential development on sites of 10 or more units/0.3 hectares (urban areas) or 5 or more units/0.17 hectares (rural areas) should provide 40% affordable housing, subject to negotiation and scheme viability.
- 2.18 The Local Plan – Publication Draft does not specify a tenure mix of the affordable housing. For modelling purposes, we have assumed a mix that reflects that adopted Local Plan requirement of 80% rented housing and 20% intermediate housing.

Development context

- 2.19 The District is a predominantly rural area, with three main settlements (Warwick and Royal Leamington Spa to the south and Kenilworth to the north). The District is adjacent to Coventry to the northern boundary. Developments in Warwick District range from small in-fill sites in rural areas to urban extensions attached mainly to the three main settlements and to Coventry across the District's boundary.
- 2.20 The District is dissected to the south by the M40, which provides road access via junction 15 to Birmingham and London. The A46 provides access into Coventry.
- 2.21 The Council's Strategic Housing Land Availability Assessment ('SHLAA') indicates that most new development will be located in urban extensions adjacent to the three main urban centres within the District, and adjacent to Coventry across the District boundary. The Local Plan – Publication Draft indicates that the Council will allocate land for 12,860 new homes and a minimum of 66 hectares of employment land over the plan period. The Council expects 6,188 of the homes to be on newly allocated sites, with the balance being from completions, commitments and windfalls.
- 2.22 The Local Plan – Publication Draft indicates that strategic housing sites (those exceeding 200 units) should not be developed at a density lower than 30 units per hectare on average. No upper limit on density is set in the Plan, but as noted in the 2013 CIL Viability Study, development is expected at densities of 25 to 33 units per hectare in rural areas and between 30 to 40 units per

hectare in suburban areas. In town centres, a higher density of 65 units per hectare is anticipated.

- 2.23 Residential sales values for new developments vary significantly between different parts of Warwick District. Our research indicates that there are higher values in some of the rural settlements (e.g. Barford, Norton Lindsey and Shrewley) than in the main settlements of Warwick, Leamington Spa and Kenilworth. Among the three main settlements, properties in Leamington Spa attract higher average sales values than Warwick and Kenilworth.
- 2.24 The District's main employment centre is at Leamington Spa, with some companies located in Warwick. Employers in the District include financial and business services companies, such as Merrill Lynch, Millward Brown and IBM. The University of Warwick is also a major employer in the District.
- 2.25 The retail market in Leamington Spa is understood to be performing reasonably well, with higher levels of expenditure on comparison goods than average retail centres and lower vacancy rates than average levels. The retail offer includes House of Fraser and two Marks and Spencer stores.

Sites in the Strategic Housing Land Availability Assessment

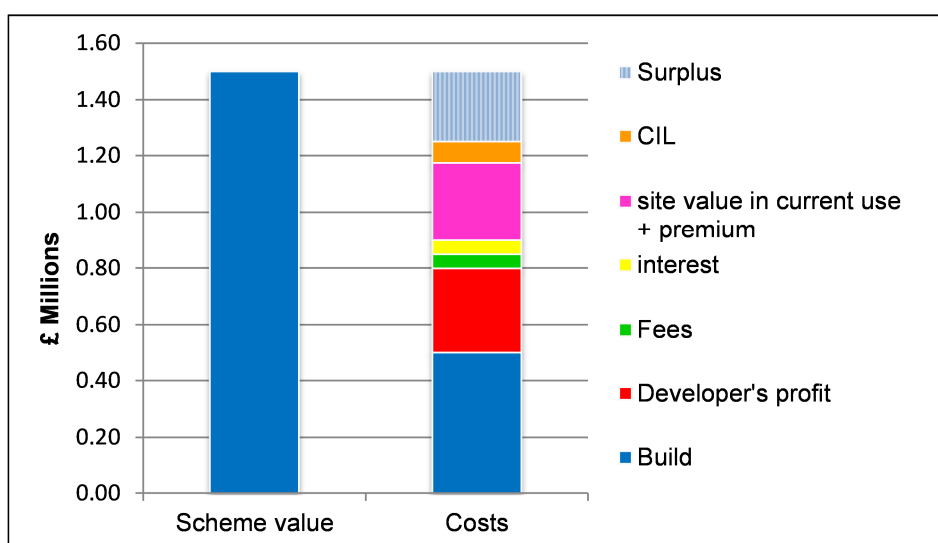
- 2.26 The Council's SHLAA identifies potential sites for development of new housing over the plan period. The sites are, in the main, urban extensions to the three main settlements and extensions adjacent to Coventry, which lies adjacent to the Council's northern boundary.
- 2.27 The sites are predominantly greenfield, with very few readily identifiable opportunities for intensification of previously developed land. However, since the Core Strategy - Preferred Options was published, the Council is developing a proactive approach to brownfield sites, which is shifting the emphasis slightly. The bulk of housing will, however, come from greenfield sites.
- 2.28 The SHLAA identifies some substantial urban extensions, including the following examples, which we appraise as part of this viability study:
- L09 Land at Grove Farm (extension to Leamington Spa);
 - L48 Land at Blackdown (extension to Leamington Spa);
 - W26 Gallows Hill/ Europa Way (extension to Warwick);
 - K17 Southcrest Farm, Glasshouse Lane (extension to Kenilworth);
 - C13 Lodge Farm Westwood Heath (extension to Coventry).

3 Methodology and appraisal inputs

- 3.1 Our methodology follows standard development appraisal conventions, using assumptions that reflect local market and planning policy circumstances. The study is therefore specific to Warwick District and reflects the Council's planning policy requirements.

Approach to testing development viability

- 3.2 Appraisal models can be summarised via the following diagram. The total scheme value is calculated, as represented by the left hand bar. This includes the sales receipts from the private housing and the payment from a Registered Landlord ('RP') for the completed affordable housing units. The model then deducts the build costs, fees, interest, CIL (at varying levels) and developer's profit. A 'residual' amount is left after all these costs are deducted – this is the land value that the Developer would pay to the landowner. The residual land value is represented by the hatched portion of the right hand bar in the diagram.



- 3.3 The Residual Land Value is normally a key variable in determining whether a scheme will proceed. If a proposal generates sufficient positive land value (in excess of current use value), it will be implemented. If not, the proposal will not go ahead, unless there are alternative funding sources to bridge the 'gap'.
- 3.4 Ultimately, the landowner will make a decision on implementing a project on the basis of return and the potential for market change, and whether alternative developments might yield a higher value. The landowner's 'bottom line' will be achieving a residual land value that sufficiently exceeds 'existing use value' or another appropriate benchmark to make development worthwhile. The margin above current use value may be considerably different on individual sites, where there might be particular reasons why the premium to the landowner should be lower or higher than other sites.
- 3.5 Clearly, however, landowners have expectations of the value of their land which often exceed the value of the current use. CIL will be a cost to the scheme and will impact on the residual land value. Ultimately, if landowners' expectations are not met, they will not voluntarily sell their land and (unless a Local Authority is prepared to use its compulsory purchase powers) some may simply hold on to their sites, in the hope that policy may change at some future point with reduced requirements. It is within the scope of those expectations that developers have to formulate their offers for sites. The task of formulating an offer for a site is complicated further still during buoyant land markets, where developers have to compete with other developers to secure a site, often speculating on increases in value.

Viability benchmark

- 3.6 The CIL Regulations provide no specific guidance on how local authorities should test the viability of their proposed charges. However, there is a range of good practice published by the Local Housing Delivery Group⁶, alongside appeal decisions that assist in guiding planning authorities on how they should approach viability testing for planning policy purposes.
- 3.7 The appropriate starting point for the assessment (as accepted in numerous planning appeal decisions and Secretary of State decisions, as well as the approach advocated by the HCA and CLG sponsored guidance 'Viability Testing Local Plans' published on 22 June 2012), is the current use of sites (often referred to as 'Existing Use Value' or 'Current Use Value'), rather than the value arising from the site if it is redeveloped.
- 3.8 We note that The National Planning Practice Guidance (NPPG) on Viability with regard to Viability and Plan Making sets out details on land or site values in relation to assessing viability at Paragraph: 014 Reference ID: 10-014-20140306. This identifies that:
- 'Central to the consideration of viability is the assessment of land or site value. The most appropriate way to assess land or site value will vary but there are common principles which should be reflected. In all cases, estimated land or site value should reflect emerging policy requirements and planning obligations and, where applicable, any Community Infrastructure Levy charge.'*
- 3.9 The NPPG goes on to define the meaning of 'a competitive return' at Paragraph: 015 Reference ID: 10-015-20140306. It identifies that:
- 'A competitive return for the land owner is the price at which a reasonable land owner would be willing to sell their land for the development. The price will need to provide an incentive for the land owner to sell in comparison with the other options available. Those options may include the current use value of the land or its value for a realistic alternative use that complies with planning policy.'*
- 3.10 Further, the GLA's Housing Supplementary Planning Guidance document identifies at paragraph 4.4.28 that,
- 'it should be noted that the NPPF's benchmark for viability appraisal is that it should "take account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable". In light of inference to the contrary, either 'Market Value' or 'Existing Use Value plus' based approaches can address this requirement; their appropriate application depends on specific circumstances. On balance, the GLA has found that the 'Existing Use Value plus' based approach is generally more helpful for planning purposes and supports this approach'.*
- 3.11 The question of appropriate benchmarks was also considered in detail at the Mayoral CIL examination. The Examiner's report confirmed that existing use value plus a margin is an entirely acceptable basis for assessing levels of CIL. The examiner's report helpfully states that "...[a] reduction in development land value is an inherent part of the CIL concept". The Council will need to make a judgement as to how far land values can be reduced before landowners decide not to sell. This judgement is complex in urban areas where almost all sites are previously developed.
- 3.12 It is clear from the above that the most appropriate test of viability for planning policy purposes is to consider the residual value of schemes compared to the existing use value plus a premium. As discussed later in this report, our study adopts a range of benchmark land values. It is important to stress, however, that there is no single threshold land value at which land will come forward for development. The decision to bring land forward will depend on the type of owner and, in particular, whether the owner occupies the site or holds it as an asset; the strength of demand for the site's current use in comparison to others; how offers received compare to the owner's perception of the value of the site, which in turn is influenced by prices achieved by other sites.

⁶ 'Viability testing local plans: Advice for planning practitioners' 2012

Given the lack of a single threshold land value, it is difficult for policy makers to determine the minimum land value that sites should achieve. This will ultimately be a matter of judgement for each individual Planning Authority.

- 3.13 The issue of an appropriate benchmark land value is more complex in regards to greenfield/agricultural sites, where the current use value is low (typically circa £21,000 per hectare) and the uplift arising from planning permission can be very high. An element of judgement is required as to the uplift required, but it will typically be a multiple of the current use value (e.g. ten times current use value).

4 Development appraisals

Residential development

- 4.1 In the 2013 Viability Study, we appraised a series of hypothetical developments, reflecting both the range of sales values/capital values and also sizes/types of development and densities of development across the District. In addition, we appraised five strategic sites contained with the Strategic Housing Land Availability Assessment. The inputs to the appraisals were based on research on the local housing market and data from other identified sources. We have repeated this analysis in this update study, but with contemporary inputs reflecting changes in market conditions over the intervening period.

Residential sales values

- 4.2 Residential values in the area reflect national trends in recent years but do of course vary between different sub-markets. We have considered comparable evidence of transacted properties in the area. In the 2013 CIL Viability Study, our research indicated that developments in the District would at the time attract average sales values ranging from circa £214 per sq ft (£2,307 per square metre) to £295 per sq ft (£3,180 per square metre). Over the intervening period, the Land Registry House Price Index indicates that values in the District have increased by 33.2%.
- 4.3 We have applied the following average sales values in our appraisals, reflecting the range above (see Table 4.4.3).

Table 4.4.3: Average sales values used in appraisals

Area	Average values £s per sq m	Average values £s per sq ft
Warwick and East Leamington Spa	£3,073	£285
Most of Leamington Spa	£3,971	£369
Kenilworth	£3,584	£333
Rural areas (higher value – Rowington, Leek Wootton, Ashow, Hunningham, Cubbington, Norton Lindsey, Shrewley, Bishop's Tachbrook)	£4,236	£393
Rural areas (lower values)	£3,262	£304

- 4.4 As noted earlier in the report, Savills predict that sales values will increase over the medium term. However, as this growth cannot be relied upon, we recommend that the Council considers appropriate CIL rates based on current values only.

Affordable housing tenure and values

- 4.5 The Council's policy position is set out in Local Plan – Publication Draft document. Affordable housing is required on sites within built up areas of 10 or more units; and on sites in rural areas of 5 or more units. 40% of units should be provided as affordable housing. The tenure split of the affordable housing requires the provision of 80% social rented housing and 20% intermediate housing, with the exact split determined to reflect individual site circumstances and local need.
- 4.6 For modelling purposes, we have assumed that 40% of units on qualifying sizes of development are provided as affordable housing, with a tenure split of 80% rented housing and 20% intermediate.
- 4.7 The Council's *Joint Tenancy Strategy* sets out the Council's position with regards to rent levels. Registered Providers are expected to set rents for Affordable Rent properties so that they do not

exceed 60% of market rents. For modelling purposes, we have adopted a worst case scenario and assumed that all the rented housing is provided at Target Rents, thus ensuring that rents do not exceed those permitted by central government⁷.

- 4.8 The CLG/HCA 'Shared Ownership and Affordable Homes Programme 2016 to 2021 – Prospectus' document clearly states that RPs will not receive grant funding for any affordable housing provided through planning obligations. Consequently, all our appraisals assume nil grant. We recommend that the Council revisits this assumption when it next reviews its charging schedule, by which time a new funding programme may have been introduced by central government.
- 4.9 For shared ownership units, we have assumed that RPs will sell 40% initial equity stakes and charge a rent of 2.75% on the retained equity, capitalised at 5%.

Residential development types, density and mix

- 4.10 We have run appraisals using the range of densities that are typically encountered in the District. We have had regard to the density of development indicated by the Council's Local Plan – Publication Draft document. For modelling purposes, we have assumed densities ranging from (30 to 60 dwellings per hectare), although we note that the Council considers it unlikely that densities as high as 60 dwellings per hectare will be achieved.
- 4.11 Table 4.11.1 summarises the different development typologies selected for testing purposes. These are intended to reflect the range of developments across the District. Table 4.11.2 summaries the unit mix we have assumed for each of the development typologies.

Table 4.11.1: Development typologies

	Number of units	Housing type	Location type	Development density units per ha	Site area (ha) ⁸
1	4	100% houses	Greenfield	35	0.17
2	8	100% houses	Urban	35	0.23
3	25	90% houses 10% flats	Greenfield	35	1.06
4	35	90% houses 10% flats	Greenfield	30	1.74
5	50	50% houses 50% flats	Urban	50	1.00
6	65	60% houses 40% flats	Urban	40	1.63
7	75	100% houses	Greenfield	20	5.60
8	75	100% houses	Greenfield	35	3.20
9	100	100% flats	Urban	60	1.67

⁷ During 2015, the government imposed rent reductions of 1% per annum between 2016 to 2020 and also capped rents at Local Housing Allowance levels.

⁸ The Council's SHLAA assumes that on sites of 10 or more hectares, 50% of the site will be developable for housing, with the remaining space used for supporting facilities (e.g. open space). For sites of less than 10 units, the SHLAA assumes that 67% of the site will be developable for residential. In urban areas, 100% of site is considered as developable area.

Table 4.11.2: Unit mix

	1B flat	2B flat	3B flat	2B house	3B house	4B house
1	-	-	-	30%	50%	20%
2	-	-	-	40%	45%	15%
3	5%	5%	-	36%	42%	12%
4	7%	3%	-	38%	42%	10%
5	20%	22%	7%	20%	23%	8%
6	16%	18%	6%	24%	27%	9%
7	-	-	-	20%	40%	40%
8	-	-	-	40%	40%	20%
9	40%	40%	20%	-	-	-

Residential build costs

- 4.12 We have sourced build costs for the residential schemes from the RICS Building Cost Information Service (BCIS), which is based on tenders for actual schemes. However, adjustments to the base costs are necessary to reflect other factors which are not included in BCIS (external works and sustainability requirements). In addition to the build costs outlined below, our appraisals include a contingency of 5% of build costs. Our approach is set out in the following paragraphs.
- 4.13 **Houses:** we have used the mean average BCIS 'Estate housing – generally' cost, adjusted for Warwick, which is currently £1,127 per square metre. In addition to this base cost, we have included an allowance which equates to an additional 15% of the base cost for external works.
- 4.14 Although Code for Sustainable Homes level 4 has now been scrapped as a separate standard, we have incorporated a 6% allowance in our build costs to reflect the sustainability requirements embedded into Part L of the Building Regulations.
- 4.15 **Flats:** we have used the mean average BCIS 'Flats – generally' cost, adjusted for Warwick, which is currently £1,330 per square metre. In addition to this base cost, we have included an allowance which equates to an additional 15% of the base cost for external works. Our appraisal assumes a gross to net ratio of 85% for flats.
- 4.16 A summary of build costs for each scheme type is provided in Table 4.16.1.

Table 4.16.1: Build costs

Type	BCIS base – quarter 4 2016	Base cost	External works and sustainability	All-in cost (gross)	All-in cost (net)
Houses	Estate housing – generally	£1,127	£242	£1,369	£1,369
Flats	Flats – generally	£1,330	£242	£1,572	£1,849

- 4.17 As noted above, an additional 6% allowance is included across all tenures for meeting the sustainability requirements embedded into Part L of the Building Regulations, which is reflective of the costs of Code for Sustainable Homes level 4.
- 4.18 On strategic sites, we have included an additional £12,000 per unit allowance for on-site infrastructure (site roads, sewers, utilities etc). This is based on average infrastructure costs on strategic greenfield sites across the south east.

Development programme

- 4.19 The development programme for each development typology is summarised in Figure 4.19.1 (overleaf). This assumes a 6 month period for pre-commencement and varying build and sales periods, depending on the number of units in the scheme. We have assumed a sales rate of 3 private units per month. On the largest strategic sites, we have assumed that the development is undertaken by two developers, which effectively increases the sales rate to 6 per month from both sales outlets.

Professional fees

- 4.20 In addition to base build costs, schemes will incur professional fees, covering design, valuation, highways consultants and so on. Our appraisals incorporate an allowance of 10% (strategic sites include an allowance of 12%). This allowance incorporates all professional inputs and planning fees, Energy Performance Certificate and NHBC costs.
- 4.21 Our appraisals incorporate an allowance of 3% of GDV to cover marketing costs. An additional 0.5% of GDV is included for legal costs on sales.

Finance costs

- 4.22 Our appraisals incorporate finance costs on land and build at 7%.

Stamp duty and acquisition costs

- 4.23 We include stamp duty at 5% of land costs, agents fees of 1% and legal fees on acquisition of 0.8%.

Section 278 and residual Section 106 costs

- 4.24 Our appraisals incorporate an allowance of £1,500 per unit to address any Section 278 and residual Section 106 costs. This is an estimate only and actual sums sought will vary according to site specific circumstances.
- 4.25 On strategic sites, we have assumed a higher allowance of £10,000 per unit to reflect the costs of on-site infrastructure that will typically be sought by the Council. This is an estimate only and the actual amount sought on application schemes will be determined by specific needs and through negotiation between the Council and the Applicant.

Developer's profit

- 4.26 Developer's profit is closely correlated with the perceived risk of residential development. The greater the risk, the greater the required profit level, which helps to mitigate against the risk, but also to ensure that the potential rewards are sufficiently attractive for a bank and other equity providers to fund a scheme. In 2007, profit levels were at around 15% of GDV. However, following the impact of the credit crunch and the collapse in interbank lending and the various government bailouts of the banking sector, profit margins have increased. It is important to emphasise that the level of minimum profit is not necessarily determined by developers (although they will have their own view and the Boards of the major housebuilders will set targets for minimum profit).
- 4.27 The views of the banks which fund development are more important; if the banks decline an application by a developer to borrow to fund a development, it is very unlikely to proceed, as developers rarely carry sufficient cash to fund it themselves. Consequently, future movements in profit levels will largely be determined by the attitudes of the banks towards development proposals.
- 4.28 Prior to the result of the referendum on the UK's membership of the European Union, risk associated with residential had receded to a degree, resulting in profit margins falling slightly. However, the uncertainty caused by the result of the referendum and the nature of the UK's future

relationship with the EU has increased risk and profit margins have increased back to 20% of private housing GDV.

- 4.29 Our assumed return on the affordable housing GDV is 6%. A lower return on the affordable housing is appropriate as there is very limited sales risk on these units for the developer; there is often a pre-sale of the units to an RP prior to commencement. Any risk associated with take up of intermediate housing is borne by the acquiring RP, not by the developer.

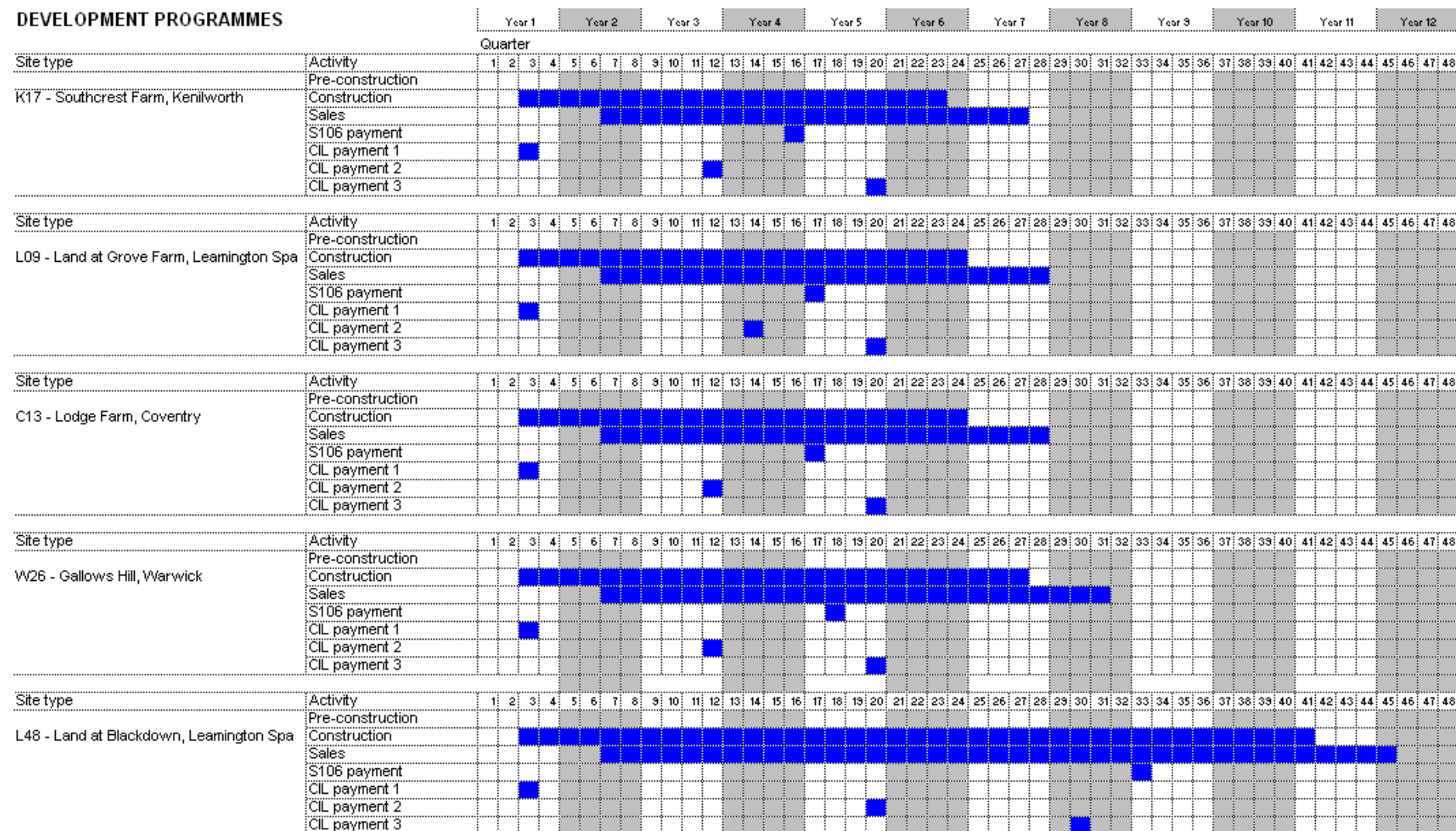
Figure 4.19.1 – Development Programmes (smaller schemes)

DEVELOPMENT PROGRAMMES		Year 1				Year 2				Year 3				Year 4			
		Quarter															
Site type	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Type 1 - 4 units, houses, GF	Pre-construction																
	Construction																
	Sales																
	S106 payment																
	CIL payment 1																
	CIL payment 2																
	CIL payment 3																
Site type	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Type 2 - 8 units, houses, UB	Pre-construction																
	Construction																
	Sales																
	S106 payment																
	CIL payment 1																
	CIL payment 2																
	CIL payment 3																
Site type	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Type 3 - 25 units, houses & flats, GF	Pre-construction																
	Construction																
	Sales																
	S106 payment																
	CIL payment 1																
	CIL payment 2																
	CIL payment 3																
Site type	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Type 4 - 35 units, houses & flats, GF	Pre-construction																
	Construction																
	Sales																
	S106 payment																
	CIL payment 1																
	CIL payment 2																
	CIL payment 3																
Site type	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Type 5 - 50 units, houses & flats, UB	Pre-construction																
	Construction																
	Sales																
	S106 payment																
	CIL payment 1																
	CIL payment 2																
	CIL payment 3																

Note: GF = Greenfield, UB = Urban

Site type	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Type 6 - 65 units, houses & flats, UB	Pre-construction																
	Construction																
	Sales																
	S106 payment																
	CIL payment 1																
	CIL payment 2																
	CIL payment 3																
Site type	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Type 7 - 75 units, houses, GF	Pre-construction																
	Construction																
	Sales																
	S106 payment																
	CIL payment 1																
	CIL payment 2																
	CIL payment 3																
Site type	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Type 8 - 75 units, houses, GF	Pre-construction																
	Construction																
	Sales																
	S106 payment																
	CIL payment 1																
	CIL payment 2																
	CIL payment 3																
Site type	Activity	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Type 9 - 100 units, flats, UB	Pre-construction																
	Construction																
	Sales																
	S106 payment																
	CIL payment 1																
	CIL payment 2																
	CIL payment 3																

Figure 4.19.2 – Development Programmes (strategic sites)



Benchmark land values for the residential analysis

- 4.30 Benchmark land values, based on the current use value or alternative use value of sites are key considerations in the assessment of development economics for testing planning policies and tariffs. Clearly, there is a point where the Residual Land Value (what the landowner receives from a developer) that results from a scheme may be less than the land's current use value. Current use values can vary significantly, depending on the demand for the type of building relative to other areas. Similarly, subject to planning permission, the potential development site may be capable of being used in different ways – as a hotel rather than residential for example; or at least a different mix of uses. Current use value or alternative use value are effectively the 'bottom line' in a financial sense and therefore a key factor in this study.
- 4.31 We have arrived at a broad judgement on the likely range of benchmark land values. On previously developed sites, the calculations assume that the landowner has made a judgement that the current use does not yield an optimum use of the site; for example, it has fewer storeys than neighbouring buildings; or there is a general lack of demand for the type of space, resulting in low rentals, high yields and high vacancies (or in some cases no occupation at all over a lengthy period). We would not expect a building which makes optimum use of a site and that is attracting a market rent to come forward for development, as residual value may not exceed current use value in these circumstances.
- 4.32 Redevelopment proposals that generate residual land values below current use values are unlikely to be delivered. While any such thresholds are only a guide in 'normal' development circumstances, it does not imply that individual landowners, in particular financial circumstances, will not bring sites forward at a lower return or indeed require a higher return. If proven current use value justifies a higher benchmark than those assumed, then appropriate adjustments may be necessary. As such, current use values should be regarded as benchmarks rather than definitive fixed variables on a site by site basis.
- 4.33 The benchmark land values used in this study have been selected to provide a broad indication of likely land values across the District, having regard to the predominant types of sites in the Strategic Housing Land Availability Assessment. It is important to recognise that other site uses and values may exist on the ground. There can never be a single threshold land value at which we can say definitively that land will come forward for development, especially in urban areas.
- 4.34 It is also necessary to recognise that a landowner will require an additional incentive to release the site for development⁹. The premium above current use value would be reflective of specific site circumstances (the primary factors being the occupancy level and strength of demand from alternative occupiers). For policy testing purposes it is not possible to reflect the circumstances of each individual site, so a blanket assumption of a 20% premium has been adopted to reflect the 'average' situation.
- 4.35 The majority of new housing supply will be on greenfield sites, which has a very low existing use value. However, it is recognised that landowners of greenfield sites have expectations that exceed current values and adding a percentage premium is unlikely to provide a sufficient land value.

Benchmark land values

- 4.36 A majority of land identified for development in the District is greenfield, with some development in urban areas expected to come forward on former community buildings, car parks and former employment land. Our appraisals compare the value of each scheme to four benchmark land values. These benchmark land value are indicative of the 'threshold values' which will be required for land to be released for development.

⁹ This approach is therefore consistent with the National Planning Policy Framework, which indicates that development should provide "competitive returns" to landowners. A 20% return above current use value is a competitive return when compared to other forms of investment.

- 4.37 Land values will inevitably vary, depending on their location and their existing use, as outlined in the preceding sections. Some sites will be in commercial use and will have a higher value than greenfield sites. This is recognised in the 2013 CIL Viability Study, which adopted a 'threshold land value' of £1.05 million per hectare, using an average of alternative uses. We have taken this as the highest benchmark. Other sites will have lower values, such as those owned by the Council or are in use as community facilities.
- 4.38 Values for greenfield sites are considerably lower if they are currently used as agricultural land; typically £20 - £22,000 per hectare. Landowners are unlikely, however, to trade their land for development at these values. The extent of 'uplift' required is often a matter of debate and has been considered by CLG research on land values. This research indicates a range of £247,000 to £371,000 per hectare¹⁰. The four benchmark land values used in our appraisals are as follows:
- Commercial sites: £1.05 million per hectare;
 - Former community sites: £0.5 million per hectare;
 - Greenfield (CLG high end of range): £0.37 million per hectare;
 - Greenfield (CLG lower end of range): £0.25 million per hectare.
- 4.39 Land values are not fixed and can (and should) flex to accommodate planning requirements. We would draw readers' attention to the comments on land values in Examiner's report on the Mayor of London's CIL¹¹, which indicates that owners will need to adjust their expectations to accommodate allowances for infrastructure. This is also made clear in the National Planning Practice Guidance, which states that "*land or site value should... reflect emerging policy requirements and planning obligations and, where applicable, any Community Infrastructure Levy charge*"¹².

Commercial development

- 4.40 We have appraised a series of hypothetical commercial developments, reflecting a range of use classes at average rent levels achieved on lettings of commercial space in actual developments. In each case, our assessment assumes an intensification of the existing use on the site, based on the same type of commercial development. In each case, the existing use value assumes that the existing building is no more than half the size of the new development, with a lower rent and higher yield reflecting the secondary nature of the existing building.

Commercial rents and yields

- 4.41 Our research on lettings of commercial floorspace indicates a range of rents achieved, as summarised in Table 4.41.1. This table also includes our assumptions on appropriate yields to arrive at a capital value of the commercial space. The yields adopted in our appraisals are summarised in Table 4.41.1.
- 4.42 Our appraisals of commercial floorspace test the viability of developments on existing commercial sites. For these developments, we have assumed that the site currently accommodates the same use class and the development involves intensification of that use. We have assumed lower rents and higher yields for existing space than the planned new floorspace. This reflects the lower quality and lower demand for second hand space, as well as the poorer covenant strength of the likely occupier of second hand space. A modest refurbishment cost of is allowed for to reflect costs that would be incurred to secure a letting of the existing space. A 20% landowner premium is added to the resulting existing use value as an incentive for the site to come forward for

¹⁰ CLG 'Cumulative impacts of regulations on house builders and landowners Research paper' 2011

¹¹ Para 32: "the price paid for development land may be reduced.... a reduction in development land value is an inherent part of the CIL concept.... in some instances it may be possible for contracts and options to be re-negotiated in the light of the changed circumstances arising from the imposition of CIL charges."

¹² PPG Para 014 Reference ID 10-014-20140306

development. The actual premium would vary between sites, and be determined by site-specific circumstances, so the 20% premium has been adopted as a 'top of range' scenario for testing purposes.

Commercial build costs

- 4.43 We have sourced build costs for the commercial schemes from the RICS Building Cost Information Service (BCIS), which is based on tenders for actual schemes. These costs vary between different uses and exclude external works and fees (our appraisals include separate allowances for these costs). Costs for each type of development are shown in Table 4.41.1.

Profit

- 4.44 In common with residential schemes, commercial schemes need to show a risk adjusted profit to secure funding. Profit levels are typically around 20% of developments costs and we have incorporated this assumption into our appraisals.

Table 4.41.1: Commercial appraisal assumptions for each use

Appraisal input	Source/Commentary	Hotels	Offices (Prime Warwick)	Industrial and warehouses	Retail –Prime Leamington	Retail - elsewhere	Retail – superstores, retail parks	Student housing
Total floor area (sq ft)	Hypothetical scheme	35,000	30,000	30,000	3,000	3,000	30,000	142,500
Rent (£s per sq ft)	Based on average lettings sourced from EGI and Focus	Cap val £103k per room	£15	£6	£48	£25	£25	£180 pw 51 wk term
Rent free/void period (years)	BNPPRE assumption	0.5	2	1	1	1	1	n/a
Yield	BNPPRE prime yield schedule	6%	6.9%	7.0%	5.9%	6.7%	5.25%	6.25%
Purchaser's costs (% of GDV)	Stamp duty 5%, plus agent's and legal fees	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%	6.8%
Demolition costs (£s per sq ft of existing space)	Based on experience from individual schemes	£7	£7	£7	£7	£7	£7	£7
Gross to net (net as % of gross)	Based on experience from individual schemes	70%	82%	90%	82%	82%	82%	75%
Base construction costs (£s per sq ft)	BCIS costs. Offices – 'generally' for air conditioned offices with adjustment for quality. 'Generally' figure for industrial, supermarkets and retail.	£164	£156	£76	£115	£115	£73	£152
External works (% of build costs)	BNPPRE assumption	10%	10%	10%	10%	10%	20%	10%
Contingency (% of build costs)	BNPPRE assumption	5%	5%	5%	5%	5%	5%	5%
Letting agent's fee	(% of first year's rent)	10%	10%	10%	10%	10%	10%	-
Agent's fees and legal fees	(% of capital value)	1%	1%	1%	1%	1%	1%	-
Interest rate	BNPPRE assumption	7%	7%	7%	7%	7%	7%	7%
Professional fees (% of build)	BNPPRE assumption, relates to complexity of scheme	10%	10%	10%	10%	10%	10%	10%
Profit (% of costs)	BNPPRE assumption based on schemes submitted for planning	20%	20%	20%	20%	20%	20%	20%

Table 4.41.1 (continued) Commercial appraisal assumptions for each use – existing uses

Appraisal input	Source/Commentary	Hotels	Offices (Prime Warwick)	Industrial and warehouses	Retail –Prime Leamington	Retail - elsewhere	Retail – super- stores, retail parks	Student housing
Existing floorspace (sq ft)	Assumed to be between 25% to 50% of new space	5,000	9,000	15,000	1,500	1,500	15,000	42,750
Rent on existing floorspace	Reflects poor quality second hand space of same use, low optimisation of site etc and ripe for redevelopment	£19 - £21	£5 - £10	£3.50 - £5	£33 - £34	£12 - £17	£17 - £18	£7
Yield on existing floorspace	BNPPRE assumption, reflecting lower covenant strength of potential tenants, poor quality building etc	7%	8% - 8.5%	9% - 10%	6.5%	7%	7%	8.5%
Rent free on existing space	Years	2	3	3	1.5	1.5	1.5	3
Refurbishment costs (£s per sq ft)	General allowance for bringing existing space up to lettable standard	£50	£50	£30	£50	£50	£50	£50
Fees on refurbishment (% of refurb cost)	BNPPRE assumption	7%	7%	7%	7%	7%	7%	7%
Landowner premium	BNPPRE assumption – in reality the premium is likely to be lower, therefore this is a conservative assumption	20%	15 - 20%	15%	20%	20%	20%	20%

5 Appraisal outputs

Residential appraisals

- 5.1 The full outputs from our appraisals of residential development are attached as Appendix 3 (smaller sites) and Appendix 4 (strategic sites). We have modelled nine hypothetical site types, reflecting different densities and types of development, which are tested in the six broad housing market areas identified in Section 4 and against the typical land value benchmarks for the District. The development typologies are summarised in table 5.1.1 below.

Table 5.1.1: Development typologies

	Number of units	Housing type	Location type	Development density units per ha	Site area (ha) ¹³
1	4	100% houses	Greenfield	35	0.17
2	8	100% houses	Urban	35	0.23
3	25	90% houses 10% flats	Greenfield	35	1.06
4	35	90% houses 10% flats	Greenfield	30	1.74
5	50	50% houses 50% flats	Urban	50	1.00
6	65	60% houses 40% flats	Urban	40	1.63
7	75	100% houses	Greenfield	20	5.60
8	75	100% houses	Greenfield	35	3.20
9	100	100% flats	Urban	60	1.67

- 5.2 In addition, we have tested the viability of five strategic sites, summarised in Table 5.2.1.

Table 5.2.1: Strategic sites

SHLAA code	Location	Major settlement	Gross site area (ha)	Estimated no of units @ 35 dph
L09	Land at Grove Farm	Extension to Leamington Spa	62.18	664
L48	Land at Blackdown	Extension to Leamington Spa	66.74	1,165
W26	Gallows Hill/ Europa Way	Extension to Warwick	21.53	377
K17	Southcrest Farm, Glasshouse Lane	Extension to Kenilworth	16.79	319
C13	Lodge Farm, Westwood Heath	Extension to Coventry	30.48	324

- 5.3 For schemes above the affordable housing threshold, we have tested with 40% affordable housing (the Council's strategic target) with a tenure mix of 80% rented and 20% intermediate housing. We have run sensitivities analyses using 30%, 20% and 10% affordable housing.

¹³ The Council's SHLAA assumes that on sites of 10 or more hectares, 50% of the site will be developable for housing, with the remaining space used for supporting facilities (e.g. open space). For sites of less than 10 units, the SHLAA assumes that 67% of the site will be developable for residential. In urban areas, 100% of site is considered as developable area.

- 5.4 The residual land values from each of the scenarios above in each housing market areas are then compared to the benchmark land value based on the assumptions set out in paragraphs 4.30 to 4.37. This comparison enables us to determine whether the imposition of CIL would have an impact on development viability. In some cases, the equation RLV less BLV results in a negative number, so the development would not proceed, whether CIL was imposed or not. We therefore focus on situations where the RLV is greater than BLV and where (all other things being equal) the development would proceed. In these situations, CIL has the potential to 'tip the balance' of viability into a negative position.

Commercial appraisals

- 5.5 Our research on rents achieved on commercial lettings indicates a range of rents within each main use class. Our commercial appraisals therefore model base position and test the range of rates (higher and lower than the base level) and changes to yields. This enables us to draw conclusions on maximum potential rates of CIL. For each type of development tested, we have run appraisals of a quantum of floorspace, each with rent levels reflecting the range identified by our research.

Presentation of data

Residential appraisals results

- 5.6 The results for each site type are presented in tables showing the CIL rate and the corresponding RLV (which is then converted into a RLV per hectare). The RLV per hectare is then compared to the four benchmark land values, which are also expressed as a per hectare value. Where the RLV exceeds the benchmark, the amount of CIL entered into the appraisal is considered viable.
- 5.7 A sample of the format of the results is provided below. This sample relates to strategic site L09 (Land at Grove Farm).

Community Infrastructure Levy
Warwick District Council

Benchmark Land Values (per gross ha)

BLV1	BLV2	BLV3	BLV4
Greenfield 1	Greenfield 2	Greenfield 3	Greenfield 4
£1,049,750	£500,000	£371,000	£247,000

Site type	2
Houses	
No of units	664 units
Density:	35 dph
CSH level:	4

Affordable %	30%
% rented	80%
% intermed	20%

Site area	37.94 ha
Net to gross	50%

Growth	
Sales	0%
Build	0%

Rural areas (higher value)

Private values £3180 psm

CIL amount per sq m	RLV	RLV per ha	RLV less BLV 1	RLV less BLV 2	RLV less BLV 3	RLV less BLV 4
0	24,328,725	641,194	-408,556	141,194	270,194	394,194
20	23,732,308	625,475	-424,275	125,475	254,475	378,475
40	23,135,890	609,756	-439,994	109,756	238,756	362,756
60	22,539,473	594,037	-455,713	94,037	223,037	347,037
80	21,943,055	578,318	-471,432	78,318	207,318	331,318
100	21,346,637	562,600	-487,150	62,600	191,600	315,600
120	20,749,393	546,859	-502,891	46,859	175,859	299,859
140	20,139,651	530,789	-518,961	30,789	159,789	283,789
160	19,526,027	514,617	-535,133	14,617	143,617	267,617
180	18,912,402	498,444	-551,306	-1,556	127,444	251,444
200	18,290,350	482,050	-567,700	-17,950	111,050	235,050
210	17,976,516	473,779	-575,971	-26,221	102,779	226,779
220	17,659,899	465,434	-584,316	-34,566	94,434	218,434
230	17,340,932	457,028	-592,722	-42,972	86,028	210,028
240	17,021,965	448,621	-601,129	-51,379	77,621	201,621
250	16,701,679	440,180	-609,570	-59,820	69,180	193,180

Commercial appraisal results

- 5.8 The appraisals include a 'base' rent level, with sensitivity analyses which model rents above and below the base level (an illustration is provided in Chart 5.9.1). The maximum CIL rates are then shown per square metre, against three different current use values (see Table 4.40.1). Chart 5.9.2

provides an **illustration** of the outputs in numerical format, while Chart 5.9.3 shows the data in graph format. In this example, the scheme could viably absorb a CIL of between £0 and £275 per square metre, depending on the current use value. The analysis demonstrates the significant impact of very small changes in yields (see appraisals 4 and 6, which vary the yield by 0.25% up or down) on the viable levels of CIL.

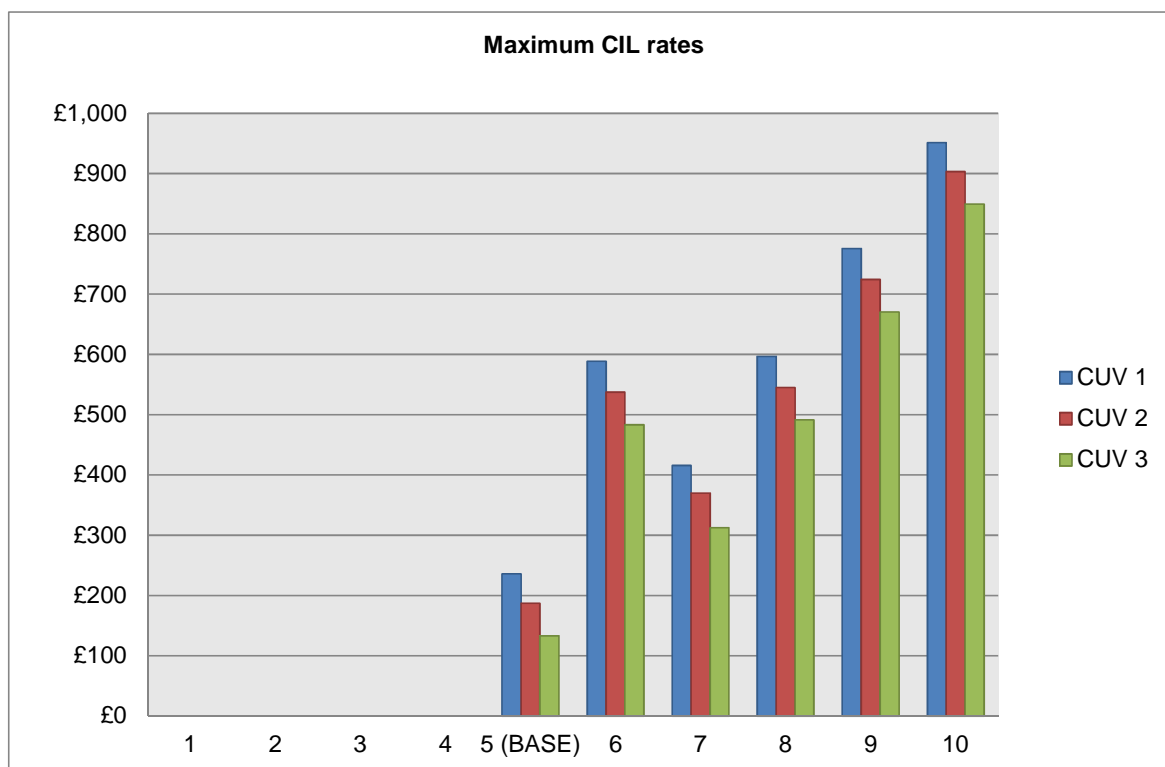
Chart 5.8.1: Illustration of sensitivity analyses

	£s per sqft	Yield	Rent free
Appraisal 1	£21.00	6.50%	2.00 years
Appraisal 2	£22.00	6.50%	2.00 years
Appraisal 3	£23.00	6.50%	2.00 years
Appraisal 4	£24.00	6.75%	2.00 years
Appraisal 5 (base)	£24.00	6.50%	2.00 years
Appraisal 6	£24.00	6.25%	2.00 years
Appraisal 7	£25.00	6.50%	2.00 years
Appraisal 8	£26.00	6.50%	2.00 years
Appraisal 9	£27.00	6.50%	2.00 years
Appraisal 10	£28.00	6.50%	2.00 years

Chart 5.8.2: Maximum CIL rates – numerical format

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-14%	£0	£0	£0
Appraisal 2	-9%	£0	£0	£0
Appraisal 3	-4%	£100	£23	£0
Appraisal 4	0%	£99	£21	£0
Appraisal 5 (base)	-	£275	£197	£0
Appraisal 6	0%	£465	£387	£38
Appraisal 7	4%	£449	£371	£23
Appraisal 8	8%	£624	£546	£197
Appraisal 9	11%	£798	£720	£371
Appraisal 10	14%	£972	£894	£546

Chart 5.8.3: Maximum CIL rates – graph format



6 Assessment of the results

- 6.1 This section should be read in conjunction with the full results attached at Appendix 3 (residential appraisal results – urban areas), Appendix 4 (strategic sites results) and Appendix 5 (commercial appraisal results). In these results, the residual land values are calculated for scenarios with sales values and capital values reflective of market conditions across the District. These RLVs are then compared to appropriate benchmark land values.
- 6.2 The CIL regulations state that in setting a charge, local authorities must “*strike the appropriate balance*” between revenue maximisation on the one hand and the potentially adverse impact of CIL upon the viability of development across the whole area on the other. Our recommendations are that:
- Firstly, the Council should take a strategic view of viability. There will always be variations in viability between individual sites, but viability testing should establish the most typical viability position; not the exceptional situations.
 - Secondly, the Council should take a balanced view of viability – residual valuations are just one factor influencing a developer’s decision making – the same applies to local authorities.
 - Thirdly, while a single charge is attractive, it may not be appropriate for all authorities, particularly in areas where sales values vary between areas.
 - Fourthly, markets are cyclical and subject to change over short periods of time. Sensitivity testing to sensitivity test levels of CIL to ensure they are robust in the event that market conditions improve over the life of a Charging Schedule is essential.
 - Fifthly, the Council should not set their rates of CIL at the limits of viability. A margin or contingency below the maximum rate should be allowed for to account for market change and site specific viability issues.
- 6.3 CIL rates should not necessarily be determined solely by viability evidence, but *should not be logically contrary* to the evidence. Councils should not follow a mechanistic process when setting rates – appraisals are just a guide to viability and are widely understood to be a less than precise tool.

Assessment – residential development

- 6.4 As CIL is intended to operate as a fixed charge, the Council will need to consider the impact on two key factors. Firstly, the need to strike a balance between maximising revenue to invest in infrastructure on the one hand and the need to *minimise* the impact upon development viability on the other. Secondly, as CIL will effectively take a ‘top-slice’ of development value, there is a potential impact on the percentage or tenure mix of affordable housing that can be secured. This is a change from the current system of negotiated financial contributions, where the planning authority can weigh the need for contributions against the requirement that schemes need to contribute towards affordable housing provision.
- 6.5 In assessing the results, it is important to clearly distinguish between two scenarios; namely, schemes that are unviable *regardless of the level of CIL* (including a nil rate) and schemes that are viable *prior* to the imposition of CIL at certain levels. If a scheme is unviable before CIL is levied, it is unlikely to come forward and CIL would not be a factor that comes into play in the developer’s/landowner’s decision making. We have therefore disregarded the ‘unviable’ schemes in recommending an appropriate level of CIL. The unviable schemes will only become viable following a degree of real house price inflation, or in the event that the Council agrees to a lower level of affordable housing for particular sites in the short term¹⁴.

¹⁴ However, as shown by the sensitivity analyses (which reduce affordable housing to 30%, 20% and 10%) even a reduction in affordable housing does not *always* remedy viability issues. In these situations, it is not the presence or

Determining maximum viable rates of CIL for residential development

- 6.6 As noted in paragraph 6.5, where a scheme is unviable the imposition of CIL at a zero level will not make the scheme viable. Other factors (i.e. sales values, build costs or benchmark land values) would need to change to make the scheme viable. For the purposes of establishing a maximum viable rate of CIL, we have had regard to the development scenarios that are currently viable and that might, therefore, be affected by a CIL requirement. All the results summarised below assume, firstly, that current affordable housing requirements are met in full. Sensitivity analyses which adopt reduced levels of affordable housing are also provided. This shows the relationship between CIL and affordable housing and the amounts that could be secured by changing the other requirement.
- 6.7 Tables 6.71 to 6.7.9 summarise the results of our residential appraisals of smaller sites (the full results are attached as Appendix 3). For each development typology, the tables show the highest CIL rate (within the testing range of £0 to £300 per square metre) that is viable against each of the four benchmark land values.
- 6.8 Site typologies 1, 3, 4, 7 and 8 are located on greenfield sites, while site typologies 2, 5, 6 and 9 are developments in urban areas. The relevant parts of the tables are shaded either green or brown to focus on the results that are most pertinent for each particular development typology. For example, for Site typology 1, BLV 3 and BLV 4 are shaded green, as these are the most relevant benchmarks for greenfield sites.
- 6.9 It is also important to note that Site typology 1 is a 4 unit scheme that falls below the Council's affordable housing threshold of 5 units in a rural area. Similarly, Site typology 2 is an 8 unit scheme that falls below the 10 unit threshold for urban areas. Although the tables show the results for a range of affordable housing percentages (up to 40%), the current policy position does not require any contribution from these types of sites. The relevant results for site types 1 and 2 is therefore the '0%' affordable housing column.

absence of planning obligations that is the primary viability driver – it is simply that the value generated by residential development is lower than some existing use values. In these situations, sites would remain in their existing use.

Table 6.7.1: Site type 1 – 4 units, 100% houses, greenfield (35 dph) – below Aff Hsg threshold

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	40	160	nv	80	220	300	300	0	180	300	300	300	100	260	300	300	300
Leamington Spa	200	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Kenilworth	nv	120	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (higher value)	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (lower value)	nv	nv	40	180	300	60	240	300	300	300	160	300	300	300	300	260	300	300	300	300

Table 6.7.2: Site type 2 – 8 units, 100% houses, urban area (35 dph) – below Aff Hsg threshold

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	60	180	280	nv	160	280	300	300	40	220	300	300	300	120	280	300	300	300
Leamington Spa	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Kenilworth	80	280	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (higher value)	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (lower value)	nv	40	200	300	300	140	300	300	300	300	200	300	300	300	300	280	300	300	300	300

Table 6.7.3: Site type 3 – 25 units, 90% houses and 10% flats, greenfield (35 dph)

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	40	nv	nv	120	240	300	nv	60	200	300	300	nv	160	280	300	300
Leamington Spa	0	240	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Kenilworth	nv	nv	140	280	300	160	300	300	300	300	280	300	300	300	300	300	300	300	300	300
Rural areas (higher value)	220	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (lower value)	nv	nv	nv	40	180	nv	100	260	300	300	20	200	300	300	300	140	300	300	300	300

nv = not viable at zero CIL

Table 6.7.4: Site type 4: 35 units, 90% houses and 10% flats, greenfield (30 dph)

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	nv	nv	nv	60	180	280	nv	0	160	280	300	nv	120	260	300	300
Leamington Spa	nv	100	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Kenilworth	nv	nv	0	180	300	80	280	300	300	300	220	300	300	300	300	300	300	300	300	300
Rural areas (higher value)	40	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (lower value)	nv	nv	nv	nv	80	nv	40	200	300	300	nv	160	300	300	300	100	260	300	300	300

Table 6.7.5: Site type 5: 50 units, 50% houses and 50% flats, urban area (50 dph)

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	100	nv	nv	20	160	260	nv	nv	80	200	300	nv	nv	120	240	300
Leamington Spa	100	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Kenilworth	nv	40	220	300	300	60	260	300	300	300	120	300	300	300	300	180	300	300	300	300
Rural areas (higher value)	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (lower value)	nv	nv	nv	120	240	nv	0	160	300	300	nv	60	220	300	300	nv	120	260	300	300

Table 6.7.6: Site type 6: 65 units, 60% houses and 40% flats, urban area (40 dph)

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	80	nv	nv	40	180	280	nv	nv	100	220	300	nv	20	160	260	300
Leamington Spa	80	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Kenilworth	nv	0	180	300	300	80	280	300	300	300	160	300	300	300	300	220	300	300	300	300
Rural areas (higher value)	280	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (lower value)	nv	nv	nv	100	220	nv	40	180	300	300	nv	100	240	300	300	nv	160	300	300	300

nv = not viable at zero CIL

Table 6.7.7: Site type 7: 75 units, 100% houses, greenfield area (lower density – 20 dph)

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	nv	nv	nv	nv	60	180	nv	nv	60	180	280	nv	60	180	280	300
Leamington Spa	nv	nv	40	220	300	240	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Kenilworth	nv	nv	nv	nv	80	nv	160	300	300	300	120	300	300	300	300	280	300	300	300	300
Rural areas (higher value)	nv	0	240	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (lower value)	nv	nv	nv	nv	nv	nv	nv	80	200	300	nv	60	200	300	300	20	200	300	300	300

Table 6.7.8: Site type 8: 75 units, 100% houses, greenfield area (standard density – 35 dph)

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	20	nv	nv	100	200	300	nv	40	180	280	300	nv	140	260	300	300
Leamington Spa	0	220	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Kenilworth	nv	nv	120	260	300	160	300	300	300	300	260	300	300	300	300	300	300	300	300	300
Rural areas (higher value)	200	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300	300
Rural areas (lower value)	nv	nv	nv	40	140	nv	100	240	300	300	20	180	300	300	300	120	280	300	300	300

Table 6.7.9: Site type 9: 100 units, 100% flats, urban area (60 dph)

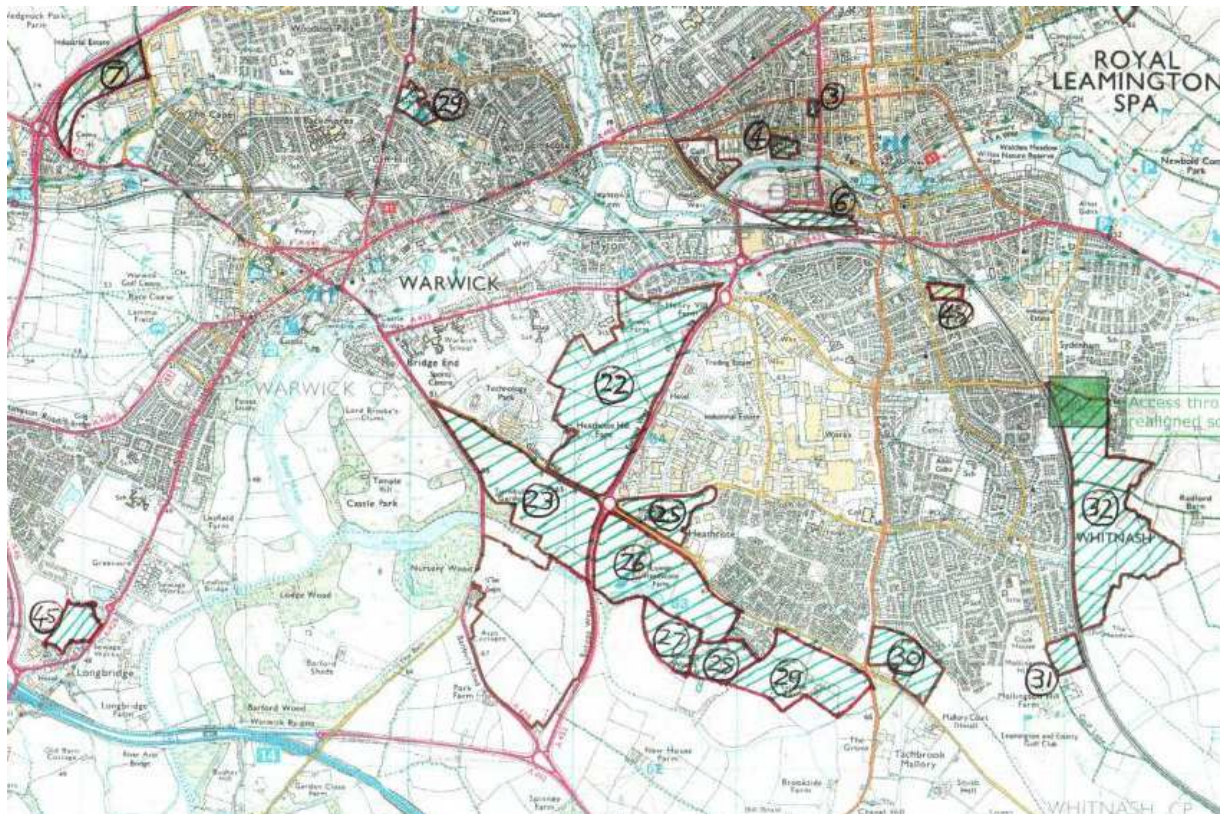
	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv
Leamington Spa	nv	nv	nv	160	300	nv	nv	180	300	300	nv	40	240	300	300	nv	100	280	300	300
Kenilworth	nv	nv	nv	nv	40	nv	nv	nv	80	200	nv	nv	nv	120	240	nv	nv	0	160	280
Rural areas (higher value)	nv	nv	160	300	300	nv	180	300	300	300	nv	240	300	300	300	40	280	300	300	300
Rural areas (lower value)	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	nv	20	nv	nv	nv	nv	60

nv = not viable at zero CIL

Strategic sites

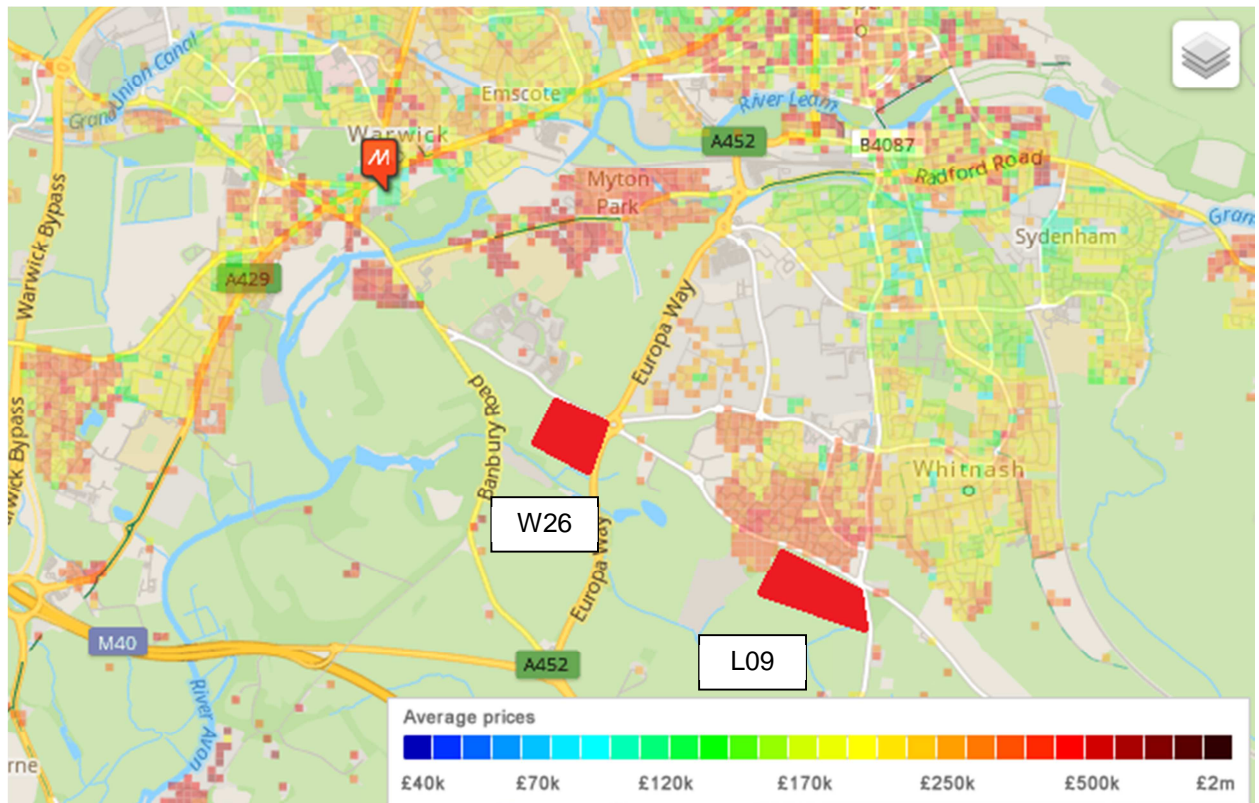
- 6.10 Tables 6.10.1 to 6.10.5 summarise the results from our appraisals of five strategic sites in the District, located adjacent to the three main settlements and neighbouring Coventry. The results are displayed in the same format as the smaller sites, but with all five strategic sites being greenfield, benchmark land values 3 and 4 are the most pertinent when considering a rate of CIL for these types of development.
- 6.11 As noted previously, the strategic sites carry higher costs than other developments, most notably on-site infrastructure (utilities, drainage, site roads etc) and on-site community infrastructure (schools, community facilities etc). For each unit, our appraisals assume a £12,000 allowance for on-site infrastructure (i.e. roads, utilities etc) and a further £13,000 to contribute towards on-site community infrastructure (through Section 106 obligations). Other relevant factors to consider are the long build out rate, which means that developers are carrying costs for a much longer period of time than is the case with small schemes. These factors combine to make these types of development more challenging, at least in principle.
- 6.12 Although each of the five strategic sites is clearly located adjacent to a particular settlement, we have also appraised them using sales values from each of the main value areas (i.e. Warwick, Leamington Spa, Kenilworth, higher value rural area and lower value rural area). As well as reflecting the viability conditions in their 'actual' area, the sites also provide an indication of the viability of a development of those characteristics in the other areas. This helps give more depth to the results and an indication of the likely viability of other strategic sites.
- 6.13 Although strategic site W26 (Gallows Hill) is identified in the SHLAA as being located in Warwick, it actually lies to the south of Myton, which attracts significantly higher values than those in Warwick. There is a cluster of strategic sites in this area, as shown in Figure 6.13.1 below. These sites are more likely to benefit from the higher values in Myton and Heathcote

Figure 6.13.1: Location of strategic sites between Warwick and Leamington Spa



- 6.14 Figure 6.14.1 shows average house prices in 'heat map' format. This shows the location of two sites we have tested in this study (W26 – Gallows Hill and L09 – Land at Grove Farm) shaded in red. This shows that both of these sites (and others adjacent to them) are likely to attract higher values than those found in the urban areas. In the results tables (6.10.1 to 6.10.5), the results for the Leamington Spa area are likely to apply to both sites.

Figure 6.14.1: Average values heat map



Source: Mouseprice

- 6.15 The results of our appraisals for Land at Blackdown, Leamington Spa, show lower residual land values than for the other strategic sites at Leamington. This is because this site is considerably large than the other sites, with a longer build out period. This longer build period means that costs are carried for a longer period of time before sales income is received, resulting in higher finance costs.

Table 6.10.1: K17 Southcrest Farm, Kenilworth (35dph)

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	nv	nv	nv	nv	nv	0	nv	nv	nv	nv	100	nv	nv	nv	80	180
Leamington Spa	nv	nv	nv	20	180	nv	180	250	250	250	100	250	250	250	250	250	250	250	250	250
Kenilworth	nv	nv	nv	nv	nv	nv	nv	80	240	250	nv	20	210	250	250	nv	160	250	250	250
Rural areas (higher value)	nv	nv	0	220	250	140	250	250	250	250	250	250	250	250	250	250	250	250	250	250
Rural areas (lower value)	nv	nv	nv	nv	nv	nv	nv	nv	0	120	nv	nv	nv	120	230	nv	nv	80	220	250

Table 6.10.2: L09 Land at Grove Farm, Leamington Spa (35dph)

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	nv	nv	nv	nv	nv	0	nv	nv	nv	nv	100	nv	nv	nv	80	180
Leamington Spa	nv	nv	nv	0	180	nv	180	250	250	250	100	250	250	250	250	250	250	250	250	250
Kenilworth	nv	nv	nv	nv	nv	nv	nv	80	240	250	nv	20	210	250	250	nv	160	250	250	250
Rural areas (higher value)	nv	nv	nv	200	250	140	250	250	250	250	250	250	250	250	250	250	250	250	250	250
Rural areas (lower value)	nv	nv	nv	nv	nv	nv	nv	nv	0	120	nv	nv	nv	100	230	nv	nv	80	220	250

Table 6.10.3: C13 Lodge Farm, Coventry border (35 dph)

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	nv	nv	nv	nv	nv	nv	nv	nv	nv	0	nv	nv	nv	nv	100	nv	nv	nv	80	180
Leamington Spa	nv	nv	nv	0	180	nv	180	250	250	250	100	250	250	250	250	250	250	250	250	250
Kenilworth	nv	nv	nv	nv	nv	nv	nv	80	230	250	nv	20	210	250	250	nv	160	250	250	250
Rural areas (higher value)	nv	nv	nv	200	250	140	250	250	250	250	250	250	250	250	250	250	250	250	250	250
Rural areas (lower value)	nv	nv	nv	nv	nv	nv	nv	nv	0	120	nv	nv	nv	100	230	nv	nv	80	220	250

nv = not viable at zero CIL

Table 6.10.4: W26 Gallows Hill, Warwick

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	80	<i>nv</i>	<i>nv</i>	<i>nv</i>	60	180
Leamington Spa	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	120	<i>nv</i>	140	250	250	250	80	250	250	250	250	240	250	250	250	250
Kenilworth	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	60	210	250	<i>nv</i>	0	180	250	250	<i>nv</i>	140	250	250	250
Rural areas (higher value)	<i>nv</i>	<i>nv</i>	<i>nv</i>	140	250	100	250	250	250	250	250	250	250	250	250	250	250	250	250	250
Rural areas (lower value)	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	100	<i>nv</i>	<i>nv</i>	<i>nv</i>	100	210	<i>nv</i>	<i>nv</i>	80	210	250

Table 6.10.5: L48 Land at Blackdown, Leamington Spa

	BLV1					BLV2					BLV3					BLV4				
	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%	40%	30%	20%	10%	0%
Warwick	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	20	<i>nv</i>	<i>nv</i>	<i>nv</i>	40	160
Leamington Spa	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	210	250	250	<i>nv</i>	210	250	250	250	180	250	250	250	250
Kenilworth	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	100	240	<i>nv</i>	<i>nv</i>	100	250	250	<i>nv</i>	100	250	250	250
Rural areas (higher value)	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	60	<i>nv</i>	200	250	250	250	160	250	250	250	250	250	250	250	250	250
Rural areas (lower value)	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	<i>nv</i>	0	<i>nv</i>	<i>nv</i>	<i>nv</i>	20	160	<i>nv</i>	<i>nv</i>	40	180	250

nv = not viable at zero CIL

CIL rate setting considerations

- 6.16 The results indicate that residential development should be able to absorb a CIL payment in all areas across the District, subject to allowing for a buffer or margin to address risks to delivery. There are four key risk factors:
- the first is that individual sites might incur exceptional costs (decontamination, difficult ground conditions etc) and as a result the residual land value could fall. Developers will try and reflect such costs in their offer to the landowner, but the extent of any issues is not always fully apparent until the land value is fixed. Where sites have an existing use, an owner will not be prepared to accept a reduction below the value of the current building to accommodate exceptional costs upon redevelopment;
 - Secondly, current use values on individual sites will inevitably vary and will fall somewhere between the values used in our appraisals. As a result, the ability of schemes to absorb high rates of CIL could be adversely affected;
 - Thirdly, sales values could fall or normal build costs could rise over the life of the Charging Schedule, adversely affecting scheme viability. While the Council could change its rates to adapt to these changes, this cannot be done quickly due to the need to develop a refreshed evidence base and follow the statutory consultation and examination process; and
 - Fourthly, imposing a high rate of CIL (that vastly exceeds the current levels of Section 106 obligations) in the Council's first Charging Schedule could result in a more than modest reduction in land values and a consequential risk that land supply falls. This factor has led many charging authorities to seek to limit their CIL rates to no more than around 3-5% of development costs, or to set their CIL rates so that they are broadly comparable to existing Section 106 contributions¹⁵.
- 6.17 It is also important to consider that where a scheme is shown as unviable before the application of CIL, it will be other factors such as sales values, build costs and the percentage of affordable housing that will need to adjust for the scheme to become viable.

Suggested CIL rates – smaller (non-strategic) sites

- 6.18 Our appraisals indicate that smaller sites below the affordable housing threshold are viable with high levels of CIL against the relevant benchmark land values. In most situations, the maximum rate within the testing range (£300 per square metre) is achievable. The Council could potentially set a separate rate for these types of scheme, perhaps with a higher CIL rate than schemes which are required to provide on-site affordable housing.
- 6.19 Schemes located in **Warwick** and the surrounding **lower value rural areas** are unlikely to be able to make substantial CIL contributions as well as making a meaningful affordable housing contribution. We therefore suggest that the Council considers a relatively modest CIL rate in this area. The maximum rate varies according to the affordable housing percentage secured, but is generally in the range of £60 to £280 per square metre when secured alongside 20% affordable housing. We therefore suggest a rate of **£70 per square**, which allows some headroom for the factors listed at section 6.16.
- 6.20 Schemes in the **Kenilworth** area are more viable than those in Warwick, but the trade-off between high levels of CIL and affordable housing at levels of around 40% is very clear in our appraisal results. To ensure an optimum balance between maximising affordable housing and infrastructure requirements, we consider that the maximum CIL level is in the region of £180 to £200 per square metre. At this level of CIL, most scheme types can provide 30% affordable housing. After allowing a discount for the factors outlined at section 6.16, this would result in a CIL of around **£140 per square metre**.

¹⁵ For example, Wandsworth Council has adopted this approach in the Vauxhall Nine Elms Opportunity Area, where the existing tariff has been converted into a per square metre CIL rate.

- 6.21 Schemes in **Leamington Spa** and the **higher value rural areas** are the most viable in the District, with a maximum CIL in region of £220 - £300 per square metre achievable in most scenarios. After allowing for a discount for the factors outlined in section 6.16, we suggest a CIL of **£190 to £200 per square metre**.

Suggested CIL rates – strategic sites

- 6.22 The results of our strategic site appraisals indicate that major schemes adjacent to Warwick are likely to be challenging to bring forward in the short term if they are required to provide policy levels of affordable housing, on-site infrastructure and CIL. When tested against benchmark land value 3 and 4, all five strategic sites are unviable at policy levels of affordable housing. When affordable housing is provided at 10% of units, CIL starts to become viable. However, it should be noted that all the major sites identified by the Council to the south of Warwick and Leamington Spa are in areas of higher value in comparison to average Warwick values.
- 6.23 Requiring anything but a modest level of CIL (e.g. £20 per square metre) on these sites is likely to reduce opportunities for securing a reasonable affordable housing contribution from major sites adjacent to Warwick. However, given that no major sites are identified in or around the Warwick area, levying a slightly higher CIL would not adversely impact of delivery of the scale of development identified in the Plan.
- 6.24 A similar result emerges for strategic sites that might be located in the 'rural' lower value area, to a lesser degree than in Warwick. However, we understand that strategic sites adjacent to the main urban settlements are to be prioritised over large sites in rural areas. The Council may therefore decide to place limited weight on these results.
- 6.25 Strategic sites that might be located in the rural higher value area should be able to absorb relatively high levels of CIL as well as meeting the full 40% affordable housing target.
- 6.26 Strategic sites adjacent to Leamington Spa appear to be reasonably viable and able to accommodate CIL contributions as well as affordable housing percentages relatively close to the policy target. We would suggest, however, that the Council adopts a cautious approach, as the affordable housing percentage appears to be very sensitive to the level of CIL. The Council would therefore maximise the potential for securing 40% affordable housing if the rates of CIL are set at a modest level.
- 6.27 We would suggest the following approach for strategic sites that optimises opportunities for securing a meaningful affordable housing contribution alongside a contribution towards infrastructure through CIL:
- **Leamington Spa and Rural higher value area:** 'Maximum' rate - £100 per square metre (taking the results somewhere between BLV3 and BLV4); suggested rate £50 to £60 per square metre;
 - **Kenilworth,** 'Maximum' rate - £50 per square metre (taking the results as lying somewhere between BLV3 and BLV4 and 30% to 40% affordable housing); suggested rate £25 per square metre;
 - **Warwick and rural 'lower' value area:** 'Maximum' rate – nil with any meaningful proportion of affordable housing; suggested rate nil per square metre.

Assessment – commercial development

- 6.28 Our appraisals indicate that the potential for commercial schemes to be viably delivered will be limited in current market conditions. Retail rents vary to some degree, but differences in yields are likely to be a more important factor in determining capital values of completed retail developments. For other types of development, such as offices, there is unlikely to be much, if any, net additional floorspace in the short term.
- 6.29 As noted in section 4, the level of rents that can be achieved for commercial space varies according to exact location; quality of building; and configuration of space. Consequently, our appraisals adopt a 'base' position based on average rents for each type of development and show the results of appraisals with lower and higher rents. This analysis will enable the Council to consider the

robustness of potential CIL charges on commercial uses, including the impact that changes in rents might have on viability.

Office development

- 6.30 The results of our office appraisals indicate that new developments are unlikely to be viable, unless rents increase significantly over the life of the Charging Schedule (see Appendix 5). Short term demand for offices is likely to be relatively weak due to changing patterns of working and slower employment growth. It is therefore unlikely that any significant level of new office development will come forward in the District in the short term. In some parts of the District, there is a surplus second hand office buildings that owners may seek to redevelop for other uses. Once this space is converted to other uses, rents for the remaining space may increase, which could stimulate more development.
- 6.31 Office rents currently average £15 per sq ft (an increase since the 2013 CIL Viability Study) but a further increase would be required to make development of new space economically viable. Whilst it is possible that new development might attract higher rents, there is currently insufficient evidence to demonstrate that this might be the case. If any significant schemes do come forward for development, the Council could seek to negotiate Section 106 obligations with developers, although clearly these would be restricted by Regulation 122.
- 6.32 A **nil CIL rate** is recommended for any office development that comes forward.

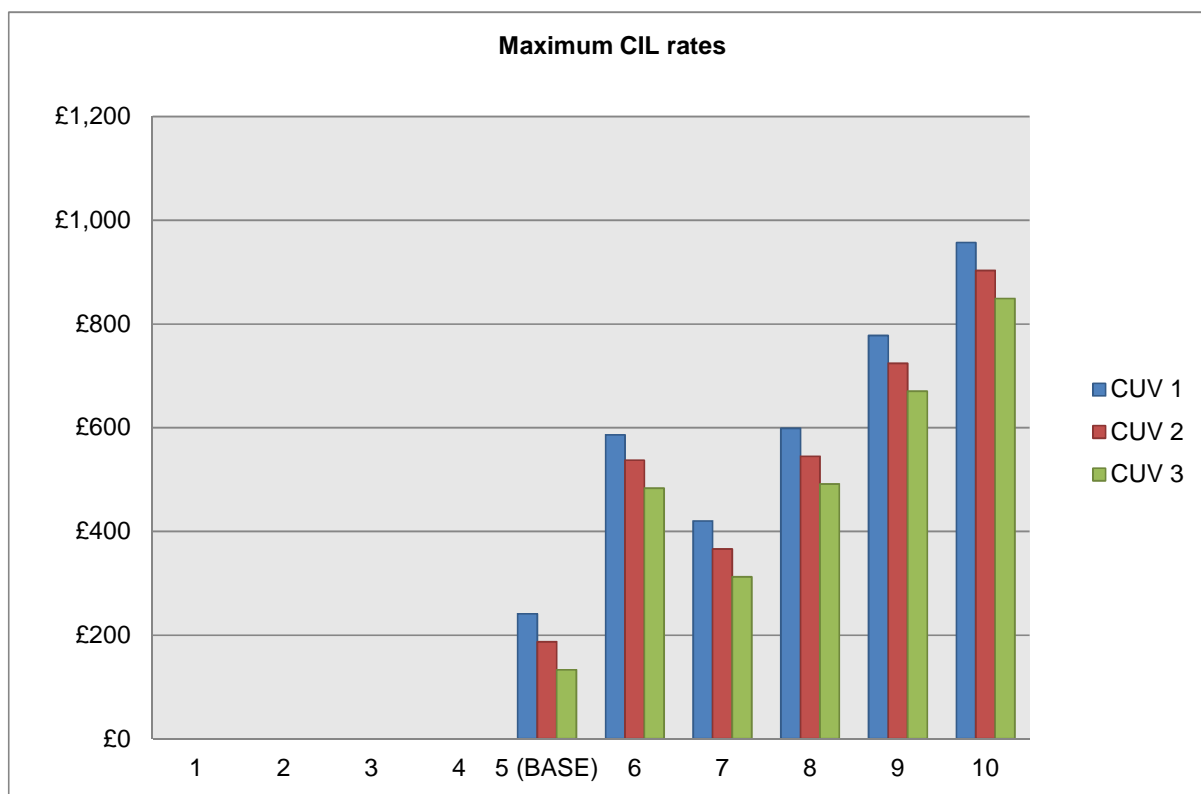
Industrial and warehouse development

- 6.33 Our appraisals of industrial development indicate that residual values are likely to be too low to absorb any level of CIL (see Appendix 4). A considerable increase in new build industrial rents would be required before any CIL could be absorbed. Rents would need to increase from their current level of around £7.50 per sq ft to over £15 per sq ft before developments would become sufficiently viable to absorb a CIL.
- 6.34 We note that the Council has received applications for logistics parks and other commercial development. It is possible that some or all of the warehouse floorspace will be sold to owner occupiers. In light of this, the Council may wish to consider adopting a modest rate on industrial and warehouse development. This rate would recognise that speculative development for rent is unlikely to come forward, but would capture schemes that are occupied by major national owner occupiers.
- 6.35 A **nil CIL rate** is recommended for any industrial and warehousing development that comes forward.
- 6.36 Alternatively, if any significant industrial and distribution schemes do come forward for development, the Council could seek to negotiate Section 106 obligations with developers, subject to the restrictions in CIL Regulation 122¹⁶.

Retail development – Prime Leamington (Central Parade and Royal Priors)

- 6.37 Our appraisals of development in the prime retail areas in Leamington (Central Parade and Royal Priors) indicate that they are sufficiently viable to absorb a CIL. The results vary depending on the current or existing use value selected. When viability is considered against the highest current use value, a CIL of up to £133 per square metre could be absorbed. We would suggest a CIL rate of around 50% of this maximum level (around **£65 per square metre**).

¹⁶ CIL Regulation 122 restricts the use of planning obligations. A planning obligation may only constitute a reason for granting planning permission if the obligation is (a) necessary to make the development acceptable in planning terms; (b) directly related to the development; and (c) fairly and reasonably related in scale and kind to the development.

Table 6.37.1: Prime retail development


- 6.38 The existing retail market in the District is predominantly characterised by district centres arranged in traditional high street form. Consequently, a significant proportion of development activity involves recycling existing retail floorspace, rather than the creation of additional space. Consequently, it is unlikely that retail development would generate very substantial amounts of net additional floorspace that would be liable to pay CIL.

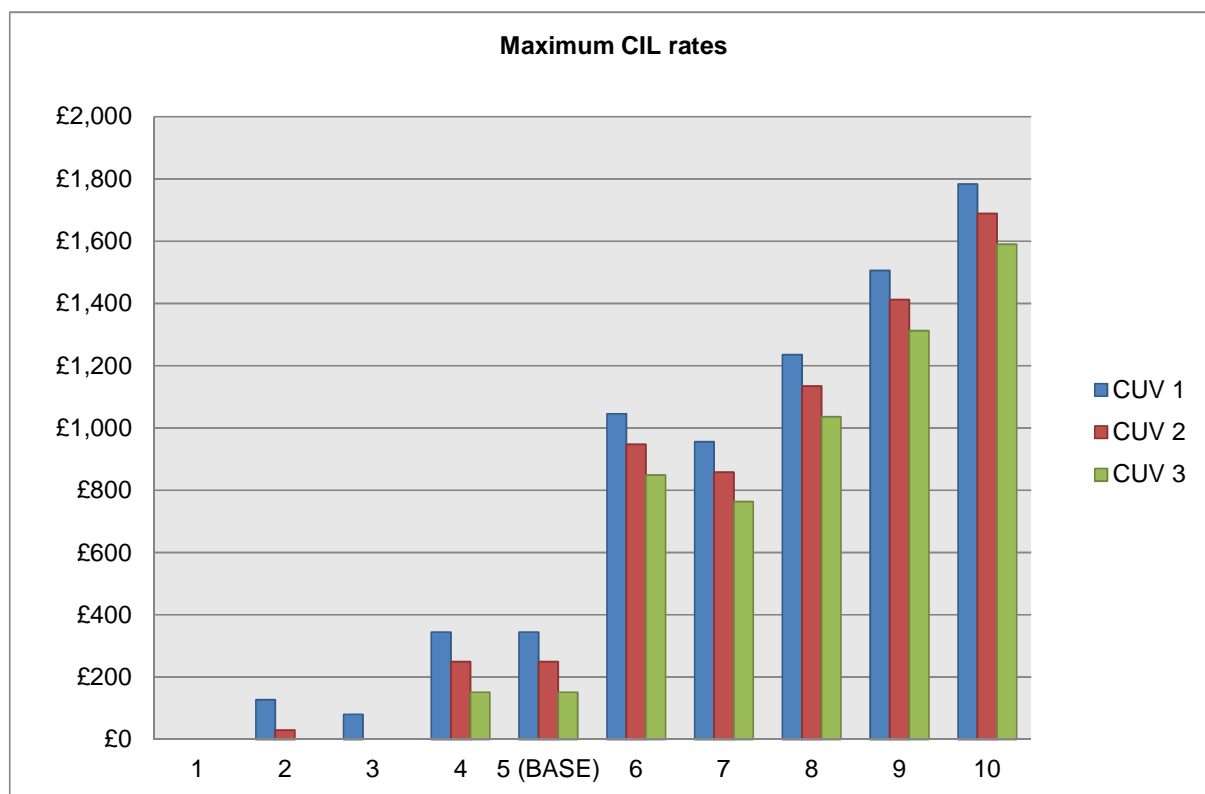
Retail elsewhere in Leamington Spa and other settlements

- 6.39 Rents for retail floorspace in other parts of Leamington Spa and the rest of the District are lower than in the prime retail area. Consequently, development of new retail floorspace on existing sites is unlikely to generate significant surpluses that could fund CIL. This is because rents for new build floorspace are only slightly higher than rents for existing floorspace. Our appraisals indicate that a CIL would not be viable until rents increased substantially from their current levels. We therefore recommend a **nil rate** on retail outside the Leamington Spa prime retail area.

Superstores, supermarkets and retail parks

- 6.40 Our appraisals of superstores, supermarkets and retail parks indicate a greater degree of viability than for other types of retail. This is associated largely with the lower yield attached to floorspace occupied by the large national retail chains, due to their perceived greater covenant strength in comparison to smaller operators. Chart 6.40.1 summarises the rates of CIL that large retail development could absorb. Based on the lowest of the three current use values, large retail development could absorb a CIL of up to £151 per square metre. To allow a sufficient buffer below the maximum rate, we suggest a CIL rate of **£105 per square metre**.

Chart 6. 40.1: Supermarket and retail park development



Hotel development

- 6.41 In the 2013 CIL Viability Study, our appraisals indicated that hotel developments could fund a CIL contribution of £100 per square metre. However, since that time rising costs and static capital values mean that hotel development is no longer as viable as was previously the case. Hotel developments will not generate a sufficient surplus to make a CIL contribution.

Student housing

- 6.42 Our appraisals of student housing assume a halls of residence type development with ensuite bathrooms and communal kitchens and living space. Assuming rents charged by University of Warwick for its own accommodation¹⁷, our appraisals indicate that student housing developments could viably absorb a CIL of up to £148 per square metre. After allowing for a discount below the maximum rate, we would suggest a CIL rate of **£100 per square metre**.
- 6.43 If the University continues to develop its own student accommodation, developments would be exempt from CIL under Regulation 43, providing the provision of student accommodation is consistent with the University's charitable objectives. Consequently, only speculative student housing built by the private sector would be liable.

D1 and D2 floorspace development

- 6.44 D1 and D2 floorspace typically includes uses that do not accommodate revenue generating operations, such as schools, health centres, museums and places of worship. Other uses that do generate an income stream (such as swimming pools) have operating costs that are far higher than the income and require public subsidy. Many D1 uses will be infrastructure themselves, which CIL will help to provide. It is therefore unlikely that D1 and D2 uses will be capable of generating any

¹⁷ Based on higher priced accommodation for postgraduates for 2017 (e.g. Benefactors Ensuite £180 per week for a 51 week year tenancy or Benefactors single duplex studio £199 per week for a 51 week tenancy).

contribution towards CIL. D1 and D2 uses will sometimes include developments that are operated commercially (such as gyms) but with many new operations opening in existing floorspace, very little, if any CIL income could be secured.

7 Conclusions and recommendations

- 7.1 The results of our analysis indicate a degree of variation in viability of development in terms of different uses. In light of these variations, two options are available to the Council under the CIL regulations. Firstly, the Council could set a single CIL rate across the District, having regard to the least viable types of development and least viable locations. This option would suggest the adoption of the 'lowest common denominator', with sites that could have provided a greater contribution towards infrastructure requirements not doing so. In other words, the Council could be securing the benefit of simplicity at the expense of potential income foregone that could otherwise have funded infrastructure. Secondly, the Council has the option of setting different rates for different types of development. The results of our study point firmly towards the second option as our recommended route.
- 7.2 We have also referred to the results of development appraisals as being highly dependent upon the inputs, which will vary significantly between individual developments. In the main, the imposition of CIL is not *the* critical factor in determining whether a scheme is viable or not (with the relationship between scheme value, costs and land value benchmarks being far more important).
- 7.3 Given CIL's nature as a fixed tariff, it is important that the Council selects rates that are not on the limit of viability. This is particularly important for commercial floorspace, where the Council does not have the ability to 'flex' other planning obligations to absorb site-specific viability issues. In contrast, the Council could in principle set higher rates for residential schemes as the level of affordable housing could be adjusted in the case of marginally viable schemes. However, this approach runs the risk of frustrating one of the Council's other key objectives of delivering affordable housing. Consequently, sensitive CIL rate setting for residential schemes is also vital.
- The results of this study are reflective of current market conditions, which are likely to improve over the medium term. It is therefore important that the Council continually monitors the market so that levels of CIL can be adjusted to reflect any future changes.
 - The ability of **residential schemes** to make CIL contributions varies between different parts of the District. Having regard to the need to set rates that are not at the margins of viability, our appraisals indicate that the following levels of CIL should not adversely impact on viability of development and delivery of the plan as a whole:
 - Leamington Spa and higher value rural areas (Zones B and D on the charging zones map): £190 - £200 per square metre;
 - Kenilworth (Zone C on the charging zones map): £140 per square metre;
 - Warwick, East Leamington Spa and lower value rural areas (Zone A on the charging zones map): £70 per square metre.
 - At current rent levels, **Office development** is unlikely to come forward in the short to medium term as the capital values generated are insufficient to cover development costs. We therefore recommend that the Council sets a **nil rate** for office development.
 - Our appraisals of developments of **industrial and warehousing floorspace** indicate that these uses are unlikely to generate positive residual land values. We therefore recommend a **nil rate** for industrial and warehousing floorspace.
 - Retail developments in Leamington Spa's prime retail area generate sufficient surpluses to absorb a CIL of **£65 per square metre**, after allowing for a discount below the maximum rate.
 - Although the 2013 CIL Viability Study recommended a CIL be applied to **hotels**, our updated appraisals indicate that this will no longer be possible due to rising costs and relatively static capital values over the intervening period.
 - Residual values generated by **retail developments elsewhere** are unlikely to be sufficiently high to absorb a CIL charge. In any case, it is likely that a significant proportion of retail development will involve the re-use of existing retail space, so the differential in value between current and newly

developed space is modest in areas where rents are low. We therefore recommend a nil rate on retail development outside the prime Leamington Spa area.

- **Student housing** developments have capacity to absorb a CIL charge of up to £148 per square metre and we recommend a charge of £100 per square metre. This would apply to speculative private developments only, as the University would qualify for charitable relief for any residences that it develops itself.
- **Superstores, supermarket and retail parks** are capable of generating greater surplus value and could absorb a CIL of £151 per square metre. After allowing for a discount below the maximum rate, we suggest a CIL of **£105 per square metre**.
- **D1 and D2** uses often do not generate sufficient income streams to cover their costs. Consequently, they require some form of subsidy to operate. This type of facility is very unlikely to be built by the private sector. We therefore suggest that a nil rate of CIL be set for D1 uses.

7.4 For residential schemes, the application of CIL is unlikely to be an overriding factor in determining whether or not a scheme is viable. When considered in context of total scheme value, CIL will be a modest amount, typically accounting for less than 3% of value. Some schemes would be unviable even if a zero CIL were adopted. We therefore recommend that the Council pays limited regard to these schemes as they are unlikely to come forward during the life of the current Charging Schedule.

Table 7.4.1: Suggested rates for DCS consultation

Type of development	Zones B and D Much of Leamington Spa and rural higher value zone	Zone C Kenilworth	Zone A Warwick, East Leamington Spa and and rural lower value zone
Residential	£190 to £200	£140	£70
Strategic residential	£50 - £60	£25	Nil
Retail development – prime Leamington Spa	£65	Nil	Nil
Convenience based Superstores and supermarkets ¹⁸ and retail parks ¹⁹	£105		
Student housing	£100		
Hotels	Nil		
Offices	Nil		
Industrial and warehousing	Nil		
D1 and D2 uses	Nil		

7.5 While there is no requirement for charging authorities to commit to a formal timescale for reviewing its CIL charging schedule, we recommend that the Council monitors the market on a regular basis. The proposed rates above allow a margin for movements in key variables, but if there are substantial movements in costs and values, a formal review of the CIL rates may be required. The Council may need to amend the rates in the future if significant changes occur.

7.6 The Council may also wish to consider developing an instalments policy which makes provision for distributing CIL payments over the development period of a scheme. This would help to minimise the cashflow impact of CIL in comparison to upfront payments.

¹⁸ Superstores/supermarkets are shopping destinations in their own right where weekly food shopping needs are met and which can also include non-food floorspace as part of the overall mix of the unit.

¹⁹ Retail warehouses are large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering for mainly car-borne customers.

Appendix 1 - SHLAA sites

SITES WITHIN OR ON THE EDGE OF LEAMINGTON SPA AND WHITNASH

Site Ref	Site Name	Site Area
L01	Lime Avenue	0.36
L02	R/O 22 Llewelyn Road	0.14
L03	R/O Bamburgh Grove	1.79
L04	Former Factory, Clarendon Street	0.10
L05	Trinity Storage Site, Queensway	1.50
L07	Land North of Milverton	83.30
L09	Land at Grove Farm	62.18
L10	Land South of Sydenham	7.56
L11	Golf Lane/ Fieldgate Lane	4.01
L12	Land at Golf Lane	0.26
L13	Soans Site & Land Adjacent	2.49
L14	Land at Woodside Farm	10.99
L15	Court Street/ Cumming Street	0.10
L16	77 Lillington Road	0.13
L17	Cubbington East	11.00
L18	Allotment Land, Rugby Road	2.23
L19	Land at North Cubbington	51.40
L20	Land at South Cubbington	16.00
L21	St Mary's Allotments, Radford Road	7.80
L22	Allotment Gardens, Coventry Road	1.50
L23	Land at Red House Farm, Campion Hills	11.53
L24	Confidential Site	0.27
L25	Confidential Site	0.24
L26	Confidential Site	0.67
L27	R/O Homepage	2.00
L28	Off Princes Drive	1.00
L30	Telephone Exchange	0.32
L31	Garage Site, Russell Street	0.37
L32	Jewsons & Quarry Street Dairy	1.60
L33	Court Street Opportunity Site	0.86
L34	Wise Street Opportunity Site	1.60
L35	Land at Station Approach	4.47
L36	Warwickshire College	5.78
L37	Riverside House	1.75
L38	Glebe Farm	53.20
L39	Land at Campion School/ S. Sydenham	51.49
L40	Leamington Cricket Club	3.19
L41	Castel Froma	1.14
L43	Waverley Equestrian Centre	1.72
L44	Confidential Site	0.40
L45	Leamington Fire Station	0.52
L46	Confidential Site	0.45
L47	Former Bath Place Community Venture	0.14
L48	Land at Blackdown	66.74

SITES WITHIN OR ON THE EDGE OF WARWICK

Site Ref	Site Name	Site Area
W01	Tamlea Building, Nelson Lane 0.48	0.48
W02	2-22 Northgate Street & Offices to Rear 0.54	0.54
W03	Heathcote Sewage Works 13.10	13.10
W04	Former Car Park at IBM 4.35	4.35
W05	Hintons Nursery, Coventry Road 1.61	1.61
W06	Land at Stratford Road 4.44	4.44
W07	Lower Heathcote Farm 122.90	122.90
W08	Land West of Europa Way 38.86	38.86
W09	Ponderosa, Wedgenock Lane 0.72	0.72
W10	Land to the South of Gallows Hill 14.9	14.90
W11	Campbell House, Stratford Road 1.70	1.70
W12	Home Farm, Longbridge 18.42	18.42
W13	Darsons Yard, Miller Road 0.84	0.84
W14	Land at Corner of Cross Street and Priory Road 0.02	0.02
W15	Confidential Site 0.37	0.37
W16	Confidential Site 0.29	0.29
W17	Confidential Site 0.16	0.16
W18	Land at Montague Road 3.49	3.49
W19	Land at Gogbrook Farm 2.50	2.50
W20	Warwick Gates Employment Land 9.77	9.77
W21	County Land Europa Way 24.43	24.43
W23	R/O Cherry Street 0.33	0.33
W24	64 West Street 0.06	0.06
W25	Nelson Club Car Park 0.12	0.12
W26	Gallows Hill/ Europa way 21.53	21.53
W27	The Asps, Europa Way 94.46	94.46
W28	Loes Farm, Guy's Cliffe 28.54	28.54
W29	Heathcote Farmhouse 0.46	0.46
W30	Confidential Site 0.98	0.98
W31	Confidential Site 0.78	0.78
W32	Warwick Fire Station 0.16	0.16
W33	Confidential Site 22.26	22.26
W34	Confidential Site 0.53	0.53
W35	West of Warwick Racecourse	

SITES WITHIN OR ON THE EDGE OF KENILWORTH

Site Ref	Site Name	Site Area
K01	Land at Thickthorn	16.51
K02	Crackley Triangle and east of Kenilworth Road	14.26
K03	North of Highland Road	3.26
K04	East of Inchbrook Road	3.67
K05	Kenilworth RFC Land off Rocky Lane	11.30
K06	Kenilworth Rugby Club	1.76
K07	Kenilworth Golf Club, Dalehouse Lane	4.02
K08	Common Lane Industrial Estate	2.97
K09	Jersey Farm, Glasshouse Lane	15.47
K10	Land to the West of Clinton Lane	1.54
K11	Land at New Street	1.83
K12	Land at Clinton Road	16.54
K13	Land at Crackley Lane/ Coventry Road	9.01
K14	Playing Fields at Coventry Road/ Princes Drive	3.13
K15	Talisman Theatre Site	0.13
K17	Southcrest Farm, Glasshouse lane	16.79
K18	Glasshouse Lane/ Crewe Lane	37.28
K19	Woodside Training Centre	15.01
K20	Kenilworth Wardens Cricket Club	4.75
K21	Oaks Farm	102.26
K22	Former Magistrates Court	0.21
K23	Confidential Site	0.65
K24	Confidential Site	0.34
K25	East of Warwick Road	5.68

SITES ON THE EDGE OF COVENTRY

Site Ref	Site Name	Site Area
C01	Russells Garden Centre Baginton	7.87
C02	Land SW of Westwood Heath Road Burton Green	2.44
C03	Westwood Heath Road/Bockendon Road Westwood Heath	14.40
C04	Land at Oak Lea, Howes Lane Coventry	1.77
C05	Land off Cromwell Lane Burton Green	3.21
C06	King's Hill Lane, Finham Coventry	269.24
C07	Land at Mill Hill Baginton	9.97
C08	Russells Garden Centre East Baginton	2.34
C09	Lodge Farmhouse Westwood Heath	0.13
C10	Land south of Baginton Baginton	62.26
C12	Seven Acre Egg Farm Coventry	3.91
C13	Lodge Farm Westwood Heath	30.48
C14	Land North of Baginton - Junction A45/A46 Baginton	13.59
C15	Land off Church Road Baginton	2.75
C18	Hurst Farm South Burton Green	99.19
C19	Land at Baginton Baginton	363.00

SITES IN THE RURAL AREA

Site Ref	Site Name	Site Area
R01	The Valley, Radford Semele Radford Semele	0.14
R02	Hill Farm Bishops Tachbrook	18.54
R03	Tinkers Close Radford Semele	0.73
R04	Land adjacent to The Meadow House Lapworth	0.11
R06	Land South of Baddesley Clinton Baddesley Clinton	3.49
R07	Adjacent to Oak Gable Cottage Baddesley Clinton	0.38
R08	Land North of Oakley Cottage, Bedlam's End Chadwick End	0.78
R09	Barford House Barford	4.39
R10	South of Barford House Barford	0.83
R11	South of School Bishops Tachbrook	4.11
R12	Land north of Croft Close Bishops Tachbrook	1.84
R13	Shrewley Gate Nursery Shrewley	1.35
R14	Land east of Oakley Wood Road Bishops Tachbrook	2.54
R15	Land west of Wellesbourne Road Barford	0.17
R16	Sherbourne Nursery Barford	2.59
R17	Land at Brickyard Cottage Bishops Tachbrook	3.66
R18	Land NW of Rye Fields Bishops Tachbrook	0.61
R19	Land at Brickyard Farm Bishops Tachbrook	35.34
R20	Land at Brickyard Barn Bishops Tachbrook	0.28
R21	Land South of Radford Semele Radford Semele	2.62
R22	Land West of Bishop's Tachbrook Bishops Tachbrook	2.41
R23	Low Hill, Oakley Wood Road Bishops Tachbrook	0.37
R25	Ward's Hill & Snitterfield Lane Norton Lindsey	0.25
R26	Land West of Old Budbrooke Road Budbrooke	1.50
R27	Land Fronting Ward's Hill Norton Lindsey	0.90
R28	Land adj. Hall Farm Cottages Hunningham	0.20
R29	R/O 65 Lewis Road & Thornley Close Radford Semele	0.17
R30	Land south of Westham Lane Leamington Spa	1.25
R31	Land at Tachbrook Hill Farm Bishops Tachbrook	18.43
R33	South East of Convent Farm Baddesley Clinton	0.76
R34	Land West of Baddesley Clinton Baddesley Clinton	20.66
R35	Land at the Plough Eathorpe	0.20
R39	Land at Hatton Green Hatton	0.34
R40	Land at the Gatehouse Shrewley	0.42
R41	Land at Southam Road Radford Semele	7.78
R42	Land at Village Farm Offchurch	0.67
R43	Sydon's Piece Offchurch	3.84
R44	Canal Field, Offchurch Lane Radford Semele	2.58
R45	Canal Wharf, Offchurch Lane Radford Semele	1.14
R46	Land West of School Lane Radford Semele	14.06
R47	Land R/O Rectory Barford	0.28
R48	West of School Hill Offchurch	0.26
R49	Land off Green Lane, Little Shrewley Shrewley	0.32
R50	Land at Convent Farm Baddesley Clinton	0.28

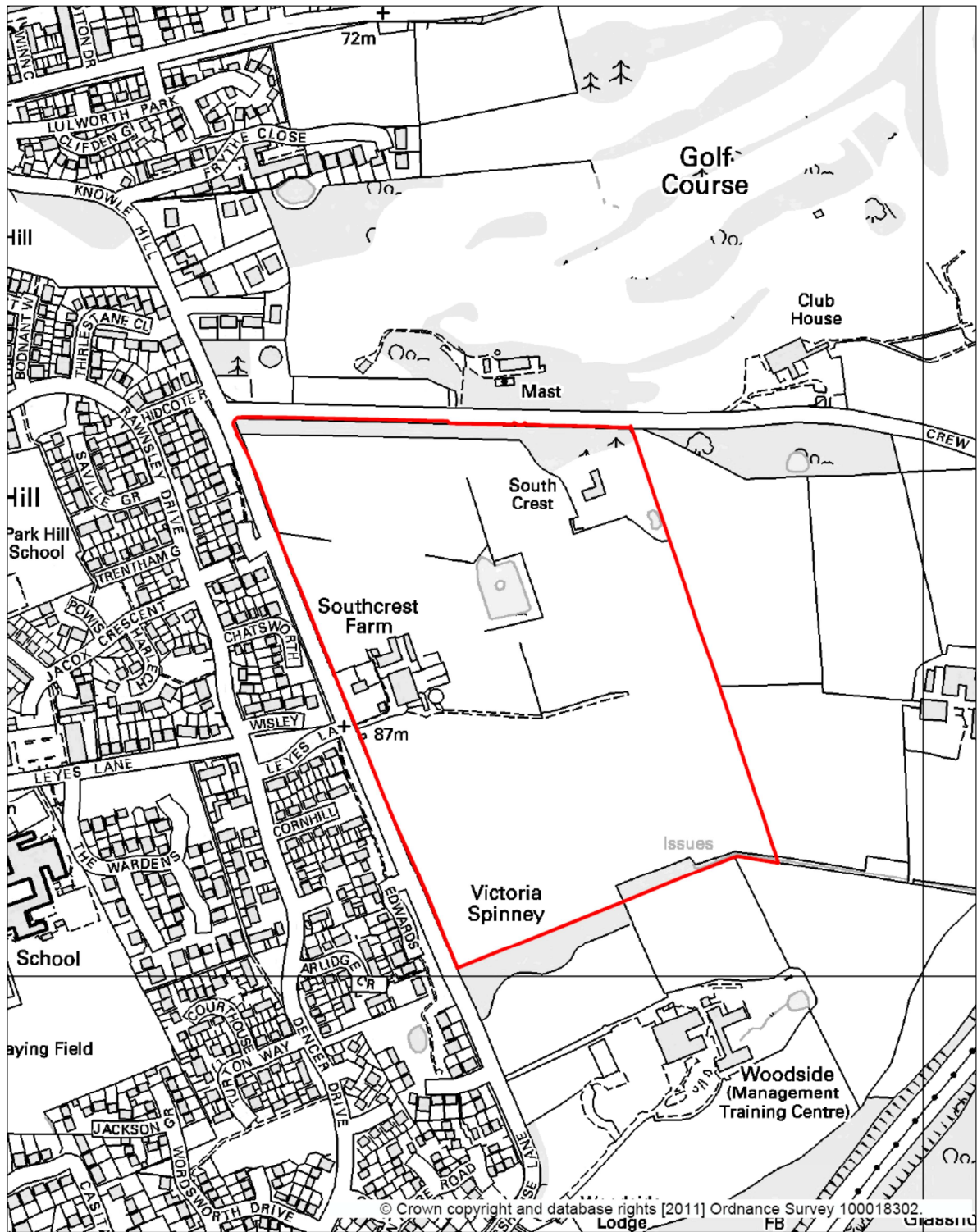
Site Ref	Site Name	Site Area
R51	Land SE of Shrewley Common Shrewley	0.27
R52	New House Farm Bishops Tachbrook	47.60
R53	R/O The Hamlet Leek Wootton	3.36
R54	Land N of Hill Wootton Road Leek Wootton	1.80
R55	West of Mill Lane Barford	0.54
R56	South West Radford Semele Radford Semele	5.94
R57	Land off Moat Close, Bubbenhall Bubbenhall	1.00
R58	Land at Red Lane Burton Green	0.43
R59	Land off Pit Hill/ Church Road Bubbenhall	3.02
R60	Land R/O Lower End Bubbenhall	3.82
R61	Land off Ryton Road Bubbenhall	1.73
R62	Land Off Warwick Road Leek Wootton	4.59
R63	Land NW of Leek Wootton Leek Wootton	25.50
R64	Land NE of Leek Wootton (1&2) Leek Wootton	46.90
R65	R/O Savages Close Bishops Tachbrook	2.44
R66	Land fronting Old Warwick Road Lapworth	0.19
R67	Land Fronting Southam Road Radford Semele	3.38
R68	Sunnyside, Valley Road Radford Semele	2.23
R69	South of Elmdene Close Hatton	1.25
R70	North of Hatton Station Hatton	2.06
R71	West of Station Road Hatton	1.20
R72	Cubbington Wood Yard Cubbington	1.04
R73	Land off Starmer Place Hatton	0.60
R74	Land South of Arras Boulevard Hampton Magna	6.45
R75	407 Birmingham Road & Land to West Hatton	1.15
R76	Confidential Site Kenilworth	19.63
R77	Former Storage Depot Hatton	1.16
R78	Village Field (North) Eathorpe	0.60
R79	Village Field (South) Eathorpe	0.38
R80	Penns Lane Eathorpe	0.72
R81	Confidential Site Pinley Green	0.81

Note: highlighted sites have been tested as the five strategic sites in this study.

Appendix 2 - Strategic sites details from SHLAA

Site Ref	K17	Site Name	Southcrest Farm
Site Size (Hectares)	18.27	Settlement	Kenilworth
Source	SHLAA 08	Land Type	Greenfield
Adjacent/ Overlapping Site	K18 Glasshouse Lane/ Crewe Lane; K19 Woodside Training Centre & K07 Kenilworth Golf Club		

Suitability for Housing						
Location	Adjacent to Kenilworth urban area					
Policy Restrictions	Green Belt					
Physical Constraints	Site slopes down towards A46. Surface water drainage potentially a problem in eastern part of site. Part of River Avon Local Wildlife Site traverses south eastern corner of the site					
Potential Impacts						
Environmental Conditions	Satisfactory, subject to mitigation against potential noise from A46					
Overall Suitability	Potentially suitable, subject to Green Belt amendment and significant buffer to contain surface water and protect properties from noise.					
Availability						
Available - the site is in the control of a developer						
Achievability						
Achievable with a strong housing market and subject to appropriate contributions being made towards improving infrastructure and services.						
Housing Capacity						
Development Mix	Housing	50%	Other Uses	50%		
Potential Capacity	30dph	273	40dph	364	50dph	455
Timeframe (in terms of practicality only)	2014/19	200	2019/24	115	2024/29	0



K17 Southcrest Farm

LOCATION PLAN

Scale:
1:5000

Drawn By:
CP

Date:
21 October 2011

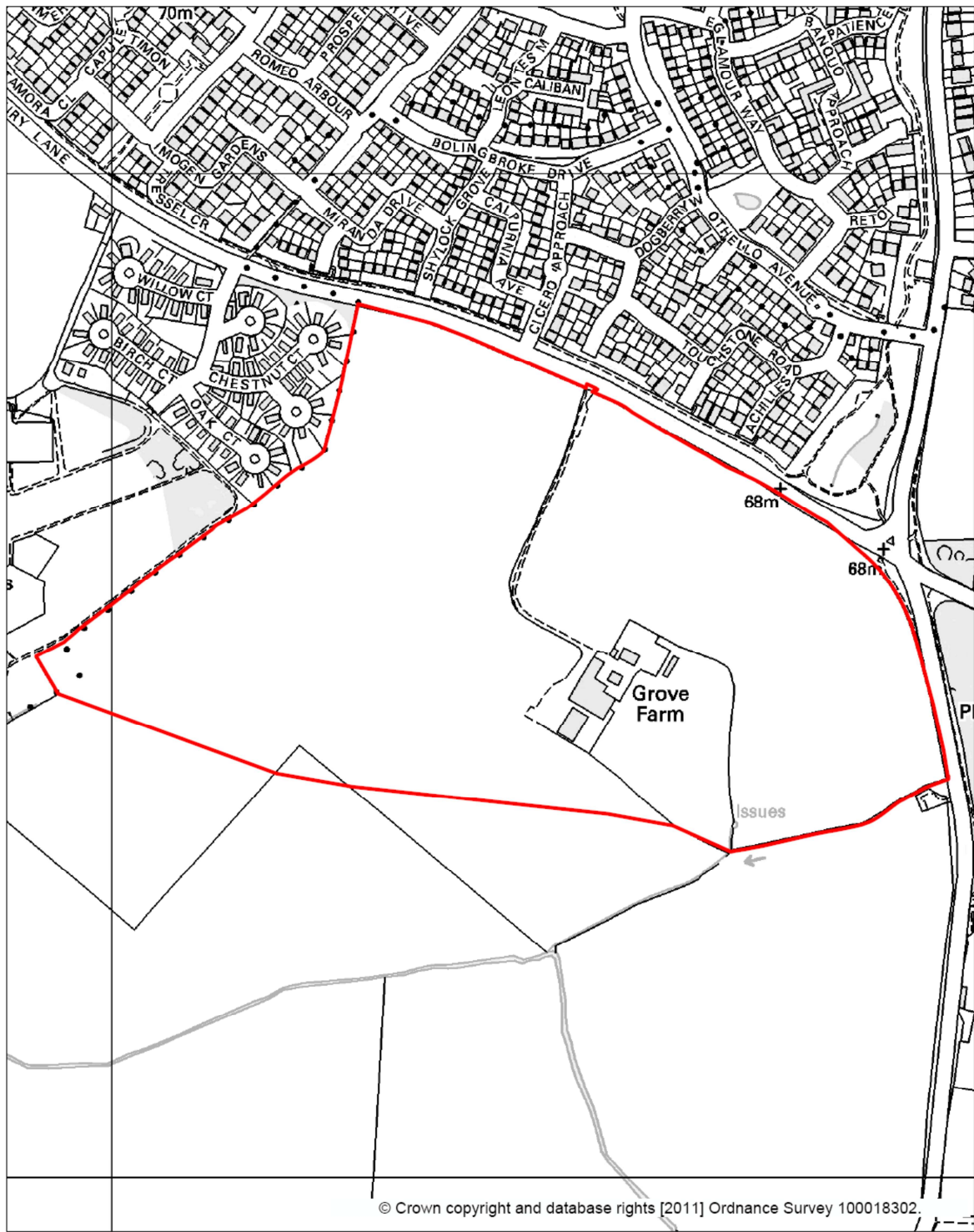
Grid Reference:
430570 E, 272355 N

North: ↑

Development Services: P.O. Box 2178, Riverside House, Milverton Hill, Royal Leamington Spa. CV32 5QH.
Telephone: (01926) 450000. Facsimile: (01926) 456542.

Site Ref	L09	Site Name	Land at Grove Farm
Site Size (Hectares)	62.18*	Settlement	Leamington Spa
Source	SHLAA 08	Land Type	Greenfield
Adjacent/ Overlapping Site	W07 Lower Heathcote Farm		

Suitability for Housing						
Location	Adjacent to Warwick/Leamington urban area					
Policy Restrictions	Open Countryside					
Physical Constraints	Adjacent to former sewage works – likely to require ground remediation works.					
Potential Impacts	Impact on open countryside of medium/ high landscape value					
Environmental Conditions	Satisfactory					
Overall Suitability	Potentially suitable, subject to amendment to open countryside designation, landscaped buffer zone north of the Tach Brook and ground remediation.					
Availability						
*Landowners have expressed willingness to release 28.29ha of land for development with a further 19.93ha for open space.						
Achievability						
This site is understood to be achievable although the scale of development will require significant contributions towards improved infrastructure and services, including transport, education and health, and parks and open spaces. This may require third party land and the agreement of statutory bodies. Employment areas may also be required to provide the opportunity for people to live and work in close proximity.						
Housing Capacity						
Development Mix	Housing	67%	Other Uses	33%		
Potential Capacity	30dph	569	40dph	758	50dph	948
Timescale (in terms of practicality only)	2014/19	200	2019/24	460	2024/29	0



L09 Land at Grove Farm

LOCATION PLAN

Scale:
1:5000

Drawn By:
CP

Date:
20 October 2011

Grid Reference:
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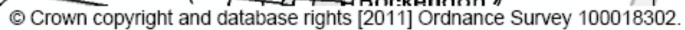
North:

Development Services: P.O. Box 2178, Riverside House, Milverton Hill, Royal Leamington Spa. CV32 5QH.
Telephone: (01926) 450000. Facsimile: (01926) 456542.



Site Ref	C13	Site Name	Lodge Farm, Westwood Heath Road
Site Size (Hectares)	30.48	Settlement	Coventry
Source	SHLAA08	Land Type	Greenfield
Adjacent/ Overlapping Site	C02, C03, C05, C09		

Suitability for Housing						
Location	Adjacent to Coventry urban area					
Policy Restrictions	Green Belt					
Physical Constraints	Public footpaths through site					
Potential Impacts	Extending development beyond a definable boundary into an area of high landscape value with no strong recognisable boundary to south. Brockendon Grange Pond & Black Waste Wood are potential SINC's Loss of Grade 2 Agricultural Land					
Environmental Conditions	Satisfactory					
Overall Suitability	Potentially suitable in part only (18.5 hectares) excluding southern extensions to site which could impact upon potential SINC's. Any development would be subject to satisfactory measures to mitigate against impact on area of high landscape value					
Availability						
The owners have expressed a willingness to release the site for development						
Achievability						
Housing Capacity						
Development Mix	Housing	50%	Other Uses	50%		
Potential Capacity	30dph	278	40dph	370	50dph	462
Timeframe (in terms of practicality only)	2014/19	0	2019/24	325	2024/29	0



C13 Lodge Farm, Westwood Heath Road

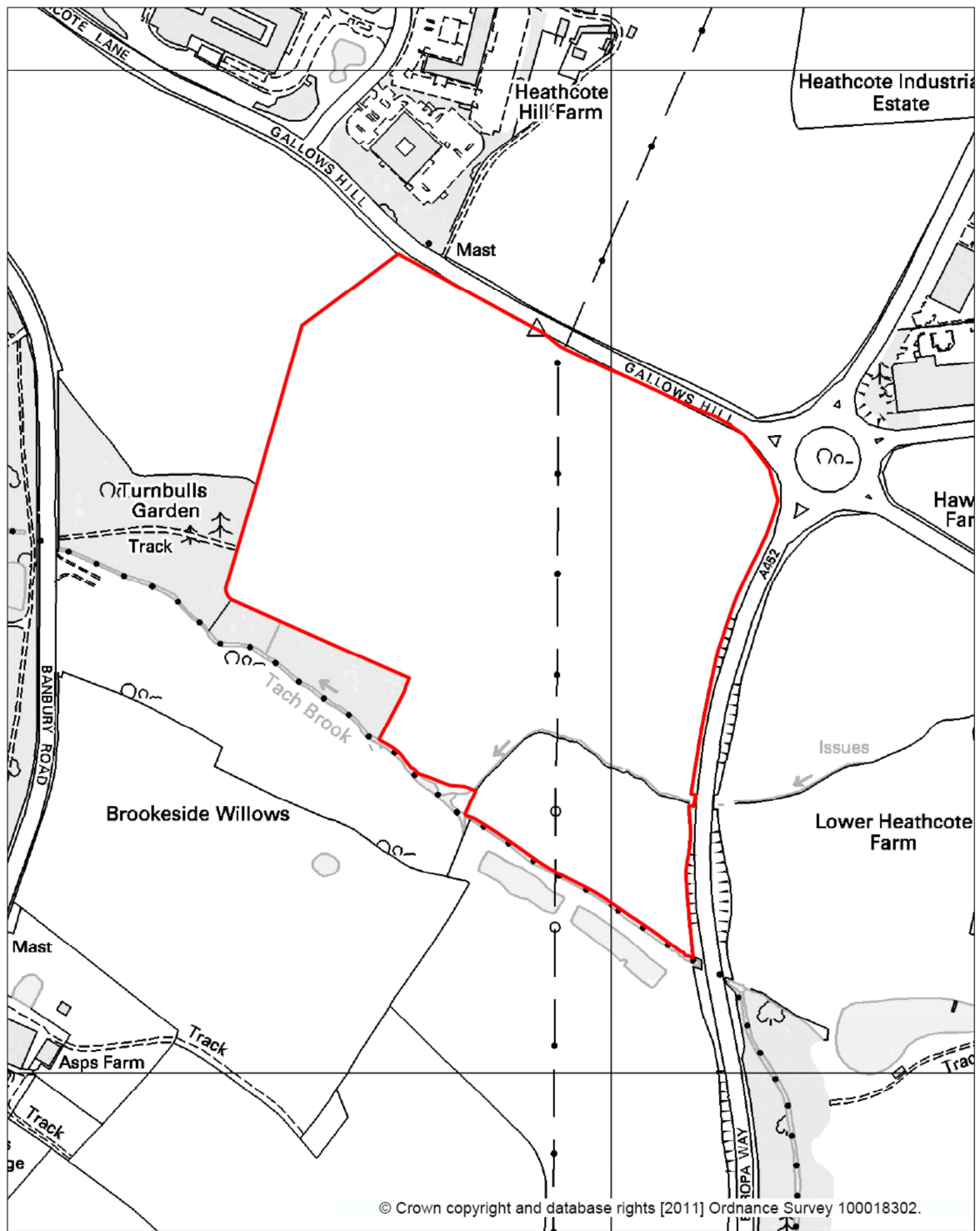
LOCATION PLAN

North:

Development Services: P.O. Box 2178, Riverside House, Milverton Hill, Royal Leamington Spa. CV32 5QH.
Telephone: (01926) 450000. Facsimile: (01926) 456542.

Site Ref	W26	Site Name	Gallows Hill/ Europa Way
Site Size (Hectares)	21.53	Settlement	Warwick
Source	SHLAA 08	Land Type	Greenfield
Adjacent/ Overlapping Site	W10 Land South of Gallows Hill; W27 The Asps		

Suitability for Housing						
Location	Open countryside and not adjacent to built up area					
Policy Restrictions	Open Countryside					
Physical Constraints	Small section of Flood Zones 2 and 3A to south of site. Overhead power lines 33kV and 132kV traverse the site. The site is classified as ALC Grade 2					
Potential Impacts	Impact on nearby Warwick Castle Registered Park and Garden of Special Historic Interest to the west of site. Impact on Potential SINC to south of site (New Waters & Nursery Wood) Impact on area of high landscape value Loss of Grade 2 Agricultural Land					
Environmental Conditions	Landfill to south of site – land remediation may be required					
Overall Suitability	Potentially suitable, subject to mitigation of impact on historic park and open countryside within an area of high landscape value.					
Availability						
Site promoter has expressed willingness to bring the site forward for development						
Achievability						
Achievable within a strong housing market and subject to appropriate contributions being made towards improving infrastructure and services.						
Housing Capacity						
Development Mix	Housing	50%	Other Uses	50%		
Potential Capacity	30dph	323	40dph	430	50dph	538
Timeframe (in terms of practicality only)	2014/19	0	2019/24	380	2024/29	0



W26 Gallows Hill/ Europa Way

LOCATION PLAN

Scale:
1:5000

Drawn By:
CP

Date:
21 October 2011

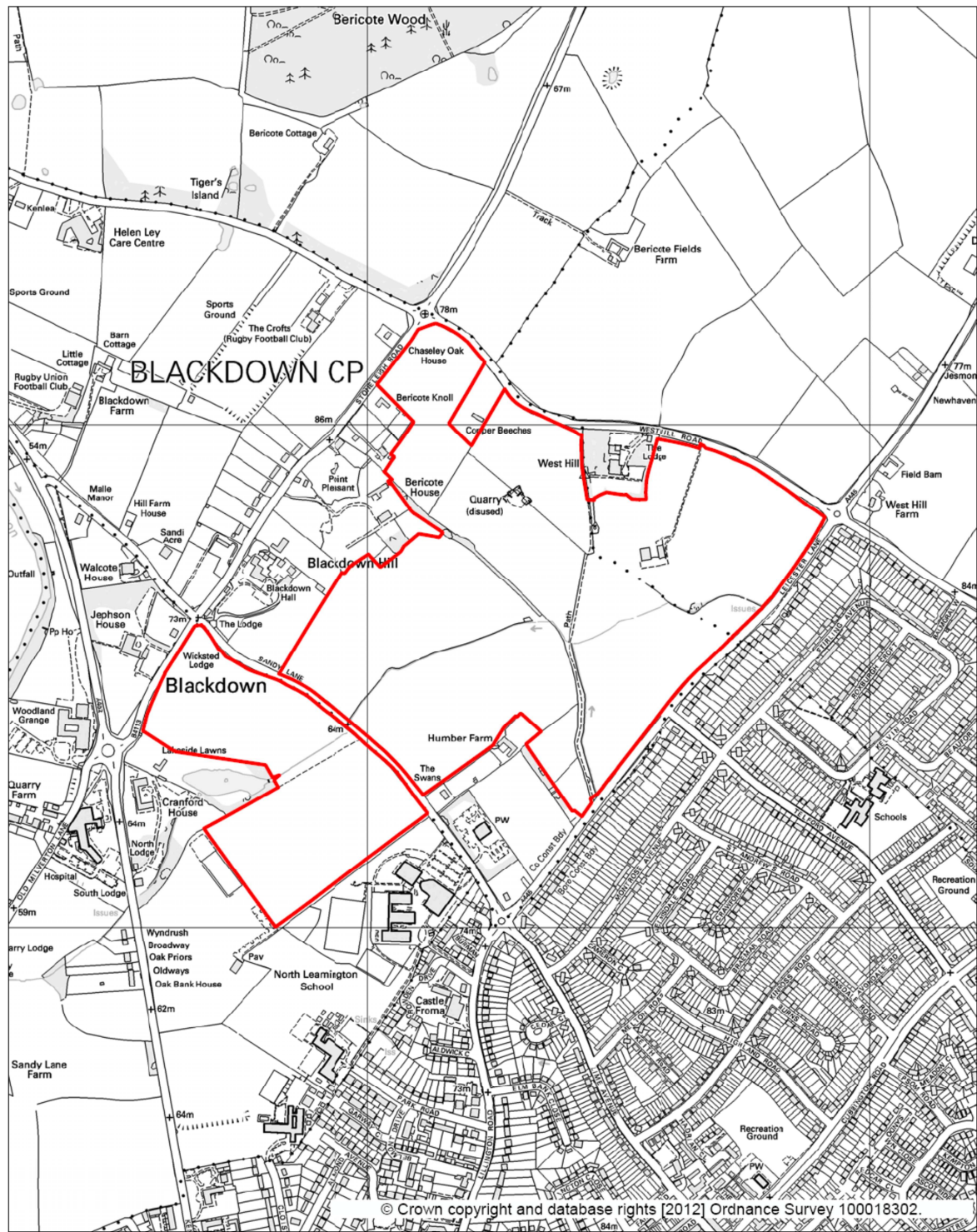
Grid Reference:
429880 E, 263451 N

North:

Development Services: P.O. Box 2178, Riverside House, Milverton Hill, Royal Leamington Spa. CV32 5QH.
Telephone: (01926) 450000. Facsimile: (01926) 456542.

Site Ref	L48	Site Name	Land at Blackdown
Site Size (Hectares)	66.74	Settlement	Leamington Spa
Source	SHLAA11	Land Type	Greenfield
Adjacent/ Overlapping Site			

Suitability for Housing						
Location	On the edge of Leamington Spa built up area					
Policy Restrictions	Green Belt					
Physical Constraints	The site is within a Water Source Protection Zone and an Area of Groundwater Vulnerability. A minor watercourse traverses the site. A public footpath traverses the site. Topography – site slopes up to north east.					
Potential Impacts	Loss of Grade 2 agricultural land over large area of site Area of High Landscape Value No recent detailed information on bio-diversity but previous surveys suggest that none of the findings give cause for concern. Further work will be undertaken.					
Environmental Conditions	Satisfactory					
Overall Suitability	Potentially suitable subject to alteration of Green Belt boundary.					
Availability						
Owner of large part of site has expressed willingness to make the site available						
Achievability						
Development is understood to be achievable, subject to the market, although the scale of the development will require significant contributions towards improved infrastructure and services, including transport, education, health, parks and open spaces. Employment areas may also be required to provide the opportunity for people to live and work in close proximity						
Housing Capacity						
Development Mix	Housing	50%	Other Uses	50%		
Potential Capacity	30dph	1,000	40dph	1,330	50dph	1,670
Timeframe (in terms of practicality only)	2014/19	0	2019/24	470	2024/29	700



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L48 Land at Blackdown

LOCATION PLAN

Scale:
1:10000

Drawn By:
DR

Date:
17 May 2012

Grid Reference:
432248 E, 268612 N

North:

Development Services: P.O. Box 2178, Riverside House, Milverton Hill, Royal Leamington Spa. CV32 5QH.
Telephone: (01926) 450000. Facsimile: (01926) 456542.

Appendix 3 - Residential appraisal results

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
40% affordable housing

Site type **Type 1 - 4 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	0	100
Leamington Spa	200	300	300	300
Kenilworth	#N/A	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	60	160	260

Site type **Type 2 - 8 units, houses, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	40	120
Leamington Spa	300	300	300	300
Kenilworth	80	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	140	200	280

Site type **Type 3 - 25 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	0	300	300	300
Kenilworth	#N/A	160	280	300
Rural areas (higher value)	220	300	300	300
Rural areas (lower value)	#N/A	#N/A	20	140

Site type **Type 4 - 35 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	300	300	300
Kenilworth	#N/A	80	220	300
Rural areas (higher value)	40	300	300	300
Rural areas (lower value)	#N/A	#N/A	#N/A	100

Site type **Type 5 - 50 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	100	300	300	300
Kenilworth	#N/A	60	120	180
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
40% affordable housing

Site type **Type 6 - 65 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	80	300	300	300
Kenilworth	#N/A	80	160	220
Rural areas (higher value)	280	300	300	300
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Site type **Type 7 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	240	300	300
Kenilworth	#N/A	#N/A	120	280
Rural areas (higher value)	#N/A	300	300	300
Rural areas (lower value)	#N/A	#N/A	#N/A	20

Site type **Type 8 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	0	300	300	300
Kenilworth	#N/A	160	260	300
Rural areas (higher value)	200	300	300	300
Rural areas (lower value)	#N/A	#N/A	20	120

Site type **Type 9 - 100 units, flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	#N/A	#N/A	#N/A
Kenilworth	#N/A	#N/A	#N/A	#N/A
Rural areas (higher value)	#N/A	#N/A	#N/A	40
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
30% affordable housing

Site type **Type 1 - 4 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	80	180	260
Leamington Spa	300	300	300	300
Kenilworth	120	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	240	300	300

Site type **Type 2 - 8 units, houses, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	160	220	280
Leamington Spa	300	300	300	300
Kenilworth	280	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	40	300	300	300

Site type **Type 3 - 25 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	60	160
Leamington Spa	240	300	300	300
Kenilworth	#N/A	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	100	200	300

Site type **Type 4 - 35 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	0	120
Leamington Spa	100	300	300	300
Kenilworth	#N/A	280	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	40	160	260

Site type **Type 5 - 50 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	300	300	300	300
Kenilworth	40	260	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	0	60	120

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
30% affordable housing

Site type **Type 6 - 65 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	20
Leamington Spa	300	300	300	300
Kenilworth	0	280	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	40	100	160

Site type **Type 7 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	60
Leamington Spa	#N/A	300	300	300
Kenilworth	#N/A	160	300	300
Rural areas (higher value)	0	300	300	300
Rural areas (lower value)	#N/A	#N/A	60	200

Site type **Type 8 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	40	140
Leamington Spa	220	300	300	300
Kenilworth	#N/A	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	100	180	280

Site type **Type 9 - 100 units, flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	#N/A	40	100
Kenilworth	#N/A	#N/A	#N/A	#N/A
Rural areas (higher value)	#N/A	180	240	280
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
20% affordable housing

Site type **Type 1 - 4 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	220	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	40	300	300	300

Site type **Type 2 - 8 units, houses, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	60	280	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	200	300	300	300

Site type **Type 3 - 25 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	120	200	280
Leamington Spa	300	300	300	300
Kenilworth	140	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	260	300	300

Site type **Type 4 - 35 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	60	160	260
Leamington Spa	300	300	300	300
Kenilworth	0	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	200	300	300

Site type **Type 5 - 50 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	20	80	120
Leamington Spa	300	300	300	300
Kenilworth	220	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	160	220	260

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
20% affordable housing

Site type **Type 6 - 65 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	40	100	160
Leamington Spa	300	300	300	300
Kenilworth	180	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	180	240	300

Site type **Type 7 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	60	180
Leamington Spa	40	300	300	300
Kenilworth	#N/A	300	300	300
Rural areas (higher value)	240	300	300	300
Rural areas (lower value)	#N/A	80	200	300

Site type **Type 8 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	100	180	260
Leamington Spa	300	300	300	300
Kenilworth	120	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	240	300	300

Site type **Type 9 - 100 units, flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	180	240	280
Kenilworth	#N/A	#N/A	#N/A	0
Rural areas (higher value)	160	300	300	300
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
10% affordable housing

Site type **Type 1 - 4 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	40	300	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	180	300	300	300

Site type **Type 2 - 8 units, houses, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	180	300	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	300	300	300	300

Site type **Type 3 - 25 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	240	300	300
Leamington Spa	300	300	300	300
Kenilworth	280	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	40	300	300	300

Site type **Type 4 - 35 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	180	280	300
Leamington Spa	300	300	300	300
Kenilworth	180	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	300	300	300

Site type **Type 5 - 50 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	160	200	240
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	120	300	300	300

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
10% affordable housing

Site type **Type 6 - 65 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	180	220	260
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	100	300	300	300

Site type **Type 7 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	60	180	280
Leamington Spa	220	300	300	300
Kenilworth	#N/A	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	200	300	300

Site type **Type 8 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	200	280	300
Leamington Spa	300	300	300	300
Kenilworth	260	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	40	300	300	300

Site type **Type 9 - 100 units, flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	160	300	300	300
Kenilworth	#N/A	80	120	160
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.

0% affordable housing

Site type **Type 1 - 4 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	160	300	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	300	300	300	300

Site type **Type 2 - 8 units, houses, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	280	300	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	300	300	300	300

Site type **Type 3 - 25 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	40	300	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	180	300	300	300

Site type **Type 4 - 35 units, houses & flats, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	280	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	80	300	300	300

Site type **Type 5 - 50 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	100	260	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	240	300	300	300

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.

0% affordable housing

Site type **Type 6 - 65 units, houses & flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	80	280	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	220	300	300	300

Site type **Type 7 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	180	280	300
Leamington Spa	300	300	300	300
Kenilworth	80	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	300	300	300

Site type **Type 8 - 75 units, houses, GF**

	BLV1	BLV2	BLV3	BLV4
Warwick	20	300	300	300
Leamington Spa	300	300	300	300
Kenilworth	300	300	300	300
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	140	300	300	300

Site type **Type 9 - 100 units, flats, UB**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	300	300	300	300
Kenilworth	40	200	240	280
Rural areas (higher value)	300	300	300	300
Rural areas (lower value)	#N/A	#N/A	20	60

Appendix 4 - Strategic sites appraisal results

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
40% affordable housing

Site type **K17 - Southcrest Farm, Kenilworth**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	#N/A	#N/A	140
Kenilworth	#N/A	#N/A	#N/A	#N/A
Rural areas (higher value)	#N/A	0	180	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Site type **L09 - Land at Grove Farm, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	#N/A	#N/A	140
Kenilworth	#N/A	#N/A	#N/A	#N/A
Rural areas (higher value)	#N/A	#N/A	160	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Site type **C13 - Lodge Farm, Coventry**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	#N/A	#N/A	140
Kenilworth	#N/A	#N/A	#N/A	#N/A
Rural areas (higher value)	#N/A	#N/A	160	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Site type **W26 - Gallows Hill, Warwick**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	#N/A	#N/A	120
Kenilworth	#N/A	#N/A	#N/A	#N/A
Rural areas (higher value)	#N/A	#N/A	140	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Site type **L48 - Land at Blackdown, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	#N/A	#N/A	60
Kenilworth	#N/A	#N/A	#N/A	#N/A
Rural areas (higher value)	#N/A	#N/A	0	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
30% affordable housing

Site type **K17 - Southcrest Farm, Kenilworth**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	180	250	250
Kenilworth	#N/A	#N/A	20	160
Rural areas (higher value)	#N/A	250	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Site type **L09 - Land at Grove Farm, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	180	250	250
Kenilworth	#N/A	#N/A	20	160
Rural areas (higher value)	#N/A	250	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Site type **C13 - Lodge Farm, Coventry**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	180	250	250
Kenilworth	#N/A	#N/A	20	160
Rural areas (higher value)	#N/A	250	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Site type **W26 - Gallows Hill, Warwick**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	140	250	250
Kenilworth	#N/A	#N/A	0	140
Rural areas (higher value)	#N/A	250	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Site type **L48 - Land at Blackdown, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	#N/A	210	250
Kenilworth	#N/A	#N/A	#N/A	100
Rural areas (higher value)	#N/A	200	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	#N/A

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
20% affordable housing

Site type **K17 - Southcrest Farm, Kenilworth**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	250	250	250
Kenilworth	#N/A	80	210	250
Rural areas (higher value)	0	250	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	80

Site type **L09 - Land at Grove Farm, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	250	250	250
Kenilworth	#N/A	80	210	250
Rural areas (higher value)	#N/A	250	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	80

Site type **C13 - Lodge Farm, Coventry**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	250	250	250
Kenilworth	#N/A	80	210	250
Rural areas (higher value)	#N/A	250	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	80

Site type **W26 - Gallows Hill, Warwick**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	250	250	250
Kenilworth	#N/A	60	180	250
Rural areas (higher value)	#N/A	250	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	80

Site type **L48 - Land at Blackdown, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	#N/A
Leamington Spa	#N/A	210	250	250
Kenilworth	#N/A	#N/A	100	250
Rural areas (higher value)	#N/A	250	250	250
Rural areas (lower value)	#N/A	#N/A	#N/A	40

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.
10% affordable housing

Site type **K17 - Southcrest Farm, Kenilworth**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	80
Leamington Spa	20	250	250	250
Kenilworth	#N/A	240	250	250
Rural areas (higher value)	220	250	250	250
Rural areas (lower value)	#N/A	0	120	220

Site type **L09 - Land at Grove Farm, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	80
Leamington Spa	0	250	250	250
Kenilworth	#N/A	240	250	250
Rural areas (higher value)	200	250	250	250
Rural areas (lower value)	#N/A	0	100	220

Site type **C13 - Lodge Farm, Coventry**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	80
Leamington Spa	0	250	250	250
Kenilworth	#N/A	230	250	250
Rural areas (higher value)	200	250	250	250
Rural areas (lower value)	#N/A	0	100	220

Site type **W26 - Gallows Hill, Warwick**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	60
Leamington Spa	#N/A	250	250	250
Kenilworth	#N/A	210	250	250
Rural areas (higher value)	140	250	250	250
Rural areas (lower value)	#N/A	#N/A	100	210

Site type **L48 - Land at Blackdown, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	#N/A	40
Leamington Spa	#N/A	250	250	250
Kenilworth	#N/A	100	250	250
Rural areas (higher value)	#N/A	250	250	250
Rural areas (lower value)	#N/A	#N/A	20	180

Community Infrastructure Levy Viability
Warwick District Council
Results summary

#N/A = Scheme RLV is lower
than EUV with nil rate of CIL.

0% affordable housing

Site type **K17 - Southcrest Farm, Kenilworth**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	0	100	180
Leamington Spa	180	250	250	250
Kenilworth	#N/A	250	250	250
Rural areas (higher value)	250	250	250	250
Rural areas (lower value)	#N/A	120	230	250

Site type **L09 - Land at Grove Farm, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	0	100	180
Leamington Spa	180	250	250	250
Kenilworth	#N/A	250	250	250
Rural areas (higher value)	250	250	250	250
Rural areas (lower value)	#N/A	120	230	250

Site type **C13 - Lodge Farm, Coventry**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	0	100	180
Leamington Spa	180	250	250	250
Kenilworth	#N/A	250	250	250
Rural areas (higher value)	250	250	250	250
Rural areas (lower value)	#N/A	120	230	250

Site type **W26 - Gallows Hill, Warwick**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	80	180
Leamington Spa	120	250	250	250
Kenilworth	#N/A	250	250	250
Rural areas (higher value)	250	250	250	250
Rural areas (lower value)	#N/A	100	210	250

Site type **L48 - Land at Blackdown, Leamington Spa**

	BLV1	BLV2	BLV3	BLV4
Warwick	#N/A	#N/A	20	160
Leamington Spa	#N/A	250	250	250
Kenilworth	#N/A	240	250	250
Rural areas (higher value)	60	250	250	250
Rural areas (lower value)	#N/A	0	160	250

Appendix 5 - Commercial appraisal results

COMMUNITY INFRASTRUCTURE LEVY
Commercial Development

Use class:	Offices
Location:	Prime

	£s per sqft	Yield	Rent free
Appraisal 1	£12.00	6.90%	2.00 years
Appraisal 2	£13.00	6.90%	2.00 years
Appraisal 3	£14.00	6.90%	2.00 years
Appraisal 4	£15.00	7.40%	2.00 years
Appraisal 5 (base)	£15.00	6.90%	2.00 years
Appraisal 6	£15.00	6.50%	2.00 years
Appraisal 7	£20.00	6.90%	2.00 years
Appraisal 8	£25.00	6.90%	2.00 years
Appraisal 9	£30.00	6.90%	2.00 years
Appraisal 10	£32.50	6.90%	2.00 years

Existing floorspace as % of new
30%

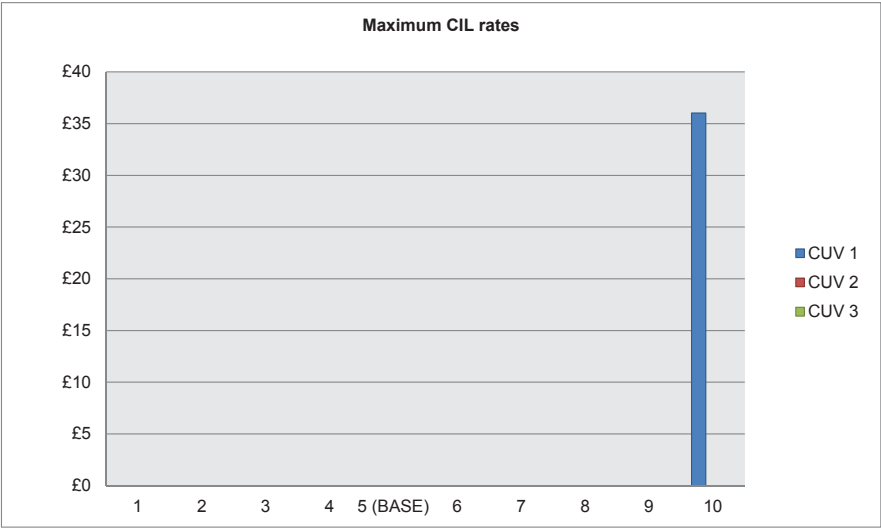
Net off existing floorspace from CIL calculation: y

Ctrl + y to goal seek max CIL

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£8.00	8.00%	3.00 years	15.00%
Current use value 2	£9.00	8.00%	3.00 years	20.00%
Current use value 3	£10.00	8.00%	3.00 years	20.00%

Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-25%	£0	£0	£0
Appraisal 2	-15%	£0	£0	£0
Appraisal 3	-7%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
Appraisal 5 (base)	-	£0	£0	£0
Appraisal 6	0%	£0	£0	£0
Appraisal 7	25%	£0	£0	£0
Appraisal 8	40%	£0	£0	£0
Appraisal 9	50%	£0	£0	£0
Appraisal 10	54%	£36	£0	£0



DEVELOPMENT APPRAISAL

Commercial Development

Use class:	Offices
Location:	Prime

DEVELOPMENT VALUE

[illegible]

CURRENT USE VALUE
Commercial Development

Use class:	Offices
------------	---------

Common assumptions		CUV 1		CUV 2		CUV 3	
Current use value							
Existing space as percentage of new	30% 9,000						
Rent per sq ft		£8 psf		£9 psf		£10 psf	
Rental income per annum		£72,000		£81,000		£90,000	
Rent free/voids (years)		3.0	0.7938	3.0	0.7938	3.0	0.7938
Total revenue, capitalised (including all costs)		8.00%		8.00%		8.00%	
Refurbishment costs	£50 psf	£450,000		£450,000		£450,000	
Fees	7%	£31,500		£31,500		£31,500	
Capitalised rent, net of refurb and fees		£232,949		£322,255		£411,561	
	5.80%						
Current use value		£232,949		£322,255		£411,561	
CUV including Landowner premium		15% £267,891		20.00% £386,706		20.00% £493,874	

COMMUNITY INFRASTRUCTURE LEVY
Commercial Development

Use class:	Retail superstores
Location:	Whole district

	£s per sqft	Yield	Rent free
Appraisal 1	£22.00	5.25%	1.00 years
Appraisal 2	£23.00	5.25%	1.00 years
Appraisal 3	£24.00	5.50%	1.00 years
Appraisal 4	£25.00	5.50%	1.00 years
Appraisal 5 (base)	£25.00	5.50%	1.00 years
Appraisal 6	£25.00	5.00%	1.00 years
Appraisal 7	£26.00	5.25%	1.00 years
Appraisal 8	£27.00	5.25%	1.00 years
Appraisal 9	£28.00	5.25%	1.00 years
Appraisal 10	£29.00	5.25%	1.00 years

Existing floorspace as % of new
50%

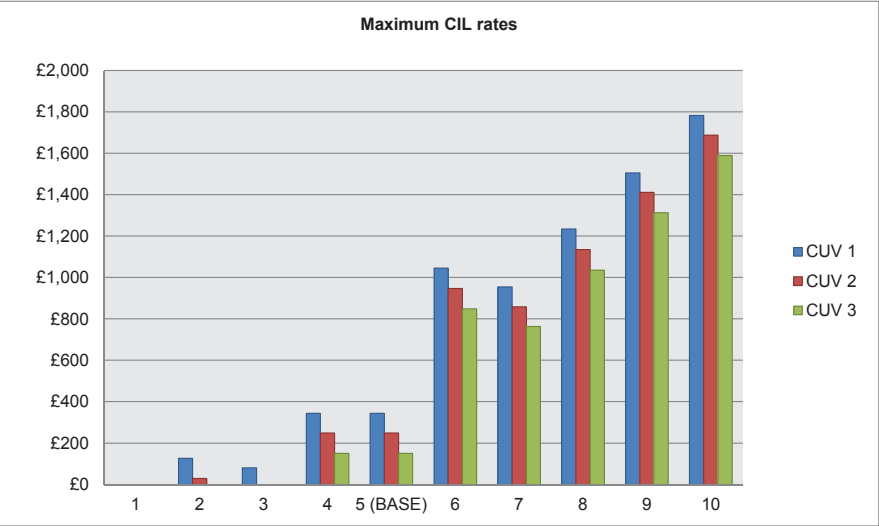
Net off existing floorspace from CIL calculation: y

Ctrl + y to goal seek max CIL

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£17.50	6.00%	1.50 years	20.00%
Current use value 2	£18.00	6.00%	1.50 years	20.00%
Current use value 3	£18.50	6.00%	1.50 years	20.00%

Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-14%	£0	£0	£0
Appraisal 2	-9%	£127	£29	£0
Appraisal 3	-4%	£80	£0	£0
Appraisal 4	0%	£345	£249	£151
Appraisal 5 (base)	-	£345	£249	£151
Appraisal 6	0%	£1,046	£948	£849
Appraisal 7	4%	£956	£858	£764
Appraisal 8	7%	£1,235	£1,135	£1,036
Appraisal 9	11%	£1,506	£1,412	£1,313
Appraisal 10	14%	£1,784	£1,689	£1,590



DEVELOPMENT APPRAISAL

Commercial Development

Use class:	Retail superstores
Location:	Whole district

Rent free - reduced from 2 yrs to 1.5 yrs

DEVELOPMENT VALUE		Common assumptions		Appraisal 1		Appraisal 2		Appraisal 3		Appraisal 4		Appraisal 5		Appraisal 6		Appraisal 7		Appraisal 8		Appraisal 9		Appraisal 10	
Rental Income	Floor area	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum
Rent - area 1	30,000	£22.00	£660,000	£23	£690,000	£24.00	£720,000	£25.00	£750,000	£25.00	£750,000	£25.00	£750,000	£25.00	£750,000	£26.00	£780,000	£27.00	£810,000	£28.00	£840,000	£29.00	£870,000
Rent - area 2		£22.00	£0	£23	£0	£24.00	£0	£25.00	£0	£25.00	£0	£25.00	£0	£25.00	£0	£26.00	£0	£27.00	£0	£28.00	£0	£29.00	£0
Rent - area 3		£22.00	£0	£23	£0	£24.00	£0	£25.00	£0	£25.00	£0	£25.00	£0	£25.00	£0	£26.00	£0	£27.00	£0	£28.00	£0	£29.00	£0
Total floor area / rent	30,000		£660,000		£690,000		£720,000		£750,000		£750,000		£750,000		£750,000		£780,000		£810,000		£840,000		£870,000
Rent free/voids (years)		1.0	0.9501	1.0	0.9501	1.0	0.9479	1.0	0.9479	1.0	0.9479	1.0	0.9479	1.0	0.9524	1.0	0.9501	1.0	0.9501	1.0	0.9501	1.0	0.9501
Yield		5.25%		5.25%		5.50%		5.50%		5.50%		5.50%		5.00%		5.25%		5.25%		5.25%		5.25%	
Capitalised rent			£11,944,350		£12,487,275		£12,408,445		£12,925,463		£12,925,463		£12,925,463		£14,285,714		£14,116,050		£14,658,975		£15,201,900		£15,744,825
GROSS DEVELOPMENT VALUE																							
Purchaser's costs	5.80%		£692,772		£724,262		£719,690		£749,677		£749,677		£749,677		£828,571		£818,731		£850,221		£881,710		£913,200
			£11,251,578		£11,763,013		£11,688,755		£12,175,786		£12,175,786		£12,175,786		£13,457,143		£13,297,319		£13,808,755		£14,320,190		£14,831,625
DEVELOPMENT COSTS																							
Land costs			£4,122,506		£4,122,506		£4,122,506		£4,122,506		£4,122,506		£4,122,506		£4,122,506		£4,122,506		£4,122,506		£4,122,506		£4,122,506
Stamp duty and acquisition costs			-£280,330		-£280,330		-£280,330		-£280,330		-£280,330		-£280,330		-£280,330		-£280,330		-£280,330		-£280,330		-£280,330
Development Costs																							
Existing floor area	50%	15,000																					
Demolition costs	£5 psf		£75,000		£75,000		£75,000		£75,000		£75,000		£75,000		£75,000		£75,000		£75,000		£75,000		£75,000
Building costs	£73 psf		£2,670,732		£2,670,732		£2,670,732		£2,670,732		£2,670,732		£2,670,732		£2,670,732		£2,670,732		£2,670,732		£2,670,732		£2,670,732
Area	82% grs to net	36,585																					
External works	20.00%		£534,146		£534,146		£534,146		£534,146		£534,146		£534,146		£534,146		£534,146		£534,146		£534,146		£534,146
Allowance for car parking			£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000
Professional fees	10.00%		£405,488		£405,488		£405,488		£405,488		£405,488		£405,488		£405,488		£405,488		£405,488		£405,488		£405,488
Contingency	5.00%		£223,018		£223,018		£223,018		£223,018		£223,018		£223,018		£223,018		£223,018		£223,018		£223,018		£223,018
Residual S106	£2 psf		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000
CIL	£s psf	15,000	-£32	-£482,616	-£6	-£96,774	-£10	-£156,268	£14	£210,633	£14.042	£210,633	£79	£1,182,896	£71	£1,064,683	£96	£1,444,125	£122	£1,829,810	£148	£2,215,493	
Disposal Costs																							
Letting Agent's fee (% of rent)	10.00%		£66,000		£69,000		£72,000		£75,000		£75,000		£75,000		£75,000		£78,000		£81,000		£84,000		£87,000
Agent's fees (on capital value)	1.00%		£119,444		£124,873		£124,084		£129,255		£129,255		£129,255		£142,857		£141,161		£146,590		£152,019		£157,448
Legal fees (% of capital value)	0.75%		£89,583		£89,583		£89,583		£89,583		£89,583		£89,583		£89,583		£89,583		£89,583		£89,583		£89,583
Finance																							
Interest rate	7.00%																						
Interest	28 months		£997,979		£1,030,177		£1,025,499		£1,056,130		£1,056,130		£1,056,130		£1,136,643		£1,127,095		£1,158,771		£1,190,957		£1,223,143
Profit on cost			£1,875,629		£1,960,594		£1,948,297		£2,029,626		£2,029,626		£2,029,626		£2,244,605		£2,211,238		£2,303,127		£2,388,262		£2,473,398
Profit on cost (%)			20.00%		20.00%		20.00%		20.00%		20.00%		20.00%		20.02%		19.95%		20.02%		20.02%		20.01%
Net additional floorspace (sq ft)		15,000	15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000
Net additional floorspace (sq m)		1,394	1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394

CURRENT USE VALUE
Commercial Development

Use class:	Retail superstores
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	Common assumptions		CUV 1		CUV 2		CUV 3	
Current use value								
Existing space as percentage of new	50%	15,000						
Rent per sq ft			£18 psf		£18 psf		£19 psf	
Rental income per annum			£262,500		£270,000		£277,500	
Rent free/voids (years)			1.5	0.9163	1.5	0.9163	1.5	0.9163
Total revenue, capitalised (including all costs)			6.00%		6.00%		6.00%	
Refurbishment costs	£50 psf		£750,000		£750,000		£750,000	
Fees	7%		£52,500		£52,500		£52,500	
Capitalised rent, net of refurb and fees			£3,206,345		£3,320,883		£3,435,422	
	6.80%							
Current use value			£3,206,345		£3,320,883		£3,435,422	
CUV including Landowner premium			20% £3,847,614		20.00% £3,985,060		20.00% £4,122,506	

COMMUNITY INFRASTRUCTURE LEVY
Commercial Development

Use class:	Retail
Location:	Prime Leamington

	£s per sqft	Yield	Rent free
Appraisal 1	£42.00	5.40%	1.00 years
Appraisal 2	£44.00	5.40%	1.00 years
Appraisal 3	£46.00	5.40%	1.00 years
Appraisal 4	£48.00	5.90%	1.00 years
Appraisal 5 (base)	£48.00	5.40%	1.00 years
Appraisal 6	£48.00	5.20%	1.00 years
Appraisal 7	£49.00	5.40%	1.00 years
Appraisal 8	£50.00	5.40%	1.00 years
Appraisal 9	£51.00	5.40%	1.00 years
Appraisal 10	£52.00	5.40%	1.00 years

Existing floorspace as % of new
25%

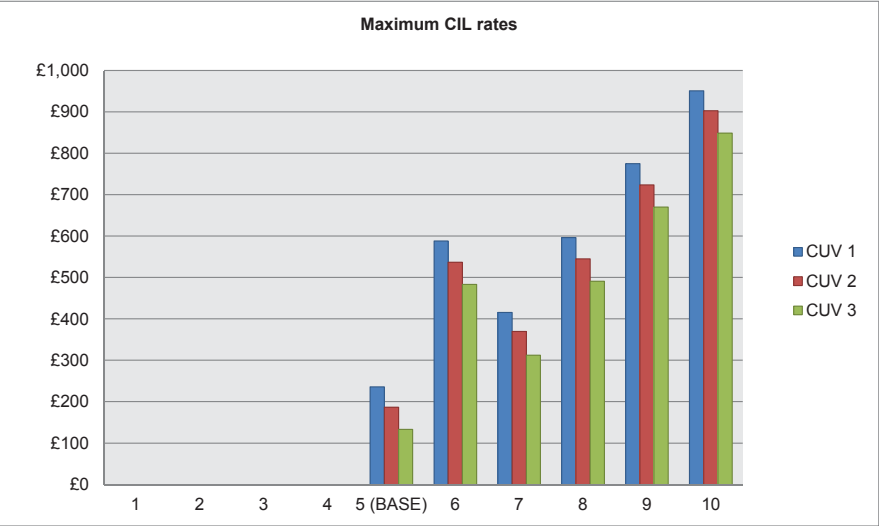
Net off existing floorspace from CIL calculation: y

Ctrl + y to goal seek max CIL

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£30.00	7.00%	2.00 years	20.00%
Current use value 2	£31.00	7.00%	2.00 years	20.00%
Current use value 3	£32.00	7.00%	2.00 years	20.00%

Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-14%	£0	£0	£0
Appraisal 2	-9%	£0	£0	£0
Appraisal 3	-4%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
Appraisal 5 (base)	-	£236	£187	£133
Appraisal 6	0%	£588	£537	£483
Appraisal 7	2%	£416	£370	£312
Appraisal 8	4%	£597	£545	£491
Appraisal 9	6%	£775	£724	£670
Appraisal 10	8%	£951	£903	£849



DEVELOPMENT APPRAISAL

Commercial Development

Use class:	Retail
Location:	Prime Leamington

Rent free - reduced from 2 yrs to 1.5 yrs

[illegible]

CURRENT USE VALUE
Commercial Development

Use class:	Retail
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	Common assumptions		CUV 1		CUV 2		CUV 3	
Current use value								
Existing space as percentage of new	25%	750						
Rent per sq ft			£30 psf		£31 psf		£32 psf	
Rental income per annum			£22,500		£23,250		£24,000	
Rent free/voids (years)			2.0	0.8734	2.0	0.8734	2.0	0.8734
Total revenue, capitalised (including all costs)			7.00%		7.00%		7.00%	
Refurbishment costs	£50 psf		£37,500		£37,500		£37,500	
Fees	7%		£2,625		£2,625		£2,625	
Capitalised rent, net of refurb and fees			£240,623		£249,981		£259,340	
	6.80%							
Current use value			£240,623		£249,981		£259,340	
CUV including Landowner premium			20% £288,748		20.00% £299,978		20.00% £311,208	

COMMUNITY INFRASTRUCTURE LEVY
Commercial Development

Use class:	Retail
Location:	Outside prime Leamington

	£s per sqft	Yield	Rent free
Appraisal 1	£22.00	6.70%	1.00 years
Appraisal 2	£23.00	6.70%	1.00 years
Appraisal 3	£24.00	6.70%	1.00 years
Appraisal 4	£25.00	7.00%	1.00 years
Appraisal 5 (base)	£25.00	6.70%	1.00 years
Appraisal 6	£25.00	6.40%	1.00 years
Appraisal 7	£26.00	6.70%	1.00 years
Appraisal 8	£27.00	6.70%	1.00 years
Appraisal 9	£28.00	6.70%	1.00 years
Appraisal 10	£29.00	6.70%	1.00 years

Existing floorspace as % of new
50%

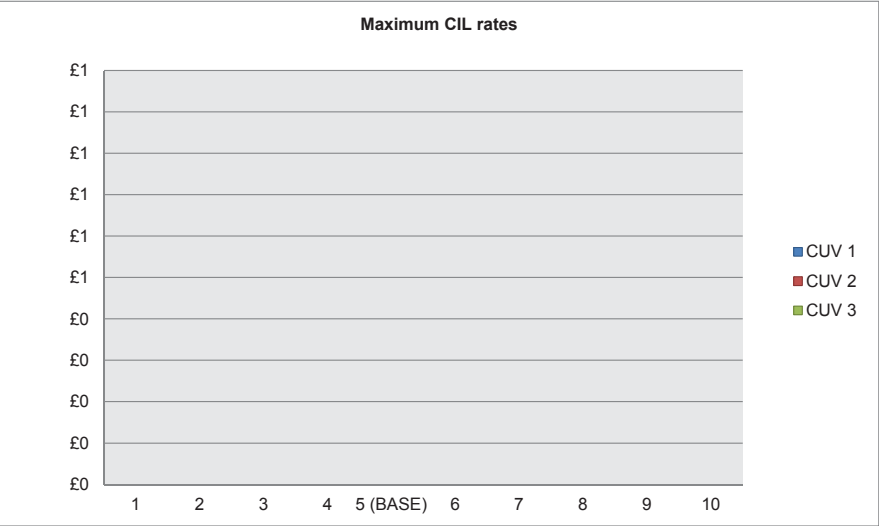
Net off existing floorspace from CIL calculation: y

Ctrl + y to goal seek max CIL

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£12.00	7.00%	1.50 years	20.00%
Current use value 2	£15.00	7.00%	1.50 years	20.00%
Current use value 3	£17.00	7.00%	1.50 years	20.00%

Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-14%	£0	£0	£0
Appraisal 2	-9%	£0	£0	£0
Appraisal 3	-4%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
Appraisal 5 (base)	-	£0	£0	£0
Appraisal 6	0%	£0	£0	£0
Appraisal 7	4%	£0	£0	£0
Appraisal 8	7%	£0	£0	£0
Appraisal 9	11%	£0	£0	£0
Appraisal 10	14%	£0	£0	£0



DEVELOPMENT APPRAISAL

Commercial Development

Use class:	Retail
Location:	Outside prime Leamington

Rent free - reduced from 2 yrs to 1.5 yrs

DEVELOPMENT VALUE			Common assumptions		Appraisal 1		Appraisal 2		Appraisal 3		Appraisal 4		Appraisal 5		Appraisal 6		Appraisal 7		Appraisal 8		Appraisal 9		Appraisal 10		
<u>Rental Income</u>			Floor area		£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	
Rent - area 1		3,000			£22.00	£66,000	£23	£69,000	£24.00	£72,000	£25.00	£75,000	£25.00	£75,000	£25.00	£75,000	£26.00	£78,000	£27.00	£81,000	£28.00	£84,000	£29.00	£87,000	
Rent - area 2					£22.00	£0	£23	£0	£24.00	£0	£25.00	£0	£25.00	£0	£25.00	£0	£26.00	£0	£27.00	£0	£28.00	£0	£29.00	£0	
Rent - area 3					£22.00	£0	£23	£0	£24.00	£0	£25.00	£0	£25.00	£0	£25.00	£0	£26.00	£0	£27.00	£0	£28.00	£0	£29.00	£0	
Total floor area / rent		3,000				£66,000		£69,000		£72,000		£75,000		£75,000		£75,000		£78,000		£81,000		£84,000		£87,000	
Rent free/voids (years)					1.0	0.9372	1.0	0.9372	1.0	0.9372	1.0	0.9346	1.0	0.9372	1.0	0.9398	1.0	0.9372	1.0	0.9372	1.0	0.9372	1.0	0.9372	
Yield					6.70%		6.70%		6.70%		7.00%		6.70%		6.40%		6.70%		6.70%		6.70%		6.70%		
Capitalised rent						£923,219		£965,183		£1,007,148		£1,001,335		£1,049,112		£1,101,386		£1,091,077		£1,133,041		£1,175,006		£1,216,970	
GROSS DEVELOPMENT VALUE																									
Purchaser's costs		5.80%				£53,547		£55,981		£58,415		£58,077		£60,849		£63,880		£63,282		£65,716		£68,150		£70,584	
						£869,672		£909,203		£948,733		£943,258		£988,264		£1,037,506		£1,027,794		£1,067,325		£1,106,856		£1,146,386	
DEVELOPMENT COSTS																									
Land costs						£298,655		£298,655		£298,655		£298,655		£298,655		£298,655		£298,655		£298,655		£298,655		£298,655	
Stamp duty and acquisition costs						£20,309		£20,309		£20,309		£20,309		£20,309		£20,309		£20,309		£20,309		£20,309		£20,309	
<u>Development Costs</u>																									
Existing floor area		50%	1,500																						
Demolition costs						£5 psf		£7,500		£7,500		£7,500		£7,500		£7,500		£7,500		£7,500		£7,500		£7,500	
Building costs						£115 psf		£420,732		£420,732		£420,732		£420,732		£420,732		£420,732		£420,732		£420,732		£420,732	
Area						82% grs to net		3,659																	
External works						10.00%		£42,073		£42,073		£42,073		£42,073		£42,073		£42,073		£42,073		£42,073		£42,073	
Allowance for car parking								£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000	
Professional fees						10.00%		£124,530		£124,530		£124,530		£124,530		£124,530		£124,530		£124,530		£124,530		£124,530	
Contingency						5.00%		£68,492		£68,492		£68,492		£68,492		£68,492		£68,492		£68,492		£68,492		£68,492	
Residual S106						£2 psf		£6,000		£6,000		£6,000		£6,000		£6,000		£6,000		£6,000		£6,000		£6,000	
CIL						£s psf	1,500	£731	£1,096,301	£711	£1,066,570	£691	£1,036,844	£694	£1,041,303	£671.411	£1,007,116	£646	£969,711	£652	£977,388	£632	£947,659	£612	£917,930
<u>Disposal Costs</u>																									
Letting Agent's fee (% of rent)						10.00%		£6,600		£6,600		£7,200		£7,500		£7,500		£7,800		£8,100		£8,400		£8,700	
Agent's fees (on capital value)						1.00%		£9,232		£9,652		£10,071		£10,013		£10,491		£10,911		£11,330		£11,750		£12,170	
Legal fees (% of capital value)						0.75%		£6,924		£6,924		£6,924		£6,924		£6,924		£6,924		£6,924		£6,924		£6,924	
<u>Finance</u>																									
Interest rate						7.00%																			
Interest						28 months		£75,744		£78,231		£80,717		£80,373		£83,204		£86,301		£85,690		£88,177		£90,663	
Profit on cost								£144,799		£151,392		£157,991		£157,077		£164,588		£172,804		£171,184		£177,779		£184,374	
Profit on cost (%)								19.98%		19.98%		19.98%		19.98%		19.98%		19.98%		19.99%		19.99%		19.99%	
Net additional floorspace (sq ft)						1,500		1,500		1,500		1,500		1,500		1,500		1,500		1,500		1,500		1,500	
Net additional floorspace (sq m)						139		139		139		139		139		139		139		139		139		139	

CURRENT USE VALUE
Commercial Development

Use class:	Retail
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	Common assumptions		CUV 1		CUV 2		CUV 3	
Current use value								
Existing space as percentage of new	50%	1,500						
Rent per sq ft			£12 psf		£15 psf		£17 psf	
Rental income per annum			£18,000		£22,500		£25,500	
Rent free/voids (years)			1.5	0.9035	1.5	0.9035	1.5	0.9035
Total revenue, capitalised (including all costs)			7.00%		7.00%		7.00%	
Refurbishment costs	£50 psf		£75,000		£75,000		£75,000	
Fees	7%		£5,250		£5,250		£5,250	
Capitalised rent, net of refurb and fees			£152,077		£210,158		£248,879	
	6.80%							
Current use value			£152,077		£210,158		£248,879	
CUV including Landowner premium			20% £182,492		20.00% £252,190		20.00% £298,655	

COMMUNITY INFRASTRUCTURE LEVY
Commercial Development

Use class:	Hotels
Location:	Whole district

	£s per sqft	Yield	Rent free
Appraisal 1	£27.90	6.00%	0.50 years
Appraisal 2	£28.90	6.00%	0.50 years
Appraisal 3	£29.90	6.00%	0.50 years
Appraisal 4	£30.90	6.25%	0.50 years
Appraisal 5 (base)	£30.90	6.00%	0.50 years
Appraisal 6	£30.90	5.75%	0.50 years
Appraisal 7	£32.90	6.00%	0.50 years
Appraisal 8	£33.90	6.00%	0.50 years
Appraisal 9	£34.90	6.00%	0.50 years
Appraisal 10	£35.90	6.00%	0.50 years

Existing floorspace as % of new
25%

Net off existing floorspace from CIL calculation: y

Ctrl + y to goal seek max CIL

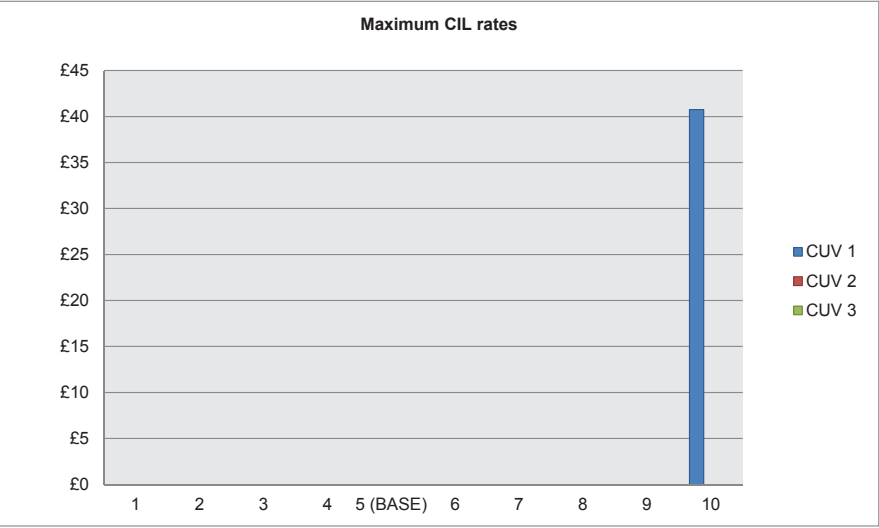
Average room size	200 sq ft
Cap value per room	£103,000
Cap value per sq ft	£515.00
Rent	£30.90

Average gross area per toom 286 sq ft

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£19.00	7.00%	2.00 years	20.00%
Current use value 2	£20.00	7.00%	2.00 years	20.00%
Current use value 3	£21.00	7.00%	2.00 years	20.00%

Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	-11%	£0	£0	£0
Appraisal 2	-7%	£0	£0	£0
Appraisal 3	-3%	£0	£0	£0
Appraisal 4	0%	£0	£0	£0
Appraisal 5 (base)	-	£0	£0	£0
Appraisal 6	0%	£0	£0	£0
Appraisal 7	6%	£0	£0	£0
Appraisal 8	9%	£0	£0	£0
Appraisal 9	11%	£0	£0	£0
Appraisal 10	14%	£41	£0	£0



DEVELOPMENT APPRAISAL

Commercial Development

Use class:	Hotels
Location:	Whole district

Rent free - reduced from 2 yrs to 1.5 yrs

DEVELOPMENT VALUE

Development Value			Common assumptions		Appraisal 1		Appraisal 2		Appraisal 3		Appraisal 4		Appraisal 5		Appraisal 6		Appraisal 7		Appraisal 8		Appraisal 9		Appraisal 10	
Rental Income	Floor area		£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum
Rent - area 1	20,000		£27.90	£558,000	£29	£578,000	£29.90	£598,000	£30.90	£618,000	£30.90	£618,000	£30.90	£618,000	£32.90	£658,000	£33.90	£678,000	£34.90	£698,000	£35.90	£718,000		
Rent - area 2			£27.90	£0	£29	£0	£29.90	£0	£30.90	£0	£30.90	£0	£30.90	£0	£32.90	£0	£33.90	£0	£34.90	£0	£35.90	£0		
Rent - area 3			£27.90	£0	£29	£0	£29.90	£0	£30.90	£0	£30.90	£0	£30.90	£0	£32.90	£0	£33.90	£0	£34.90	£0	£35.90	£0		
Total floor area / rent	20,000			£558,000		£578,000		£598,000		£618,000		£618,000		£618,000		£658,000		£678,000		£698,000		£718,000		
Rent free/voids (years)			0.5	0.9713	0.5	0.9713	0.5	0.9713	0.5	0.9701	0.5	0.9713	0.5	0.9724	0.5	0.9713	0.5	0.9713	0.5	0.9713	0.5	0.9713		
Yield			6.00%		6.00%		6.00%		6.25%		6.00%		5.75%		6.00%		6.00%		6.00%		6.00%			
Capitalised rent				£9,032,959		£9,356,720		£9,680,482		£9,592,769		£10,004,244		£10,451,544		£10,651,768		£10,975,530		£11,299,292		£11,623,054		
GROSS DEVELOPMENT VALUE																								
Purchaser's costs	6.80%			£614,241		£636,257		£658,273		£652,308		£680,289		£710,705		£724,320		£746,336		£768,352		£790,368		
				£8,418,717		£8,720,463		£9,022,210		£8,940,461		£9,323,956		£9,740,839		£9,927,448		£10,229,194		£10,530,940		£10,832,686		
DEVELOPMENT COSTS																								
Land costs				£1,251,190		£1,251,190		£1,251,190		£1,251,190		£1,251,190		£1,251,190		£1,251,190		£1,251,190		£1,251,190		£1,251,190		
Stamp duty and acquisition costs				-£85,081		-£85,081		-£85,081		-£85,081		-£85,081		-£85,081		-£85,081		-£85,081		-£85,081		-£85,081		
Development Costs																								
Existing floor area	25%	5,000																						
Demolition costs	£7 psf			£35,000		£35,000		£35,000		£35,000		£35,000		£35,000		£35,000		£35,000		£35,000		£35,000		
Building costs	£164 psf			£4,685,714		£4,685,714		£4,685,714		£4,685,714		£4,685,714		£4,685,714		£4,685,714		£4,685,714		£4,685,714		£4,685,714		
Area	70% grs to net	28,571																						
External works	10.00%			£468,571		£468,571		£468,571		£468,571		£468,571		£468,571		£468,571		£468,571		£468,571		£468,571		
Allowance for car parking				£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		
Professional fees	10.00%			£596,429		£596,429		£596,429		£596,429		£596,429		£596,429		£596,429		£596,429		£596,429		£596,429		
Contingency	5.00%			£328,036		£328,036		£328,036		£328,036		£328,036		£328,036		£328,036		£328,036		£328,036		£328,036		
Residual S106	£2 psf			£40,000		£40,000		£40,000		£40,000		£40,000		£40,000		£40,000		£40,000		£40,000		£40,000		
CIL	£s psf	15,000	-£127	-£1,911,506	-£112	-£1,684,276	-£97	-£1,457,046	-£101	-£1,521,149	-£81,988	-£1,229,816	-£81	-£913,119	-£51	-£769,799	-£37	-£547,671	-£21	-£320,664	-£6	-£93,107		
Disposal Costs																								
Letting Agent's fee (% of rent)	10.00%			£55,800		£57,800		£59,800		£61,800		£61,800		£61,800		£65,800		£67,800		£69,800		£71,800		
Agent's fees (on capital value)	1.00%			£90,330		£93,567		£96,805		£95,928		£100,042		£104,515		£106,518		£109,755		£112,993		£116,231		
Legal fees (% of capital value)	0.75%			£67,747		£67,747		£67,747		£67,747		£67,747		£67,747		£67,747		£67,747		£67,747		£67,747		
Finance																								
Interest rate	7.00%			£0		£0		£0		£0		£0		£0		£0		£0		£0		£0		
Interest	28 months			£617,673		£636,657		£655,642		£650,499		£674,627		£700,856		£713,051		£731,619		£750,586		£769,597		
Profit on cost				£1,403,815		£1,454,109		£1,504,403		£1,490,777		£1,554,696		£1,624,181		£1,649,273		£1,705,085		£1,755,619		£1,805,560		
Profit on cost (%)				20.01%		20.01%		20.01%		20.01%		20.01%		20.01%		19.92%		20.00%		20.01%		20.00%		
Net additional floorspace (sq ft)		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		
Net additional floorspace (sq m)		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		

CURRENT USE VALUE

Commercial Development

Use class:	Hotels
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	Common assumptions		CUV 1		CUV 2		CUV 3	
Current use value								
Existing space as percentage of new	25%	5,000						
Rent per sq ft			£19 psf		£20 psf		£21 psf	
Rental income per annum			£95,000		£100,000		£105,000	
Rent free/voids (years)			2.0	0.8734	2.0	0.8734	2.0	0.8734
Total revenue, capitalised (including all costs)			7.00%		7.00%		7.00%	
Refurbishment costs	£50 psf		£250,000		£250,000		£250,000	
Fees	7%		£17,500		£17,500		£17,500	
Capitalised rent, net of refurb and fees				£917,881		£980,270		£1,042,658
	6.80%							
Current use value				£917,881		£980,270		£1,042,658
CUV including Landowner premium			20%	£1,101,457	20.00%	£1,176,324	20.00%	£1,251,190

DEVELOPMENT APPRAISAL

Commercial Development

Use class:	STUDENT HSG
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DEVELOPMENT VALUE	Term rent	£180 per week	
	Vacation rent		
Rental Income			
Annual rent per unit - term time (95% occupancy)	51 weeks	98% occupancy	88,200
Annual rent per unit - summer (50% occupancy)	weeks	50% occupancy	-
Operating costs	500 units	£2100 per unit	(1,050,000)
Net annual rents			3,448,200
Total revenue, capitalised (including all costs)		6.25%	55,171,200
Purchaser's costs		6.8%	(3,751,642)
GROSS DEVELOPMENT VALUE			51,419,558

DEVELOPMENT COSTS			
Development Costs			
Demolition costs	£7 psf	71,250 sqt	498,750
Building costs	£151.71 psf		21,618,590
Area per unit (incl common areas)	285 sqft pu	142,500	
External works		10.00%	2,161,859
Contingency		5.00%	1,189,022
CIL		147.61	977,083
S106			712,500
Professional fees		10.00%	2,427,920
Disposal Costs			
Letting Agent's fee (% of rent)		0.00%	-
Agent's fees (on capital value)		0.00%	-
Legal fees (% of capital value)		0.00%	-
Interest on Finance			
Total development duration	24 months		-
Interest on Construction Costs	24 months	7.00%	2,071,001
Profit			
Developer's profit on total revenue		20.00%	10,283,912
TOTAL DEVELOPMENT COSTS			41,940,636

LAND VALUE			
Land surplus			9,478,922
Stamp duty		4.00%	(379,157)
Agent's fees		1.25%	(118,487)
Legal fees		0.50%	(47,395)
Interest on land finance	24 months	7.00%	(1,250,744)
RESIDUAL LAND VALUE			7,683,140

Existing use value			
Existing space as % of new	50%	71,250	
Rent per sq ft		£15.00 psf	
Rental income per annum		1,068,750	
Rent free/voids (years)		3.0	0.7938
Total revenue, capitalised (including all costs)			8.00%
Refurbishment costs		£50 psf	3,562,500
Fees		7%	249,375
Purchaser's costs		5.75%	390,611
Existing use value			6,402,617

EUV including Landowner premium	20%	7,683,140
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Residual Land Value less EUV plus premium		-
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COMMUNITY INFRASTRUCTURE LEVY
Commercial Development

Use class:	Industrial and warehousing
Location:	Whole district

	£s per sqft	Yield	Rent free
Appraisal 1	£6.00	7.00%	1.00 years
Appraisal 2	£6.00	7.00%	1.00 years
Appraisal 3	£6.00	7.00%	1.00 years
Appraisal 4	£5.50	7.50%	1.00 years
Appraisal 5 (base)	£6.00	7.00%	1.00 years
Appraisal 6	£6.50	6.50%	1.00 years
Appraisal 7	£9.00	7.00%	1.00 years
Appraisal 8	£12.00	7.00%	1.00 years
Appraisal 9	£15.00	7.00%	1.00 years
Appraisal 10	£15.15	7.00%	1.00 years

Existing floorspace as % of new
50%

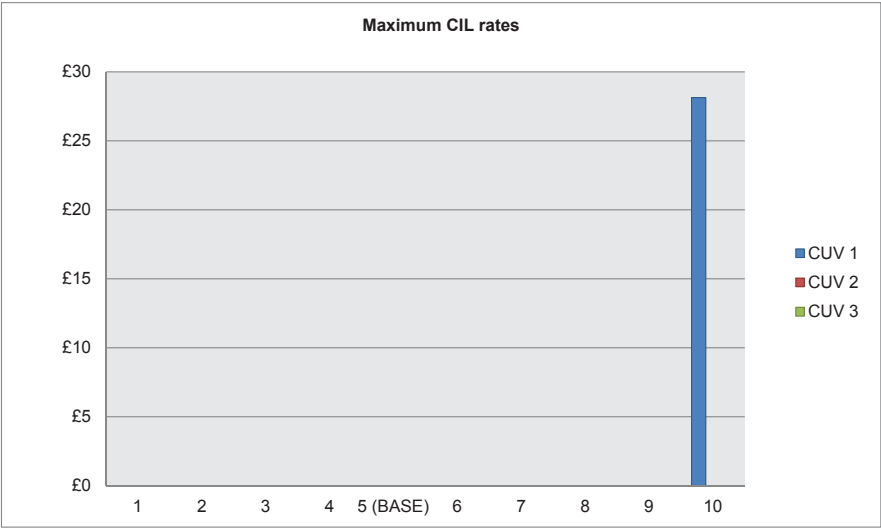
Net off existing floorspace from CIL calculation: y

Ctrl + y to goal seek max CIL

	£s per sqft	Yield	Rent free	Premium
Current use value 1	£3.50	10.00%	3.00 years	15.00%
Current use value 2	£4.00	9.50%	3.00 years	15.00%
Current use value 3	£5.00	9.00%	3.00 years	15.00%

Results - Maximum CIL rates per square metre

	Change in rent from base	CUV 1	CUV 2	CUV 3
Appraisal 1	0%	£0	£0	£0
Appraisal 2	0%	£0	£0	£0
Appraisal 3	0%	£0	£0	£0
Appraisal 4	-9%	£0	£0	£0
Appraisal 5 (base)	-	£0	£0	£0
Appraisal 6	8%	£0	£0	£0
Appraisal 7	33%	£0	£0	£0
Appraisal 8	50%	£0	£0	£0
Appraisal 9	60%	£0	£0	£0
Appraisal 10	60%	£28	£0	£0



DEVELOPMENT APPRAISAL

Commercial Development

Use class:	Industrial and warehousing
Location:	Whole district

DEVELOPMENT VALUE

DEVELOPMENT VALUE			Common assumptions		Appraisal 1		Appraisal 2		Appraisal 3		Appraisal 4		Appraisal 5		Appraisal 6		Appraisal 7		Appraisal 8		Appraisal 9		Appraisal 10		
<u>Rental Income</u>			Floor area		£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	£ psf	£ per annum	
Rent - area 1			30,000		£6.00	£180,000	£6	£180,000	£6.00	£180,000	£5.50	£165,000	£6.00	£180,000	£6.50	£195,000	£9.00	£270,000	£12.00	£360,000	£15.00	£450,000	£15.15	£454,500	
Rent - area 2					£6.00	£0	£6	£0	£6.00	£0	£5.50	£0	£6.00	£0	£6.50	£0	£9.00	£0	£12.00	£0	£15.00	£0	£15.15	£0	
Rent - area 3					£6.00	£0	£6	£0	£6.00	£0	£5.50	£0	£6.00	£0	£6.50	£0	£9.00	£0	£12.00	£0	£15.00	£0	£15.15	£0	
Total floor area / rent			30,000			£180,000		£180,000		£180,000		£165,000		£180,000		£195,000		£270,000		£360,000		£450,000		£454,500	
Rent free/voids (years)					1.0	0.9346		1.0	0.9346	1.0	0.9346		1.0	0.9346		1.0	0.9346	1.0	0.9346		1.0	0.9346		1.0	0.9346
Yield					7.00%		7.00%		7.00%	7.00%		7.50%		7.00%		6.50%		7.00%		7.00%		7.00%		7.00%	
Capitalised rent						£2,403,204		£2,403,204		£2,403,204		£2,046,512		£2,403,204		£2,816,901		£3,604,806		£4,806,409		£6,008,011		£6,068,091	
GROSS DEVELOPMENT VALUE																									
Purchaser's costs			6.80%			£163,418		£163,418		£163,418		£139,163		£163,418		£191,549		£245,127		£326,836		£408,545		£412,630	
						£2,239,786		£2,239,786		£2,239,786		£1,907,349		£2,239,786		£2,625,352		£3,359,680		£4,479,573		£5,599,466		£5,655,461	
DEVELOPMENT COSTS																									
Land costs						£186,284		£186,284		£186,284		£186,284		£186,284		£186,284		£186,284		£186,284		£186,284		£186,284	
Stamp duty and acquisition costs						-£10,804		-£10,804		-£10,804		-£10,804		-£10,804		-£10,804		-£10,804		-£10,804		-£10,804		-£10,804	
<u>Development Costs</u>																									
Existing floor area			50%	15,000																					
Demolition costs			£7 psf			£105,000		£105,000		£105,000		£105,000		£105,000		£105,000		£105,000		£105,000		£105,000		£105,000	
Building costs			£76 psf			£2,533,333		£2,533,333		£2,533,333		£2,533,333		£2,533,333		£2,533,333		£2,533,333		£2,533,333		£2,533,333		£2,533,333	
Area			90% grs to net	33,333																					
External works			10.00%			£253,333		£253,333		£253,333		£253,333		£253,333		£253,333		£253,333		£253,333		£253,333		£253,333	
Allowance for car parking						£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000		£775,000	
Professional fees			10.00%			£366,667		£366,667		£366,667		£366,667		£366,667		£366,667		£366,667		£366,667		£366,667		£366,667	
Contingency			5.00%			£201,667		£201,667		£201,667		£201,667		£201,667		£201,667		£201,667		£201,667		£201,667		£201,667	
Residual S106			£2 psf			£60,000		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000		£60,000	
CIL			£s psf	15,000		-£188	-£2,818,200	-£188	-£2,818,200	-£188	-£2,818,200	-£205	-£3,069,234	-£187,880	-£2,818,200	-£168	-£2,525,532	-£132	-£1,975,972	-£76	-£1,134,573	-£20	-£293,758	-£17	-£253,958
<u>Disposal Costs</u>																									
Letting Agent's fee (% of rent)			10.00%			£18,000		£18,000		£18,000		£16,500		£18,000		£19,500		£27,000		£36,000		£45,000		£45,450	
Agent's fees (on capital value)			1.00%			£24,032		£24,032		£24,032		£20,465		£24,032		£28,169		£36,048		£48,064		£60,080		£60,681	
Legal fees (% of capital value)			0.75%			£18,024		£18,024		£18,024		£18,024		£18,024		£18,024		£18,024		£18,024		£18,024		£18,024	
<u>Finance</u>																									
Interest rate			7.00%																						
Interest			28 months			£154,172		£154,172		£154,172		£133,257		£154,172		£178,533		£224,670		£295,100		£365,483		£368,819	
Profit on cost						£373,279		£373,279		£373,279		£317,857		£373,279		£436,178		£559,430		£746,477		£934,157		£945,965	
Profit on cost (%)						20.00%		20.00%		20.00%		20.00%		20.00%		19.92%		19.98%		20.00%		20.02%		20.09%	
Net additional floorspace (sq ft)				15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000		15,000	
Net additional floorspace (sq m)				1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394		1,394	

CURRENT USE VALUE
Commercial Development

Use class:	Industrial and warehousing
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	Common assumptions		CUV 1		CUV 2		CUV 3	
Current use value								
Existing space as percentage of new	50%	15,000						
Rent per sq ft			£4 psf		£4 psf		£5 psf	
Rental income per annum			£52,500		£60,000		£75,000	
Rent free/voids (years)			3.0	0.7513	3.0	0.7617	3.0	0.7722
Total revenue, capitalised (including all costs)			10.00%		9.50%		9.00%	
Refurbishment costs	£30 psf		£450,000		£450,000		£450,000	
Fees	7%		£31,500		£31,500		£31,500	
Capitalised rent, net of refurb and fees				-£87,060		-£455		£161,986
	5.80%							
Current use value			-£87,060		-£455		£161,986	
CUV including Landowner premium			15%	-£100,119	15.00%	-£524	15.00%	£186,284

Appendix 2

Issues and Responses relating to the CIL Preliminary Draft Charging Schedule Consultation 2013

Community Infrastructure Levy Preliminary Draft Schedule	
Consultation Comment	Response
Objection to Old Milverton and Blackdown being represented in zone B of the charging schedule, they are rural areas and should be represented as such in the schedule (Appendix A)	These zones represent the areas where certain values apply to development if proposals went ahead. Areas on the edge of the urban areas can reasonably be included within urban zones. It does not indicate support for development in these areas.
CIL on private development may hinder modernisation of smaller units necessary to meet modern housing needs. Exemption or discount should be considered in such cases. CIL will impede the development/ delivery of single and small developments for housing.	Smaller housing schemes still have an impact on infrastructure and CIL provides the opportunity for these schemes to contribute fairly.
Do not agree that affordable housing development should be exempt from CIL contributions	This is set out in the CIL regulations
It is unclear which sites are included in the Strategic Sites category of table 1 of the PDCS	Strategic Sites are green field sites of over 300 dwellings that are allocated in the emerging Local Plan
Network rail believes that developments on the railway network should be exempt from CIL or charged at the nil rate.	Unless such development are residential, retail, hotel or student accommodation , they will be charged at Nil Rate
Red House Farm should be classified as a Strategic Site and in a lower CIL payment band.	Strategic Sites are green field sites of over 200 dwellings that are allocated in the emerging Local Plan
It appears that WDC has limited evidence on infrastructure costs and the development strategy being consulted on at the time of the PDCS is based on a different strategy / level of growth.	See Infrastructure Delivery Plan and Draft Regulation 123 list
The relationship between CIL and S106 needs clarification. The full list of infrastructure to be funded from CIL is unclear, CIL cannot be used to fund / support general aspirations (only necessary infrastructure)	See infrastructure delivery plan. This sets out more clearly which infrastructure will be funded through which funding mechanisms

Community Infrastructure Levy Preliminary Draft Schedule

Consultation Comment	Response
Development demolition costs are a key variable, at £5 per sqft for all retail units they are an underestimate for a major redevelopment such as Fords Foundry. The build costs for supermarkets, superstores and retail parks has been underestimated, it is not stated whether this includes fit out. The viability assessment bases assumptions on supermarkets, superstores and retail parks on a 3000 sqft store. There appears to be no differential for stores of differing sizes and different natures	The CIL viability study has been undertaken in accordance with industry standards and the assumptions made are considered reasonable. Scaling up or down the size of retail will make no difference to the outcome. The build costs are sourced from BCIS and these include fit-out costs.
In setting the hotel CIL rate it appears that only one example has been used –The Wantage Stratford. This is a large hotel and is not typical of the types that might be funded in Warwick and Leamington that could have much higher build costs associated with Listed Buildings.	Not all scenarios can be specifically modelled. The viability study seeks to ensure that overall viability will not be undermined through CIL. Flexibility has therefore be brought in to the Draft Charging Schedule by setting rates substantially below maximum potential.
A hotel may be used as an enabling development to help the refurbishment of 'heritage assets'. Too high a CIL rate may undermine this possibility.	The CIL charging schedule cannot take account of all circumstances. For this reason, the Council has included an exemption where there is an unacceptable impact on the economic viability of a development.
There is concern about the proposed charge for student accommodation. The charge will impede the delivery of sufficient student accommodation over the plan period. If the University delivers its own student accommodation off site this should be CIL exempt.	The CIL viability study indicates that this is not the case
There is confusion regarding zones A and B between para 4.3 and the zoning map caused by typing errors.	This has been clarified in the Draft Charging Schedule
Affordable housing provision should not be squeezed by CIL charges that are set too high.	The proposed Charging rates take account of the Council's policy to seek 40% affordable housing (Policy H2)
Recognition is given for the different rates for strategic sites and that primary and secondary villages should be recognised as strategic.	The differential rates indicates the more extensive on-site infrastructure costs associated with larger greenfield sites including additional on-site requirements such as schools. This is not the case for the village sites none of which are over 150 dwellings in size.
Does not agree that outlying rural areas should pay more in CIL than the major urban centres.	The proposed level for Zone D reflects the viability study

Community Infrastructure Levy Preliminary Draft Schedule

Consultation Comment	Response
CIL should not prohibit the development of specialist housing, the proposed CIL rate will threaten the delivery of this element of the Development Plan. A uniformed rate for residential development is not appropriate given the particular costs associated with the delivery of specialist housing(sheltered and other forms).	While sheltered housing/retirement housing schemes have different characteristics (e.g. a higher proportion of communal floorspace than typical schemes), these factors are typically offset by other factors (e.g. premium sales values; higher density resulting from lower car parking provision and flatted development; lower amenity space). At the rates proposed, the Council does not consider that the viability of such schemes would be adversely affected.
Any development CIL charge in the Station Area of Leamington Spa requires special scrutiny to ensure it does not compromise Local Plan policy objectives for this area.	Development in this area will be expected to comply with the CIL Charging Schedule
The CIL charging regime will not possibly be able to fund all the local areas infrastructure requirements.	This is true. It is only one source of infrastructure funding.
CIL should not be used to fund an unrealistic wish list, the funding gap should take account of all available income streams (including CIL).	Agreed. See IDP
CIL should be applied across the district in a uniformed way – the Gateway should not be exempt.	CIL will be applied fairly in accordance with the Charging Schedule. The Gateway is not exempt, although if granted planning permission prior to the introduction of CIL , contributions will be made through Section 106 rather than CIL.
The Council has considered its viability study in advance of its Infrastructure delivery plan	The IDP is an evolving document. However it shows that there is clearly a funding gaps towards which CIL can contribute.
The Council has not set out the different regimes for CIL and S106 to enable developers not to pay the same matter twice. Section 106 matters should be scaled back to only those that must be developed/put in place on site.	The Reg 123 list has been prepared to ensure “double dipping” does not take place.
Charging schedule does not take account of changing requirements for build costs – requirement for Code for Sustainable Homes Level 5 and lifetime homes standards.	This has been taken in to account. However, the policy regarding Code for Sustainable Homes has been amended in the Submission Draft of the Local Plan.
Sales and Marketing requirements are too low at 3% they should be 5%	Acknowledged industry standards have been applied to development costs in the viability study. Sales and marketing budgets of 3% are standard valuation allowances and we consider 5% to be excessive and unsupported by evidence.

Community Infrastructure Levy Preliminary Draft Schedule

Consultation Comment	Response
The viability study uses 6% as a profit margin for affordable housing , this is considered too low it should be 20% of gross development Value.	Acknowledged industry standards have been applied to development costs in the viability study. This specific issue has been debated extensively at appeal and the most recent decision (Holsworthy Showground, reference APP/W1145/Q/13/2204429) supports a split profit of 20% on market housing and 6% on affordable. Furthermore, recent CIL examinations (e.g. Bracknell and Wokingham) have regarded 20% profit as “generous”.
Charges should differentiate between previously developed land and greenfield	This is reflected in the different rates for strategic and other residential sites.
The draft document does not quantify the infrastructure funding gap	The has been quantified in the IDP
The viability study does not take account of the estimated infrastructure costs associated with the strategic sites in the Local Plan, it appears to be merely an appraisal of current land values.	It is not possible to do a site by site assessment in the viability study The study makes some broad assumptions about this based on experience elsewhere in the Country. These assumptions are cautious.
The variation in the scale of charges is too wide and potentially onerous in zone B.	The viability study indicates that this is not the case
In light of the funding gap the charging schedule should be revisited	It has been revisited and the viability study has been updated. This does not provide sufficient evidence to suggest any amendments are necessary.
The Trilogy site is not identified for residential use and should not be in zone B. It should be in Zone A.	Land values and proximity to the town centre indicate that this site is correctly within Zone B
The basis for review of the charging schedule should be set out / made transparent	The Charging Schedule is based purely on <ul style="list-style-type: none"> a) The existence of a funding gap b) Development viability
The development costs contingencies is set at 5% it should be 10%.	Acknowledged industry standards have been applied to development costs in the viability study. 5% is a recognised and reasonable allowance for development contingency.
The assumption on the costs of professional fees is too low at 10% , it should be 12”%	Acknowledged industry standards have been applied to development costs in the viability study. Whilst we acknowledge that there is a range of fees, depending on the complexity of each development, developments in the District rarely warrant such a high level of fees.
The schedule does not state how retail uses will be considered in mixed uses schemes. Retail uses can fund associated benefits / improve site viability.	Retail charges will be made on the basis of the Draft Charging Schedule, even in mixed use schemes

Community Infrastructure Levy Preliminary Draft Schedule

Consultation Comment	Response
Setting CIL charges too high will not meet the Government requirement to significantly boost the supply of housing.	The CIL rates have been set so as to ensure overall development viability is not undermined.
The Council will have to consider all other streams of funding to meet infrastructure requirements	Agreed. See IDP
Viability assessment suggests £105 persqm for retail superstores, supermarkets and retail parks. Why has this been reduced to £75 sqm in the PDCS??	It is accepted that the evidence indicates that at higher rate could be charged for retail superstores, supermarkets and retail parks. It is therefore proposed to increase the proposed charge rate to £105 per square metre.
Have concerns regarding the five sites considered in the viability study. Blackdown is now not in the RDS.	The sites provide examples only and do not reflect local plan allocations
A developer return of 20% is not considered appropriate in the viability study. In today's market it should be 25%	20% is reasonable and if anything is at the higher end. Some studies assume as low as 15%
Build cost assumptions in the PDCS are considered too low , there should be an allowance for lifetime homes.	Build costs have been reviewed as part of the 2014 study.
Questions are raised about the viability of sites with a 40% affordable housing requirement	40% affordable housing has been assumed in the viability study. So this has been addressed.
When housing supply rises the cost of houses will fall , affecting profits and viability	The CIL rates allows flexibility for changing market conditions by setting the rate significantly below maximum values.

Draft Infrastructure Delivery Plan

June 2016

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1. Introduction

Purpose and Background

- 1.1. This Infrastructure Delivery Plan (IDP) sets out the Infrastructure requirements to support the proposals in the Draft Local Plan through until 2029. It has been prepared in consultation with infrastructure providers to ensure that the plan not only provides new homes and employment, but that developments are properly supported by high quality infrastructure which allows these new places to function as thriving communities and locations for successful businesses.
- 1.2. The IDP is a 'living document' which will evolve as more information becomes available through detailed planning applications, funding discussions and infrastructure costs re-profiling. The IDP should be read in conjunction with the Local Plan policies, which sets out a positive approach to supporting development across the District.
- 1.3. This edition of the IDP builds upon the work first published in December 2015, and includes the following updates:
 - A greater spatial analysis of transport infrastructure, better linking highways, public transport, cycling and pedestrian infrastructure requirements to key development areas;
 - A refinement of cost profiles and financial details, and
 - New content clarifying the position with regards to s.106 contributions and potential Community Infrastructure Levy (CIL) projects.

The latest update of the IDP (June 2016), introduces a further refresh of infrastructure requirements that are associated with additional housing numbers /

sites identified by the Council for inclusion in the Local Plan. The identification of the additional development is essential to enable the Local Plan examination to resume to a successful conclusion. The additional housing numbers will provide certainty for meeting Warwick District's agreed proportion of the unmet need of Coventry City Council and also enhance supply in Warwick District which was previously envisaged to come forward from windfall sources.

It should be noted that new infrastructure identified as a consequence of the revised development strategy (including the addition of the Asps and Gallows Hill sites) have been itemised / quantified, however the overall infrastructure package/ financial totals will be further identified as additional data becomes available and other S106 data becomes available. These will be refreshed accurately throughout the document before the intended forthcoming re-submission of the Plan to the Inspector.

Officers will keep pressure on infrastructure providers to ensure that a full (and accurate position) will be available for the Local Plan examination in the autumn of 2016. This is particularly relevant for education and GP services as the definitive strategy for secondary schools and GP facilities requires confirmation.

- 1.4 CIL information has been drawn from this document to produce an accompanying Draft Regulation 123 List. The Regulation 123 list sets out the infrastructure that the Council intends to be funded through CIL.
- 1.5 Over recent months, a number of major planning applications have been approved which are in line with the Council's Submission Draft Local Plan (and further modifications). These have involved, through Section 106 agreements, substantial contributions to the infrastructure set out in the Delivery Schedule below. Therefore this update to the IDP also deals with the reality of major live project delivery and implementation issues. We are now moving from project planning to the early stages of project implementation.

Key Elements of the IDP

- 1.6 The table in section 5 of this Infrastructure Delivery Plan showing the Delivery Schedule sets out a number of the most important elements relating to infrastructure requirements, costs and funding. However the full delivery schedule is a more complex spreadsheet showing phasing, organisational involvement and more details of costs and funding. This more complete information will be published on the Council's website. It includes a number of key elements that have been established as follows:
 - 1.6.1 Infrastructure Requirements: the infrastructure requirements have been established through an examination of demographic and household growth trends and their impact on specific infrastructure. This has provided an understanding of the extent to which current capacity needs to be increased. Once that has been understood, the most appropriate way of delivering the increased capacity has been established.
 - 1.6.2 Phased Infrastructure Delivery: Consideration has been given as to when different types of infrastructure are required across the plan period. It is informed by the examination of housing growth and the delivery schedules associated with major growth projects.

- 1.6.3 Cost profiling: the IDP involves the continual updating and reassessing of infrastructure cost profiles as projects often move through a process from outline costs to fine-tuned detailed project costs and then actual tendered values for project implementation.
- 1.6.4 Project Funding: it is recognised that infrastructure projects can potentially consists of a rich variety of funding streams. Work is progressing on clarifying potential funding partners and the possible scale of contributions, which varies from project to project. It is important that whatever public and other funding and resources are available for new infrastructure that this is planned and delivered in a co-ordinated and efficient manner. The IDP will be instrumental in helping to achieve more co-ordination between public agencies and thereby drive greater efficiencies in delivering infrastructure.
- 1.6.5 Providing Transparency: the IDP establishes the basic framework for the Regulation 123 List which sets out what the Council intends to fund in whole or part through CIL payments. In doing so this also provides a degree of clarification about the future modified content of s.106 agreements. It should be noted that all infrastructure not included within the Council's published Regulation 123 list can only be funded via s.106 agreements (which are subject to rigorous statutory tests) and other sources of funding.
- 1.7 As the IDP continues to develop, the Council is collecting and building a considerable database of detailed costs calculations, infrastructure modelling data, and development forecasting material. It is not always in a readable or understandable format. However, as the IDP continues to develop it is intended to publish (subject to confidential financial information restrictions) further information on this data as technical appendices to future revisions of this document.

2. Plan Making, Economic Viability and Funding

Making Deliverable Plans

- 2.1 It is clear that the National Planning Policy Framework (NPPF) places significant emphasis upon Local Plans meeting the objectively assessed needs for their area, and are deliverable and realistic. Work by the cross-industry Local Housing Delivery Group ⁽¹⁾ suggest that there are at least nine variables to consider as part of the economic viability of a local plan, which Warwick District Council considers underpin an effective IDP.
- 2.2 Figure 1 summarises the key economic viability considerations. In addition to policy, stakeholder, community and infrastructure provider aspirations, there are clear economic viability matters linked to better understanding the costs and availability of land, finance, development costs and developer's return on investment. These types of considerations sit behind the work on the IDP and are also to be found in the Council's commissioned work on CIL viability testing ⁽²⁾. They also highlight the complexity of issues involved in considering the viability and delivery of the Local Plan. The IDP is part of this complex picture and is essentially an evolving live project plan which seeks to balance a clear approach to infrastructure delivery with an understanding of the economics of development.

References:

Ref (1) 'Viability Testing Local Plans: Advice for planning practitioners' Local Housing Delivery Group Chaired by Sir John Harman, June 2012

Ref (2) 'Community Infrastructure Levy – Viability Assessment – Update Addendum Report' BNP Paribas Real Estate, November 2014 and 'Community Infrastructure Study: Final Report' BNP Paribas Real Estate, June 2013.

Figure 1: Economic Viability



(Figure adapted from 'Viability Testing Local Plans: Advice for planning practitioners' Local Housing Delivery Group Chaired by Sir John Harman, June 2012)

The Right Infrastructure at the Right Time

- 2.3 In the past it has sometimes proved difficult to deliver the infrastructure at the time it is needed. With this in mind the Council is currently exploring different delivery models which increase the prospect of the public sector having access to the resources to enable greater control over the timing of delivery.
- 2.4 The Council has also employed a Site Delivery Officer who has responsibility for ensuring developer contributions are paid and for liaising with infrastructure providers to ensure these contributions are used to deliver priorities in a timely manner.

Infrastructure Funding

- 2.6 Not all the infrastructure projects listed in the IDP will be fully funded through developer obligations associated with new development. If this was the case, it would seriously put at risk the viability of the plan. While some infrastructure projects will be funded 100% from current / forecast contributions and allocated resources, other types of infrastructure may require a complex mix of funding streams. In the infrastructure schedules to the IDP, some initial work has been undertaken on:

- splitting funds between s.106 and CIL (this will help inform the CIL 123 Regulation List setting out what projects the Council intends to seek CIL funding to deliver);
- setting out some headline information about potential funding partners, and estimating some funding income headlines.

This information should clearly not be read as commitments by potential funding partners to make contributions and work in this area will continue evolve as infrastructure projects are worked up.

- 2.7 The sources of funding described in the Delivery Schedule will continue to evolve. Some of the sources indicated, such as the 'Single Local Growth Fund' are the subject of funding bids and are still to be analysed. Other funding sources are potential sources, but further work is required to establish whether this potential can be fulfilled. The table detailed below sets out a broad framework to potential infrastructure funding opportunities. It is not an exhaustive list of funding opportunities, but further information on this aspect of the IDP will be developed as part of programmed updates to the plan.

Table 1: Funding Opportunities

Public Sector Innovation	Central Government and Public Bodies
<p>Tax Increment Funding (TIF) - TIF involves re-investing a proportion of future business rates from an area back into infrastructure and related development.</p> <p>Multi-use public buildings and cross public sector working – practical examples could involve multi-purpose buildings say delivering council contact services, healthcare and social care services.</p> <p>Core Public Sector Funding – reshaping existing resources and budgets with public sector partners to deliver shared outcomes.</p> <p>Supplementary business rates – local authorities can place a supplement on the business rate and to retain the proceeds for investment in the economic development of an area.</p> <p>Prudential borrowing - A local authority can utilise powers under the Prudential Code to borrow to finance the infrastructure or development needs of a particular site.</p> <p>Joint ventures and public/ private delivery vehicles – partnership approaches to delivering infrastructure, services and projects</p>	<p>New Homes Bonus - The Government has committed to providing a 'bonus' for new homes by match funding the additional council tax raised for new homes and empty properties brought back into use, for a period of six years.</p> <p>Single Local Growth Fund - new 'single pot' of funding that the Local Enterprise Partnership (LEP) areas can effectively bid into on a competitive basis with other LEPs for economic priorities.</p> <p>Green Investment Bank - created by the UK Government, (and the sole Shareholder), to back green projects on commercial terms and mobilise other private sector capital.</p> <p>DfT funding through Local Transport Plan- DfT provides funding to local transport authorities in England to help them develop their local transport services and improve and maintain their infrastructure.</p> <p>Local Sustainable Transport Fund - local transport authorities can bid for funds to bring forward packages of sustainable travel measures.</p> <p>Sport England - provides services and funding to sport in England.</p> <p>Arts Council England - supports a range of activities across the arts, museums and</p>

	<p>libraries</p> <p>Infrastructure Partners and Government Departments – Highways England, Environment Agency, DEFRA, Education Funding Agency.</p>
<p>Grant Funding and Charities</p> <p>Big Lottery Fund - money goes to community groups and projects that improve health, education and the environment.</p> <p>Heritage Lottery Fund - supports projects across the UK aimed at helping people explore, enjoy and protect the heritage they care about.</p> <p>Charitable Organisations and Grant Funders – examples include Sustrans, various trusts and foundations.</p>	<p>Private Finance</p> <p>Crowdfunding – generally internet funded projects where money is raised by contributions from a large number of people.</p> <p>Private donations – including those sourced through fundraising campaigns.</p>

3 Infrastructure Delivery

Responsibility for Delivery

- 3.1 The responsibility for delivering infrastructure lies first and foremost with the infrastructure providers. These organisations need to adapt their provision to support a growing population. However, the approach is inevitably a complex one requiring input from a range of organisations, including the District Council (in providing housing and population growth data, in agreeing section 106 contributions, providing CIL monies etc.). This requires a careful partnership and project management approach involving providers, funders and developers. To support this, the Council will be developing a clear and transparent process for ensuring developer contributions (whether through Section 106 or CIL) reach the infrastructure providers and for holding the infrastructure providers to account for timely and effective delivery. As the Local Plan moves from the preparation phase to the delivery phase, so will the resources to ensure effective delivery.

Timely Delivery

- 3.2 It is important that the Council and its partners in infrastructure delivery, work together to increase the prospect that infrastructure will be provided in advance of,

or alongside, new housing rather than in the years following the occupancy of new housing. This is important to enable new communities to become established and integrated quickly and to ensure that the impacts of growth on the District's existing communities are minimised.

- 3.3** However, accessing sufficient funding in a timely way to deliver early infrastructure provision remains a significant challenge and there are significant elements of the planning and public finance systems which make this hard to do.

3.4 Progress to date

- 3.5 During the period 2013 - 2015, the Council has approved over 3,950 dwellings on sites proposed for allocation within the Publication Draft Local Plan. The vast majority of these have been in the areas to the south of Warwick and Leamington. Each of the applications have been accompanied by agreements to contribute significantly to infrastructure costs and in this way the implementation of the IDP is already in progress. For example, some of the contributions agreed include:
- Tach Brook Country Park: over £2 m plus the majority of the land required
 - Education: over £38 million
 - GP Surgeries: over £2.5 million
 - Transport (including buses): £17.7 million
 - Hospital: over £5.8 million
 - Indoor sports: over £3.m

Spatial Focus

- 3.6 The proposed allocations within the Publication Draft are focused across a number of different parts of the District. In preparing the Delivery Schedule, careful consideration has been given to the cumulative requirements of development across sites which are clustered within a particular area. This has enabled contributions to be focused on mitigating impacts within each area. Examples of this include:
- Transport: Studies have been undertaken to specifically explore the cumulative impacts on the transport system that the development sites in the area to the south of Warwick and Leamington will have. This has enabled contributions to be made towards the Europa Way corridor, the Banbury Road Corridor, the motorway and some town centre schemes, as well as sustainable modes of transport and bus provision.
 - A further study has looked at the cross boundary impacts of major development proposals intended in Stratford District. This work has apportioned some of the cost of improvements needed to the network in Warwick District to those developments in Stratford. Given the recent addition of allocations to the Local Plan south of Coventry similar discussions with Coventry City Council and Infrastructure providers for that area will also be necessary.
 - Education: a coordinated approach to the provision of education across the area to the south of Warwick and Leamington has been established including expansion to two secondary schools and provision of up to four new primary schools as well as the expansion of existing schools. This has formed the basis of education contributions from development across that area.

- Education: a coordinated approach to education in Kenilworth is being developed, including a new primary school, possible expansion of an existing primary school and extended secondary school and 6th Form provision.
- GP Services: NHS England has considered the impact of each development sites on GP services. This has given rise to a set of proposals to expand a number of targeted practices, at the same time as providing a new medical centre to the south of Warwick and Leamington. This work is currently being re-assessed by the CCG given that they are now the organisation that is responsible for GP services.

- 3.7 A spatial approach is particularly important for transport to show how different development sites and different modes of transport can be integrated in to a coordinated package for key transport corridors. This corridor approach is set out in Appendix A to the IDP. Like other aspects of the IDP, this is also work in progress, but it does show how different modes of transport can be coordinated to maximise the effectiveness of the whole the system and within specific areas. This will form the basis for further work on detailed design and delivery of transport schemes in the coming months and years.
- 3.8 It is intended that the County Council will provide further data and to enable the addition of a further 'corridor' in the highways appendix(A) that will embrace the necessary highway related matters emerging as a consequence of the additional development allocations south of Coventry.

Types of Infrastructure

- 3.9 Physical Infrastructure: Physical infrastructure describes the hard pieces of infrastructure that are needed for many activities that enable communities to function such as roads, pipes, wires and telecommunications infrastructure.
- 3.9.1 Transport makes up the most significant element of this in terms of costs. Transport infrastructure is predominantly delivered by Warwickshire County Council although other providers also have a role to play such as the Highways Agency, Network Rail, the District Council (in providing parking), Stagecoach and Sustrans. The County Council have played a leading role in researching and planning this element of the IDP and will continue to play a lead role in implementation.
- 3.9.2 A number of organisations (such as Severn Trent Water and National Grid) are involved with the provision of utilities. Much of this involves the on-site provision of pipes and wires, although investment is also required to in the wider network capacity.
- 3.9.3 Waste Disposal Infrastructure is provided by Warwickshire County Council and its partners, including investment in the local Household Waste and Recycling facility

- 3.10 Social Infrastructure: Social Infrastructure describes the infrastructure required to enable communities to establish and thrive. It covers a range of infrastructure that enriches our lives such as schools, libraries, community centres and sports facilities. It also covers infrastructure that enables us to live our lives safely such as emergency services.
- 3.10.1 Education forms the most significant element of social infrastructure in terms of cost. Warwickshire County Council has responsibility for ensuring sufficient educational places are available to meet the needs of the growing population. However, they are dependent on a range of providers, most notably an increasing number of Academy Schools for the actual delivery of services. The emerging Free School agenda could also impact on service delivery and involves close liaison between Warwickshire County Council and the Department for Education. The provision of education therefore requires a partnership approach between the County Council and the providers.
- 3.10.2 The structures to support the effective planning and provision of health infrastructure are complex. For hospital services, the predominant provider within the District is South Warwickshire Foundation Trust, which, amongst other things manages Warwick and Stratford Hospitals. They have developed an investment plan across the two hospitals to enable the growing population to be supported. GP Services are provided by a wide range of local practices. However, the planning for GP Services is now led by the Clinical Commissioning Group (CCG). Previously this work was the responsibility of NHS England (property services). Given this change in responsibility we are currently asking the CCG if they would like to take the opportunity to revise / refresh the data that has previously been submitted. It is hoped that we will have the definitive position on primary healthcare requirements shortly.
- 3.10.3 Indoor Sports is provided by the District Council, though often in partnership with other organisations such as schools. The District Council has undertaken some research in to the future needs of the area and the investment requirements of existing facilities. Based on this the Council has developed an Indoor Sports Strategy which forms the basis for this element of the IDP.
- 3.10.4 Libraries are provided by Warwickshire County Council and the contributions set out in the IDP reflect the need for investment in stock and equipment to support the growing population. Other cultural services are provided by range providers, including the District Council, the County Council and the voluntary sector. Only in Kenilworth are improved cultural facilities proposed.
- 3.10.5 Emergency Services are provided by Warwickshire County Council (fire), the Ambulance Service and Warwickshire Police. Only the Police service has indicated in detail a need for investment to support the growing population in the form of neighbourhood offices, improved custody facilities and equipment. However, we are aware that the Ambulance Trust is keen to work with Developers regarding the provision of Defibrillator's.

- 3.10.6 The provision of community centres works best where there is input from the community. At this stage therefore work has been undertaken to set aside land for community facilities, but until new communities become established, no work will be undertaken regarding the planning and structure of these facilities.
- 3.11 Green Infrastructure: Green Infrastructure describes the open spaces and natural environment that are needed to provide areas for biodiversity, recreation and quiet enjoyment. This includes country parks, urban parks, and playing pitches.
- 3.11.1 Country Parks can be provided by a range of organisations, depending on their role and format. The IDP proposes a new Country Park to the south of Warwick which the District Council is leading on.
- 3.11.2 Most urban parks and open spaces are managed by the District Council. For new developments, it is a requirement that open space is provided on site by the developers. These are then handed over to the District Council for ongoing management. In addition to these local open spaces, the District includes a number of significant parks – termed “District and Destination Parks” (such as Abbey Fields, St Nicholas Park and Jephson Gardens). Population growth places additional pressure on these parks, and so investment in these is included within the IDP
- 3.11.3 Playing Pitches are important for health and wellbeing. The District Council is the main providers of playing pitches, although a significant proportion are run directly by sports clubs. Sport England provide advice on the quantum of facilities needed and based on this the District Council has developed a Playing Pitches Strategy that will inform future iterations of the IDP.

4 The Delivery Schedule

- 4.1 The table set out in section 5 below is a part of the Delivery Schedule. The full delivery schedule is a large and complex spreadsheet that will be kept up to date as working document. This schedule will evolve overtime for a variety of reasons:
- As new Section 106 agreements are signed, the funding elements will be updated
 - As new evidence of need emerges (such as updated demographic data) the requirements and costs will be updated
 - As infrastructure schemes are refined and costs become more detailed, the costs will be revised
 - As local priorities change, the timing and grading of schemes may be revised
 - As time moves on and schemes are delivered, so new schemes required for the period towards the end of the Plan Period will come more in to focus.

Requirements for later in the Plan Period

- 4.2 It is important, to demonstrate the deliverability of the Local Plan, that the infrastructure requirements for the first 5 years can be funded and preferably the requirement for the 5 years beyond that as well. Although some of the schemes and

their costs need to be further refined and some of the alternative funding sources can only be assumptions at this stage, the IDP provides reasonable evidence that the Local Plan proposals can be supported by the provision of the infrastructure required up until 2025.

- 4.3** Beyond 2025, there are significant uncertainties about requirements costs and funding sources. For the period beyond 2025 things could change such as opportunities for alternative sources of funding; updated costs; the potential to review the CIL schedule if viability changes and, of course, the likelihood that the Local Plan will be reviewed before that date. In this context, although it is important to have an understanding of longer term infrastructure requirements, it is not possible or appropriate to pin down exact requirements, costs and funding sources for the whole plan period at this stage

.Appendix 1 – Other Issues/ Strategies related to the IDP

Multi Modal Transport Considerations

1. Pedestrians and cyclists. The District Council is aware of the WCC draft Cycleway Strategy that is currently emerging and will be keen to use this to guide the strategic improvements that it will prioritise for the cycling network across the District. The IDP currently picks –up many of the cycle route and pedestrian / footpath requirements through the Corridor approach (appendix A), examples of this are in the Europa Way corridor and the Kenilworth to Leamington corridor.
2. Bus Infrastructure (General), previous iterations of the IDP set out a requirement for monies to be utilised for bus services and infrastructure. Much of this finance was however 'double counting' as the detailed schemes for the corridors took account of bus infrastructure and service provision.
3. Park and ride at Asps – the previous version of the IDP set out a requirement for funding to provide a park and ride south of Warwick and Leamington. A facility is now intended to be provided by the developers at the Asps south of Warwick/ Leamington and the details a 500 space facility. The implementation / on – management programme for this is contained in an agreement that has been overseen/ agreed with Warwickshire County Council. It should be noted that a further park and ride facility is anticipated north of Leamington Spa. This is itemised in the Kenilworth to Warwick Corridor and a revised corridor plan will reflect the area of search for this facility which is now set –out in the modifications to the Local Plan.
4. Rail Infrastructure. This is an important element (particularly for Kenilworth) where there is a fully funded DfT programme for the implementation of a new railway station. This involves the delivery of a £11m project (NUCKLE 2) that the County Council are overseeing.

Other Issues

5. Utilities. The Council will be keen to ensure that the providers of gas, electricity and water and telecommunications (mains) services are kept abreast of the progress of the Plan and its delivery. It is anticipated that a dialogue with these providers will be ongoing throughout the plan period. Indications are that they will be able to cater for or plan arrangements in order to accommodate the additional housing and employment growth set –out in the plan.
6. Primary Healthcare. The Council continues to liaise with the CCG regarding the production of a definitive strategy for healthcare services in Warwick District. The Council has recently been informed that the CCG has completed a detailed audit of its current services and areas that will need further assistance as a consequence of new population growth. The Council is committed to working in

partnership with the CCG in order that this baseline analysis can be worked-up into a detailed schedule of requirements and a strategy that will inform the IDP going forwards. It is intended that this detailed information on necessary requirements and funding will be taken into account over the summer and available for the Local Plan examination.

5 Schedule of schemes, costs and sources of funding

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
	PHYSICAL INFRASTRUCTURE										
	Transport: Sustainable Travel Infrastructure (Non Corridor specific)										
T1	Smarter Choices	Implementation of a range of behavioural measures such as workplace travel plans, sustainable transport packages for new residents, travel awareness campaigns, public transport information, car clubs and car sharing and teleworking, home working and home shopping.	1	£1,000,000		£1,000,000		£1,000,000			*Travel pack monies agreed inS106 from Southern sites is £350,000 thus far.
	Transport Infrastructure: A452 Europa Way Corridor										
T2	Refer to appendix A that itemises the infrastructure components that are required for this corridor.	Major carriageway and junction improvements (including pedestrian and cycleway provision / connectivity).	1	£37,000,000 (excludes park and ride facility)		£17,500,000		£17,500,000 identified thus far from Section 106 Agreements		£3,000,000 potentially from strategic development proposals in Stratford District £14,000,000 SEP £9,000,000 S278	*Note- all factors within this Corridor to be subject to a WCC SEP bid for finance. In general some £17.5million has been agreed via S106 Agreements to date for highways improvements- this can be utilised for carriageway / cycling measures as deemed necessary. Balance anticipated from SEP, S278

	Infrastructure re Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
	Transport Infrastructure: A452 Leamington to Kenilworth Corridor										
T3	Refer to appendix A that itemises the infrastructure component s that are required for this corridor.	Includes carriageway and junction improvements as well as the provision of a park and ride facility and cycle route enhancements K2L Includes the cost of dualling the A452		£17,900,000	£6,000,000			£6,000,000		Highways England , RIS2 and future potential from S278	Will be highlighted through Highways England Road Investment Strategy 2 and subject in part to inclusion for finance through the Highways England Expressway Concept for the A46 through the RIS2 process
		North Leamington Park and ride		£1,500,000						developer funded	
	Transport Infrastructure: Warwick- Leamington-Lillington (via Emscote Road)										
T4	Refer to appendix A that itemises the infrastructure component s that are required for this corridor.	Includes carriageway improvements and junction improvements		£1,800,000	£1,000,000			£1,000,000		Emscote road works, Princes drive junction likely to be recipients of SEP bid finance	
	Transport Infrastructure: Leamington South (including Tachbrook Road)										
T5	Refer to appendix A that itemises the infrastructure component s that are required for this corridor.	Includes carriageway improvements and junction improvements		£1,500,000	£1,500,000			£1,500,000		£120,000 from strategic development proposals in Stratford District	*Note- all items within this Locality to be subject to a WCC SEP bid for finance.
	Transport Infrastructure: Warwick Town Centre to Heathcote via Gallows Hill										
T6	Refer to appendix A that itemises the infrastructure component s that	Includes carriageway improvements and junction improvements Specific road improvements – (two lanes to both Banbury Road and		£5,200,000		£5,200,000		£5,200,000		£180,000 from strategic development in Stratford District	

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
	are required for this corridor.	Gallows Hill).									
	Transport Infrastructure: Warwick Town Centre to Leamington (via Myton Road)										
T7	Refer to appendix A that itemises the infrastructure components that are required for this corridor.										Details in Europa Way and Warwick Town Centre to Heathcote via Gallows Hill corridors
	Transport Infrastructure: A429 Coventry Road, Warwick										
T8	Refer to appendix A that itemises the infrastructure components that are required for this corridor.	. Includes carriageway improvements and junction improvements.		£1,140,000	£1,140,000			£1,140,000			
	Transport Infrastructure: A425 Birmingham Road, Warwick										
T9	A46/A425/A4177 Birmingham Road 'Stanks Island'		1	£6,000,000	-	£300,000	-	-	£3,500,000 from SEP £2,600,000 from WCC Corporate Growth Fund		
	Transport Infrastructure: A429 Stratford Road, Warwick										
T10	Refer to appendix A that itemises the infrastructure components that										

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
	are required for this corridor.										
	Transport Infrastructure: Strategic corridor improvements										
T11	M40 Motorway Traffic Management and A46 Expressway Upgrade to improve linkages with M5 and M6	Provision of Smart Motorways between J14 and J15 of the M40	-	n/a						S106 contributions from strategic development in Stratford District	The Local Plan evidence base highlights that WDC Local Plan growth is not the trigger for major improvements to the strategic motorway network. These capacity concerns will have to be addressed before the end of the Plan period. The precise identification and costing of any improvements is yet to be determined and there is potential for any scheme(s) to be predominantly financed / delivered by HE/ DfT
	Transport Infrastructure: Kenilworth Improvements										
T12	Refer to appendix A that itemises the infrastructure components that are required for this corridor.			£1,000,000	£500,000	£500,000		£1,000,000			
T13											
	Transport Infrastructure: Sub-regional Employment Site										
T14	Transport Infrastructure Associated with Sub-regional employment site	The recently approved planning application at Whitely South incorporates the delivery of the infrastructure set out below. • New junction on A45 between Festival and Toll Bar islands including bridge over A45 to link									It should be noted that the South of Whitely application does not cover the total that is allocated in the Local Plan for employment purposes and further requirements (and consequently additional contributions may be sought / forthcoming).

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
		site with Jaguar Whitley Business Park (Coventry) <ul style="list-style-type: none"> • New access road within the site to link the two zones (east of Baginton and south of Middlesmarch Business Park). • New roads within the Jaguar Whitley Business Park (Coventry) • Improvements to capacity of Festival island (Coventry) and the A46/Stoneleigh Road junction • Enhancement to Stivichall bypass/London Road bypass junction • New roundabout at junction of Bubbenhall and Stoneleigh Roads. • New bus route with high quality infrastructure and frequent services between Coventry City Centre and site. • Extensive improvements to off-site footpaths and cycleway links. • Measures to restrict traffic from the site entering/exiting along Rowley Road/Bubbenhall Road. 									Details of the financial arrangements for this area are emerging and will be available before the Local Plan EIP. It is anticipated that many of the large scale infrastructure requirements will be funded from a Growth Bid submitted by JLR. A further package of funding directly attributable to the Whitley South planning application will also be available subject to the successful grant of the consent (currently being considered by the Secretary of State).)
T15	Transport Infrastructure: South of Coventry Area										Warwickshire County Council will be developing a proposals for this locality. It is anticipated that this work will be completed over the summer of 2016 (in advance of the Local Plan EIP).
	Details to be added to the transport appendix by WCC	A46/ Stoneleigh Road and Dalehouse Lane roundabout - Implementation of a scheme which utilises the existing bridge for the southern section of a new grade separated priority roundabout. Larger access junctions to the Kings Hill site via more significant junction arrangements. Widening to two lanes for majority	1	£20,000,000						£20,000,000 potential from Growth Deal 1 monies is likely to be targeted to this major junction improvement	

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
		of Stoneleigh Rd eastbound between Kings Hill Lane and Dalehouse Lane.									
	Transport Infrastructure Total			£94,040,000	£10,140,000	£24,500,000		£34,340,000	£6,100,000	£46,300,000	*Total transport finance from S106 thus far £17,500,000 – includes footpaths, highways / cycleways, travel packs and public buses.
	Telecommunications										Refer to appendix 1
	Utilities: Electric and Gas										Refer to appendix 1
	Utilities: Water and Sewage										Refer to Appendix 1
	Utilities: Waste										
W1	Household Waste and Recycling	Redesign of existing household recycling facilities to accommodate population increase.	2	£575,000	£460,000			£460,000	£115,000		
	Waste: Sub Total			£575,000	£460,000	£0		£460,000	£115,000		
	SOCIAL INFRASTRUCTURE										
	Education: Primary Schools								£39,000,000		*Note: Education contributions from S106 currently stand at £39,000,000 This is to be utilised for all types of school requirement.
E1a	New Primary Schools	Heathcote Primary School (1 x 2 form)	1	£3,500,000				£3,500,000	£3,500,000 Forward funded by WCC in advance of S106 receipts – school to be a free school		*Land secured through S106 – WCC implementation strategy underway. School to be opened Sept' 2017 Planning application submitted to WCC.

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
									academy run by the Community Academies Trust.		
E1b	New Primary Schools	Grove Farm Primary School (1 x 1 form)	1	£2,800,000		£2,800,000		£2,800,000		Expect this to be provided as part of the Free School initiative. Probable forward funding by the Education Funding Agency.	*Land secured / identified through S106 To be funded through S106 Note – Gallows Hill contribution of £1,694,000 to this primary school
E1c	New Primary Schools	Myton / West of Europa Way (1 x 2 form)	1	£3,850,000		£3,850,000		£3,850.000		Expect this to be provided as part of the Free School initiative. Probable forward funding by the Education Funding Agency. Assumed existing S106 contributions will cover this	*Location to be adjacent Myton School details being developed through master planning arrangements
E1d	New Primary Schools	Whitnash East / South Sydenham (1x 1 form)	1							Will be funded as a free	Likely location of a free school if required.

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
										school if required	
E1e	New Primary Schools	<p>Thickthorn school (1x1 form) - located either on Thickthorn allocation or alternative option at Glasshouse Lane (Southcrest Farm).</p> <p>The increased number of dwellings associated with further allocations in the Kenilworth area may also create the need to consider the possibility of delivering a new all through primary / secondary facility at Southcrest Farm. The expansion of an existing primary school in the Kenilworth area may also be given consideration.</p>	1	£2,775,000		£2,775,000		£2,775,000		<p>Expect this to be provided as part of the Free School initiative. Probable forward funding by the Education Funding Agency.</p> <p>Expansion of existing schools will need to be funded through Developer contributions</p>	<p>*Details being developed through developer negotiations</p> <p>Negotiations between current school operators and Warwickshire County Council Education remain to be finalised/ concluded (at May 2016)</p>
E1f	New primary Schools	<p>Kings Hill Allocation - (based on 2000 dwellings) 1x 2 form entries.</p> <p>Note: needs to have possible expansion capability to 3 form entry)</p>									<p>Details of requirements still being developed a co-ordinated approach with Coventry CC may yet identify a requirement for two schools (to be either centrally funded or by developer contributions) to cater for long term growth (beyond 2000 dwellings) Awaiting confirmation of agreed strategy (May 2016)</p>

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
E1g	Primary School places	North of Milverton									Delivery of 250 homes will not support the provision of a new school but will require the provision of additional school places somewhere within North Leamington. Planning will need to take account of the likely future total site size.
E1h	New Primary Schools (Asps)	Asps' obligation reserves land for a primary school, one form entry plus pre-school; 1.1 acres and primary school funding package.		£2,900,000		£2,900,000		£2,900,000		Any additional costs to be funded by the EFA.	Paid for by the Asps development S106
E2a	Expansion of existing schools (Whitnash)	Whitnash Primary School – 0.5 form entry additional capacity	1	£1,000,000		£1,000,000		£1,000,000			
E2b	Expansion of existing schools (Kenilworth)	A primary school in Kenilworth – 0.5 form entry additional capacity	1	£1,000,000		£1,000,000		£1,000,000			See above for Southcrest/overlapping section
E2c	Expansion of existing school (Barford)	Development of additional capacity at Barford Primary School	1	£500,000		£480,000		£480,000	£20,000		*Delivered in 2015 by funding provided by WCC. – Monies to be recovered from S106 contributions in due course.
	Expansion of existing school (Budbrooke)	Budbrooke to be expanded from 1.5 form entry to 2 form entry to cater for additional demand in respect of new allocations in the vicinity(Hampton Magna / Hatton Park)		£1,000,000		£1,000,000		£1,000,000			To be funded from section 106 monies
E3	Village schools	No additional requirement. The provision of additional capacity as set out in E1, E2 and E3, combined with displacing children out of priority area means that the									The need to maintain the viability of village schools is vital. Development in excess of Local Plan numbers will mean that it is no longer possible for WCC to provide

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
		proposals for new development in villages can be met at the following schools: <ul style="list-style-type: none"> • Bishops Tachbrook • Cubbington • Budbrooke • Lapworth • Radford Semele • Burton Green • All Saint's Leek Wootton 									local school places. Developers will be asked to contribute towards the cost of school places elsewhere as well as a contribution towards home to school transport costs.
	Primary Schools - Sub Total			£19,325,000		£19,305,000		£19,305,000	£20,000		
	Education: Secondary Schools										
	South of Warwick Sites (Overview)										Warwickshire County Council currently giving consideration to a strategy that may involve the following:- Expansion of capacity by additional building works at Champion School. In addition consideration is being given to the development of new provision (Possibly a Government funded free school) in the vicinity of the Myton campus / southern sites locality.(May2016). If necessary the expansion of Myton School will also be considered. It is noted that The Trinity School is keen to be involved in discussions around a secondary school solution for the District.
E4	South of Warwick:	Partially rebuilt Myton School on area of land which	1	To be quantified							*Additional Land secured through S106. Note Myton

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					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
	Southern Sites	overlaps with existing school site.									<p>expansion project (if required) to be funded by Section 106</p> <p>Note: Asps contribution is now relevant to this matter:- £3,100,000 contribution towards the cost of expanding existing secondary schools , Further £650,000 towards post 16 educational requirements.</p> <p>Note Gallows Hill to contribute £1,900,000 towards secondary school accommodation at or adjacent to Myton School. (Both of the above are included in the 'global' total of £39,000,000) detailed at the head of this section of the IDP.</p>
E5	Whitnash East	Expansion of Campion School	1	£8,150,000		£8,150,000		£8,150,000			
E6	Kenilworth	There is an aspiration for Kenilworth School to relocate both of the existing school sites on to one new site at Southcrest farm. Potential to co-locate primary school on this site The expanding number of dwellings associated with further allocations in the Kenilworth further creates the need to consider the possibility of delivering a new 'all through' primary / secondary facility at Southcrest Farm.	1	£38,200,000		£9,600,000		£9,600,000		Note: - A significant contribution may come from existing school site land sales.	<p>*Scheme being investigated – Development of an all through (11-18) Kenilworth School in place of the current split site Kenilworth School should not solely be funded by Developer contributions as the scheme is not the result of increased pupil numbers. The development of secondary provision in Kenilworth is part of a wider strategy that will encompass the Kings Hill allocation. The final solution will require</p>

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
											extensive discussions with Coventry City Council and is yet to be determined (May 2016).
E7	Kings Hill Allocation	As site proceeds to 4000 dwelling capacity (beyond plan period /2000 threshold) land should be reserved to cover the possibility of a new 'all-through' primary / secondary school and Special Educational needs facilities.		To be quantified							It is likely that a new secondary school will be required at Kings Hill. The format and pupil number requirements are yet to be determined (May 2016). This will ultimately form part of the overall educational strategy for South Coventry and Kenilworth. A new secondary school at Kings Hill is likely to be procured / delivered as a free school.
E8	North of Milverton / Blackdown / Stoneleigh Road allocations	Expansion of existing school provision, possibly North Leamington and / or The Trinity School		To be quantified							
E9	Other Sites	Accommodated in existing / expanded schools, this will require additional consideration regarding existing schools in relation to the Westwood Heath Allocation- capacity of schools in Coventry will be a particular consideration.	2	To be quantified	£2,500,000			£2,500,000			
	Secondary Schools Sub Total			£46,350,000	£2,500,000	£17,750,000		£20,250,000			
	Education(other) : 0-5 Provision										
E10	District-wide facilities	Contribution to improvement and expansion of existing facilities – details to be confirmed	2	£1,170,000	£1,170,000			£1,170,000	Asps contribution 408,600	Asps - Preschool facility on site plus	It is the aspiration of WCC that all new primary schools will have nursery provision on site.

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					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
										contribution of £408,600	This cannot be guaranteed however as the Free Schools agenda rolls out and WCC have less control.
	Education: Special Educational Needs Provision										
E11	District-wide facilities	Contribution to improvement and expansion of existing facilities – details to be confirmed	1	£1,340,000	£1,340,000			£1,340,000	Asps £168,300 towards SEN requirements		
	School Transport										
E12	Contribution to school transport			£1,870,000	£1,020,000	£850,000		£1,870,000			Requests in support of home to school transport costs will be made if excessive development takes place within villages and local school places cannot be provided e.g. Radford Semele
	Education Other : Sub Total			£4,380,000	£3,530,000	£850,000		£4,380,000	£576,900		
	EDUCATION TOTAL			£70,055,000	£6,030,000	£37,905,000		£43,935,000	£596,900		

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					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
	Health: Acute and Community Health Services		The Health Trust proposes to meet infrastructure requirements through development projects, including new wards, inpatient facilities, outpatient clinic suites, associated diagnostic and intervention facilities and support service infrastructure at the Trust’s hospital sites. Note £977,000 to go to acute healthcare from the Asps Gallows Hill will deliver £476,550 for acute healthcare provision Note above figures are incorporated in the overall WDC S106 total								
											*Total agreed S106 (thus far) for hospital provision - £5,800,000
H1	Warwick Hospital	First ward block at the Warwick Hospital site – the main provider of acute hospital services.	1	£12,000,000		£4,000,000		£4,000,000	£4,000,000 SDC	£4,000,000 NHS	*Delivered but forward funded – money recouped from WDC/SDC developer contributions. £6,000,000 overall available from S106 agreements in Warwick District thus far £977,000 to go to acute healthcare from the Asps Gallows Hill will deliver £476,550 for acute healthcare provision Note above figures are incorporated in the overall WDC S106 total
H2	Warwick Hospital	Additional outpatient, diagnostic, treatment and in-patient facilities, including hubs for community health care teams at Warwick and	2	£12,000,000	£2,000,000	£2,000,000		£4,000,000	£4,000,000 SDC	£4,000,000 NHS	Section 106 costs from WDC/SDC

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					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
		Stratford Hospitals - it is recognised that the first New Ward Block and Stratford Hospital projects will not fully meet the healthcare demand associated with the new population growth projections and we will require additional infrastructure to deliver future acute and community healthcare requirements on a sustainable basis									
H3	Stratford Hospital	A new hospital at our Stratford Hospital site including outpatient, diagnostic, treatment and inpatient facilities and a hub for community healthcare teams. (Target completion for Phase 1 by Autumn 2015). This is integral to enabling additional capacity at Warwick Hospital		£40,000,000	£8,500,000			£8,500,000	£8,500,000 SDC	£23,000,000 NHS	Development underway – anticipated completion 2017 S106 apportionment to be shared with Stratford District Council
	Health – Hospital Sub Total			£64,000,000	£10,500,000	£6,000,000		£16,500,000	£16,500,000	£31,000,000	
	Health: GP Services										*Total currently achieved through S106 £2,650,000 Note CCG currently being asked to 'refresh' list of requirements if necessary
H4	Warwick: Southern Sites	A new 5 GP medical centre to be provided land at Myton/ West of Europa Way	1	£2,900,000		£2,900,000		£2,900,000			*Site being identified through detailed through detailed planning negotiations. Funds committed/ to be made available through S106 agreements.

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					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
H5	Warwick Gates medical centre	Expansion / additional works to improve existing medical centre		£115,000		£115,000		£115,000			Note £113,000 of S106 finance will fund these additional works to the existing surgery at Warwick Gates
H6	Kenilworth	Expanded medical facilities to meet the needs of additional development.	1	£140,000		£126,000		£126,000	£14,000		
H7	Whitnash / Sydenham / Radford Semele	Expansion of existing medical centre - potentially Croft Medical Centre	1	£95,000		£73,000		£73,000	£22,000		
H8	Lillington / Cubbington	Extension to Cubbington Road Surgery	1	£40,000		£40,000		£40,000			
H9	Urban Sites	Combining of existing practices		£400,000	£360,000			£360,000	£40,000		
											It should be noted that due to a change in responsibilities in the health sector the District Council is currently discussing a review of primary healthcare requirements with the CCG. Necessary requirements may involve a combination of initiatives involving collaborative working between groups of surgeries to provide more effective services to the public as well as new ways of delivering services including greater use of IT. This may be combined with necessary physical enhancements to existing GP surgeries (where necessary / possible). Confirmation of the CCG's

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					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
											preferred / precise strategy is envisaged before the Local Plan Examination.
	Health - GP Sub Total			£3,690,000	£360,000	£3,254,000		£3,614,000	£76,000		
	HEALTH TOTAL			£67,690,000	£10,860,000	£9,254,000		£20,114,000	£16,576,000	£31,000,000	
	Indoor Sports Facilities: Sports Halls and Swimming Pools										*£3,100,000 identified in Southern sites S106's
ISF 1	Improvements to sports hall and swimming pools	Refurbishment and expansion of swimming pools, sports halls and gym facilities in Kenilworth, Leamington and Warwick. This is required partly as a result of population growth: <ul style="list-style-type: none"> a deficit of 6.5 badminton courts in total by 2022 swimming pools will be full. Therefore there is a need to modernise, increase the capacity of the swimming pools (plus 35sq m pool area) and improve the changing and circulation areas to improve the quality of the swimming pools. Indoor fitness stations need enhancing / additional 61-138 stations)		£24,000,000 (Total) Phase1 (Newbold Comyn and St Nicholas centres)- £12,000,000 Phase 2 – (Abbey Fields / Castle Farm) £12,000,000		£500,000			£2,000,000 Sport England £9,500,000 WDC		
	Indoor Sports: Sub Total			£24,000,000	£2,600,000	£2,600,000		£5,200,000	£11,500,000		
	Cultural Facilities: Library Services										*£175,202 identified in Southern sites s106's
CU1	Contributions to Library Service	IT and stock purchases to support growth in population.	2	£155,000		£155,000		£155,000			Awaiting updated requirement as a consequence of Local Plan mods

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					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
	Cultural Facilities: Arts and Culture										
CU2	Kenilworth Public Service Centre and Community Theatre	Provide new public service centre along with a community theatre in line with the proposals consulted on for the Kenilworth Town Plan		£5,200,000	£4,200,000			£4,200,000		£1,000,000 assumed from sale of current Talisman theatre site	
	CULTURAL FACILITIES TOTAL			£5,355,000	£4,200,000	£155,000		£4,355,000		£1,000,000	
	Emergency Services										*£950,000 identified in Southern sites S106's for police infrastructure
ES1	Police: Custody Suite	12 additional cells needed	2	£505,000	£505,000			£505,000			
ES 2a	Police: Safer Neighbourhood Team Police Office	Additional offices at Europa Way	1	£450,000		£450,000		£450,000			
ES 2b	Police: Safer Neighbourhood Team Police Office	Additional office at Lower Heathcote Farm		£450,000		£450,000		£450,000			
ES 2c	Police: Safer Neighbourhood Team Police Office	Additional office at Thickthorn		£450,000		£450,000		£450,000			
ES2 d	Police: Safer Neighbourhood Team Police Office at the Asps	Additional office at Asps plus £188,000 for fitting out etc to be delivered by developers (agreed in legal obligations)							Additional office at Asps plus fitting out met in Asps obligation.		
ES3	Other police equipment and costs	A range of other "CIL Compliant" costs including vehicles, communications	2	£500,000	£500,000			£500,000			

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					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
		technology and surveillance equipment, training, uniform and personal equipment									
ES4	Ambulance Service	The service has undertaken a recent premises review. They have no further premises requirements during the Plan Period	N/A	£0							The Ambulance Trust is keen to work with Developers to support the provision of defibrillators.
ES5	Leamington Fire Service Delivery Point	New facility to the south of Warwick/Leamington to provide a staffed facility to meet the changing demands of the Fire and Rescue Service.	1	£2,000,000				£0			*Note: assumed not to be funded by developer contributions
ES6	Kenilworth Fire Service Delivery Point	New facility in accessible location (potentially close to Thickthorn roundabout) to meet the changing demands of the Fire and Rescue Service..	1	£2,000,000				£0			*Note: assumed not to be funded by developer contributions
				£6,355,000	£1,005,000	£1,350,000		£2,355,000			
	Community Facilities										
CF1	Warwick: Southern Sites Community Centre	New Community Centre, including 1 year start-up costs	1	£1,210,000	£960,000			£960,000	£250,000		
CF1	South of Harbury Lane Community Centre	New Community Centre, including 1 year start-up costs	2	£1,210,000	£1,210,000			£1,210,000			
CF2	Kenilworth: Thickthorn Community Centre	New Community Centre, including 1 year start-up costs	1	£1,210,000		£1,210,000		£1,210,000			
	Village Infrastructure										

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V1	Village Infrastructure	The proposed housing allocations for the growth villages will require (over and above any educational requirements) associated infrastructure investments. For example this could include facilities for teenagers; sport and recreation facilities; improved community halls; allotments; nursery provision; local road improvements etc.									
				£3,630,000	£2,170,000	£1,210,000		£3,380,000	£250,000		
	GREEN INFRASTRUCTURE										
	Country parks and Strategic Green Infrastructure										
GI1	Tach Brook Country Park	62.5 hectare Country Park to north side of Tach Brook providing a separation and recreational space between Bishops Tachbrook and proposed new development to the south of Harbury Lane. Include pedestrian and cycle access, links to wider countryside, and ecological areas. Costs include maintenance and management for 13 years.	1	£2,300,000		£2,300,000		£2,300,000			*£2,046,720 identified in Southern sites S106's- the majority of the land required. Plus land requirement Negotiations regarding Severn Trent land underway.
GI2	Kenilworth / Crackley Country Park	Country Park to the north of Kenilworth. Mitigation for HS2 proposals. Potential to link with future any proposals for University of Warwick. Include	2	£2,800,000	£2,800,000			£2,800,000			Delivery of this may be subject to prioritisation of available CIL resources later in the plan period.

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					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
		pedestrian and cycle access, links to wider countryside, and ecological areas. Costs include maintenance and management for 13 years									
GI3	Arden Landscape Enhancement	Enhancements to Hay Wood, hedgerows, enhancement of historic parkland at Wroxall Abbey, improved access, new wetland and heathland habitats. Costs include maintenance and management for 13 years	2	£2,670,000	£2,670,000			£2,670,000			Delivery of this may be subject to prioritisation of available CIL resources later in the plan period
	Whitely South	Provision of a country park									
GI4	River Leam Tree Planting	New tree planting opportunities, enhancement of river environment, improved access. Will assist with flood alleviation. Costs include maintenance and management for 13 years	2	£4,630,000	£4,630,000			£4,630,000			Delivery of this may be subject to prioritisation of available CIL resources later in the plan period
GI5	Biodiversity Maintenance			To be quantified							Delivery of this may be subject to prioritisation of available CIL resources later in the plan period
	Green Infrastructure Total			£12,400,000	£10,100,000	£2,300,000		£12,400,000			
	Open Spaces		A fuller assessment of the financial implications / requirements for open spaces will be forthcoming (June/July 2016) and will also embrace the additional housing / consequence of the modifications to the Local Plan. The PPM (preventative plan maintenance) study will inform a review/ refresh of the financial implications for open spaces.								

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
GI6	Improvements to Destination and District scale parks	Improvements to the District parks which have a key strategic role in the provision of open space in the District. This includes footpath improvements	1	£3,170,000	£3,170,000			£3,170,000			*£730,994 set out in Southern sites S106's thus far
GI7	Neighbourhood and Local Green Spaces	Provision of new open space, play areas, allotments and other local green infrastructure (and enhancements of existing) in line with the Green Space Supplementary Planning Guidance. To be specified in planning applications	1	£2,000,000		£2,000,000		£2,000,000			*Being specified in planning applications - £140,000 for play equipment in Southern sites S106'S thus far
GI8	Open Space Maintenance	Maintenance agreements to cover costs for 13 years.	1								*Normally calculated at point the open space is adopted using formula x 13 years
GI9	Footpath connections	Enhance links in to countryside from new developments and beyond. To be specified in planning applications		£150,000	£83,000	£67,000		£150,000			Public rights of way enhancement at the Asps
	OPEN SPACES TOTAL			£5,320,000	£3,253,000	£2,067,000		£5,320,000			
	Playing Pitches		<p>It is intended that reviews of the Sports Pitches Strategy will take place throughout the Local Plan period (involving representatives of the National Governing Bodies of the main sports). This will review and refresh this data set. A review is intended/ programmed in advance of the Local Plan Examination.</p>								<p>*£408,000 set out in Southern sites S106's for outdoor sports facilities thus far</p> <p>Asps:- 3 new sports pitches to be provided on site</p> <p>£25,650 to come from Gallows Hill for outdoor playing facilities pitches (resurfacing St Nicholas Park artificial pitch).</p>

	Infrastructure Type / Project	Project Detail	Scheme Grading	Total Cost New Estimate	Estimate of Funding Type			Total CIL / s.106 / s.278	Estimate of Other Funding		Update/Amendments Since September 2015
					CIL	s.106	s.278		Other Committed Funding	Other Potential Funding	
GI 10	Football Pitches	Requirement for 5 additional full size pitches and 4 mini pitches across the District		£1,590,000	£1,200,000	£390,000		£1,590,000			
GI 11	Cricket Pitches	Expansion of club infrastructure to increase adult cricket by 5 teams and 9 additional junior teams		£725,000	£650,000	£75,000		£725,000			
GI 12	Rugby Pitches	Expansion of club infrastructure to accommodate additional adult team, 3 additional junior teams and 3 additional midi team		£870,000	£750,000	£120,000		£870,000			
GI 13	Hockey Pitches	Additional demand for hockey by 5 teams, which could be accommodated on existing stock. However, the stock of artificial grass pitches will need renewing during the plan period.		£600,000	£540,000	£60,000		£600,000			
	Playing Pitches Sub Total			£3,785,000	£3,140,000	£645,000		£3,785,000			
	Monitoring Fees										
M1	S106 and CIL Monitoring	Resource to manage and monitor Section.106 and CIL for 10 years		£750,000		£750,000		£750,000			*£261,000 in Southern sites S106's thus far
	Monitoring - Sub Heading			£750,000		£750,000		£750,000			
	TOTAL			£293,955,000	£53,958,000	£82,736,000		£136,694,000	£35,137,900	£78,300,000	

Appendix A: Transport Corridor Strategies

Warwick District Local Plan – Transport Proposals in Key Corridors

Introduction

The aim of this report is to bring together the findings from the Warwick District Strategic Transport Assessment and the work carried out by Atkins to develop an 'alternative approach' to transport in response to existing transport issues within the area and Local Plan growth proposals.

The structure of the report is focused on key travel corridors in Warwick and Leamington Spa. These corridors have been identified as the main corridors of movement in the towns and include journeys to/from the town centres and to/from the key employment and education locations. Proposals for Kenilworth are also set out.

The proposals are set out below for each of the main corridors/areas:

1. A452 Europa Way 'Sustainable Spine' Corridor
2. A452 Corridor (Leamington to Kenilworth)
3. Warwick - Leamington – Lillington (via Emscote Road)
4. Leamington South (including Tachbrook Road)
5. Warwick Town Centre to Heathcote via Gallows Hill
6. Warwick Town Centre to Leamington (via Myton Road)
7. A429 Coventry Road, Warwick
8. A425 Birmingham Road, Warwick
9. A429 Stratford Road, Warwick
10. Strategic Corridor Improvements
11. Kenilworth Improvements

Further feasibility and investigation will be carried out to determine the exact form of proposals. However all schemes identified are within land owned by WCC or developer owned land and are generally accepted mitigation strategies for transport.

1. A452 Europa Way 'Sustainable Spine' Corridor

The A452 Europa Way corridor is the key route from the M40 into Leamington Spa and Warwick and serves as a gateway to both towns. The proposed development sites located to the east and west of Europa Way will create a demand for the route to be used for local access to the town centre as well as a need to access employment and retail opportunities to the east of Europa Way.

The transport improvements proposed along the corridor will enable this key gateway to be transformed into a 'sustainable spine', improving opportunities to access Leamington Spa and Warwick by sustainable modes. Key elements include:

- increased highway capacity along the route from the M40 J14 to Europa Way / Myton Road roundabout offering the opportunity for dedicated bus lanes and for the investigation of High Occupancy Vehicle (HOV) lanes to be introduced along this route;
- a Park & Ride site at the southern end of the route in the vicinity of the A452 Heathcote roundabout. This would serve both Leamington and Warwick town centres using a combination of existing and enhanced bus services funded from the new development in this area. The intention is for the Leamington service to route via the distributor road of the new development, with bus priority measures provided on route to the town centre (via Leamington rail station);
- a segregated cycle route along Europa Way with a number of access points into the new housing development site to the west of Europa Way and to the Shires Retail Park and employment areas to the east of Europa Way (Tachbrook Business Park, Queensway Trading Estate and Heathcote Industrial Estate);
- an internal and external network of pedestrian and cycle routes from the south Leamington development sites, improving connectivity from the site to Leamington and Warwick town centres and improving east–west cycle links across south Leamington and Warwick at crossing points along Europa Way (including a new pedestrian/cycle bridge linking the proposed Myton Garden development and existing National Cycle Network with the Shires Retail Park and improved onward cycle connections to Warwick Gates via Tachbrook Park Drive).

Further details of the transport proposals are included in Table 1 below. A plan with an overview of the proposals is included in Figure 1. Park and Ride proposals and cycle proposals in the corridor are included in Figures 2a, 2b and 3 respectively.

Table 1. A452 Europa Way 'Sustainable Spine' Corridor proposals

Junction / highway modifications	Walking and Cycle improvements
<ol style="list-style-type: none"> Europa Way from the M40 J14 to Europa Way / Myton Road roundabout – dualling (with scope to introduce dedicated bus lanes and investigation of use for High Occupancy Vehicle lanes) A452 Greys Mallory Roundabout – signalisation A452 Heathcote Roundabout - additional widening of approaches and signalisation of at least four of the five entry arms A452 Shires Retail Park Roundabout – signalisation of roundabout and introduction of a new link across the centre of the junction to increase the capacity of the north-south movement (including bus priority) A452 Europa Way/Myton Road Roundabout - signalised junction with all entry approaches widened (includes queue detector loops for buses) 	<ol style="list-style-type: none"> Segregated cycle route along Europa Way with a number of access points into the new housing development site to the west of Europa Way and to the Shires Retail Park and employment areas to east of Europa Way (Tachbrook Business Park, Queensway Trading Estate and Heathcote Industrial Estate). An internal and external network of pedestrian and cycle routes from the south Leamington development sites. External links to the following will be required: <ul style="list-style-type: none"> The schools on Myton Road; Warwick Town Centre; Warwick Technology Park; The employment areas to the east of Europa Way (Tachbrook Business Park, Queensway Trading Estate and Heathcote Industrial Estate); Shires Retail Park; Ford Foundry site (Morrisons); Leamington Spa Town Centre; Leamington Spa Rail Station; and Warwick Gates and Whitnash. <p>Where possible, these links should maximise use of the existing pedestrian/cycle network, in particular the facilities on Myton Road, Old Warwick Road, Queensway the Grand Union Canal towpath and the Banbury Road/Heathcote Lane/Gallows Hill route which serves Warwick Technology Park and Warwick Gates</p>
Park & Ride / Bus priority	Behavioural change measures
<ol style="list-style-type: none"> Southern Park & Ride facility in the vicinity of A452 Heathcote roundabout serving Leamington Spa and Warwick Bus priority measures to support the proposed southern Park and Ride facility towards Leamington Spa: <ul style="list-style-type: none"> Bus lane on Europa Way dualled section from junction with Harbury Lane to Shires Retail Park Roundabout; Bus loop detectors at the exit of the Park and Ride site onto Europa Way; Bus lane northbound along the Europa Way as far as the junction of Gallows Hill/Heathcote Lane; Bus priority along Gallows Hill at the junction of the Myton Gardens development site distributor road (to facilitate right and straight on bus movements); Bus lane on the exit from the Land west of Europa Way development site northbound, with a bus gate to provide access onto the A452 Europa Way. Bus loop detectors for the reciprocal movement from the A452 Europa Way south into the Land west of Europa Way development; Bus lane northbound around the western edge of the Shires Retail Park roundabout, with corresponding southbound bus lane provided as part of the hamburger design through the centre of the roundabout; Bus detector loops on each approach to the main access to the Ford Foundry development (Morrisons); Queue detector loops on all approaches to the proposed Old Warwick Road/ Lower Avenue/Spencer Street/Bath Street gyratory system; and Bus detector loops on the approaches to all three main junctions on the Parade (Regent Street, Warwick Street and Clarendon Avenue) 	<ol style="list-style-type: none"> In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel. <p>Examples of such measures include:</p> <ul style="list-style-type: none"> Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); Sustainable Travel Packs for new residents; Personalised travel planning; Travel awareness campaigns; Public transport information and marketing; Car clubs; Car sharing schemes; and Teleworking, teleconferencing and home shopping.

Figure 1. Overview of Transport Proposals for A452 Europa Way 'Sustainable Spine' Corridor

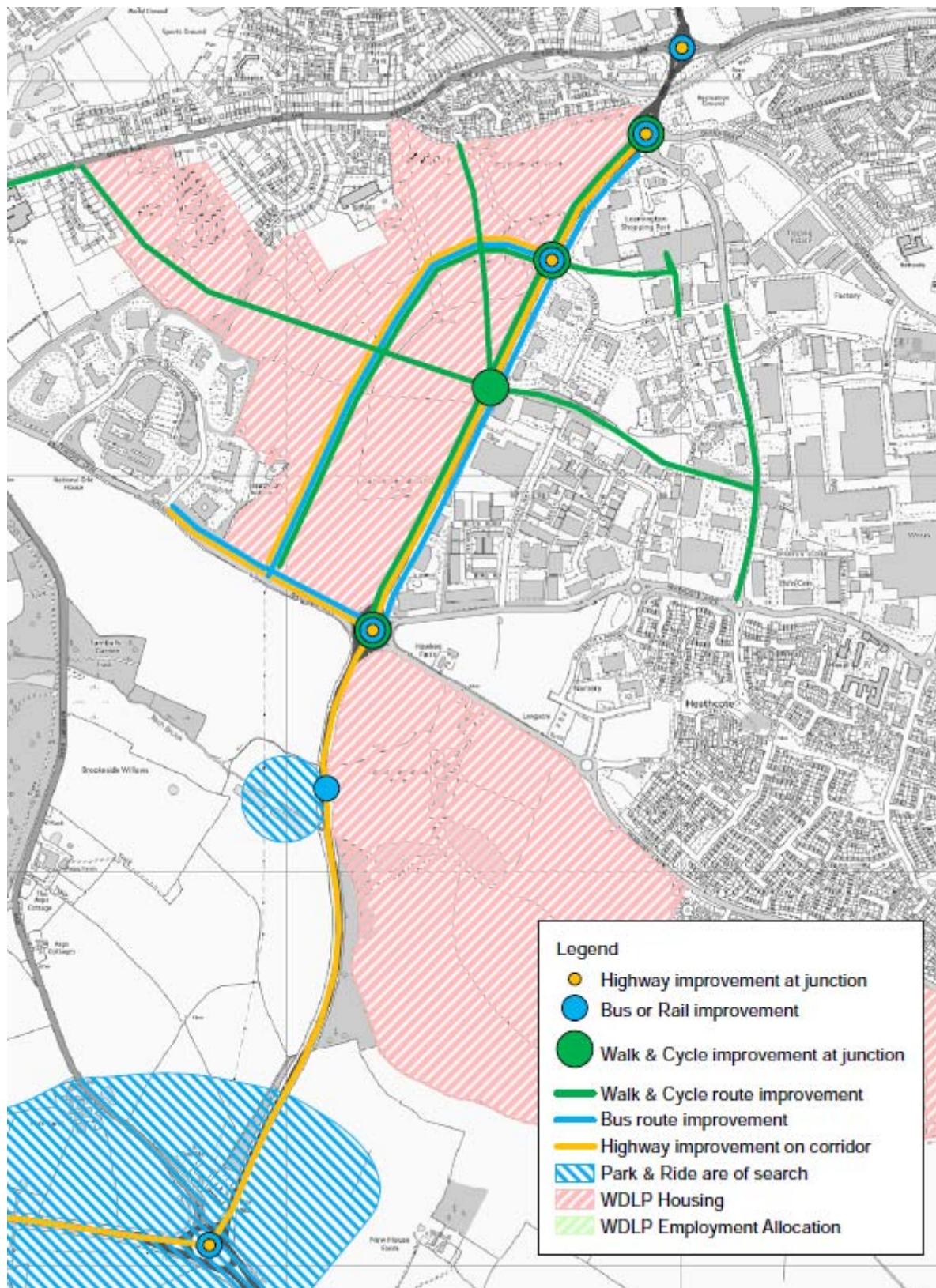


Figure 2a. Southern Park and Ride proposed route

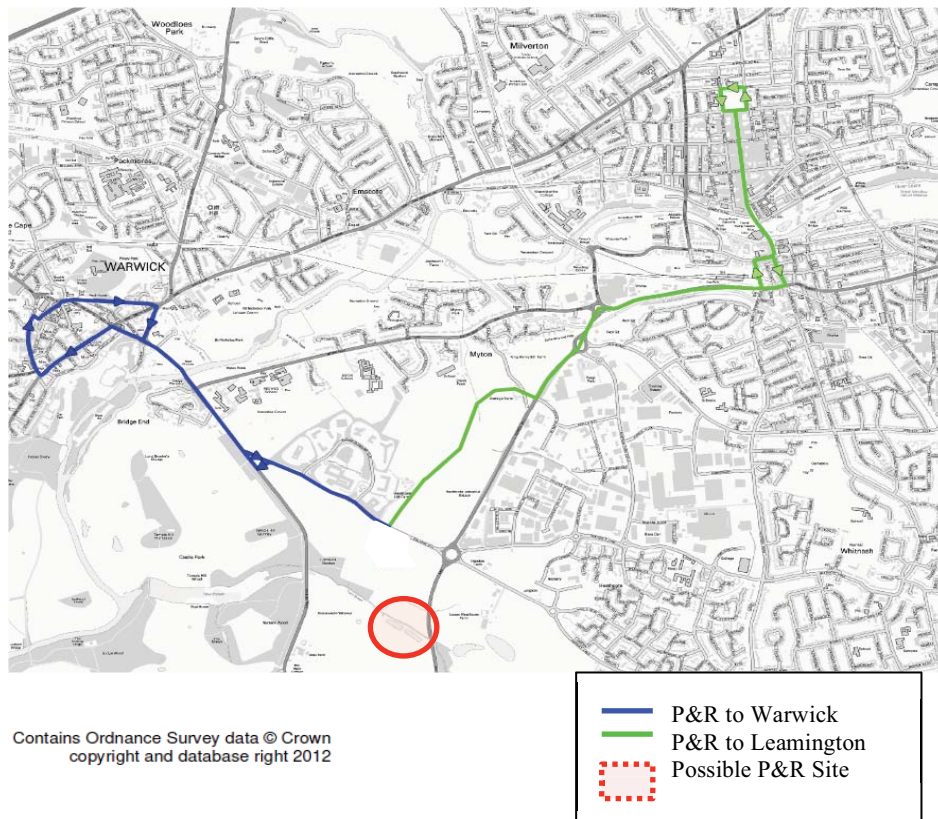


Figure 2b. Park and Ride Proposed Network Interventions

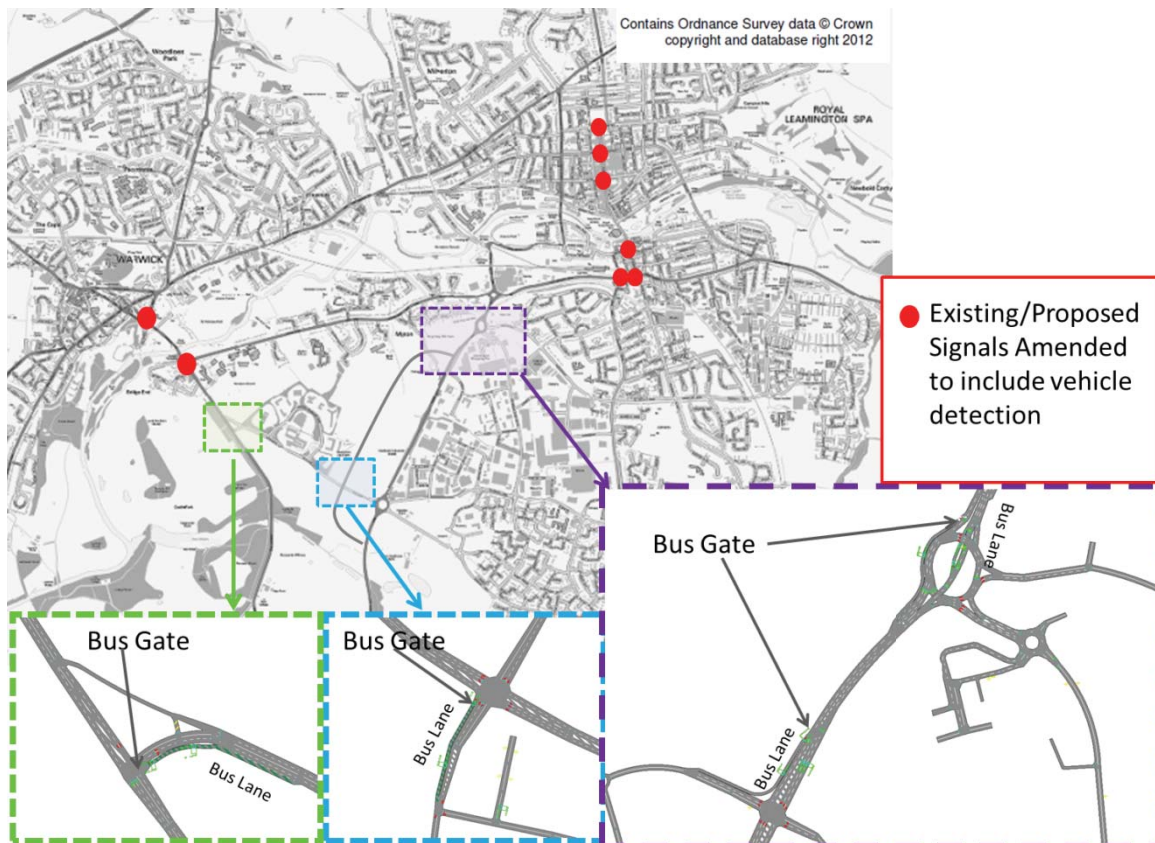
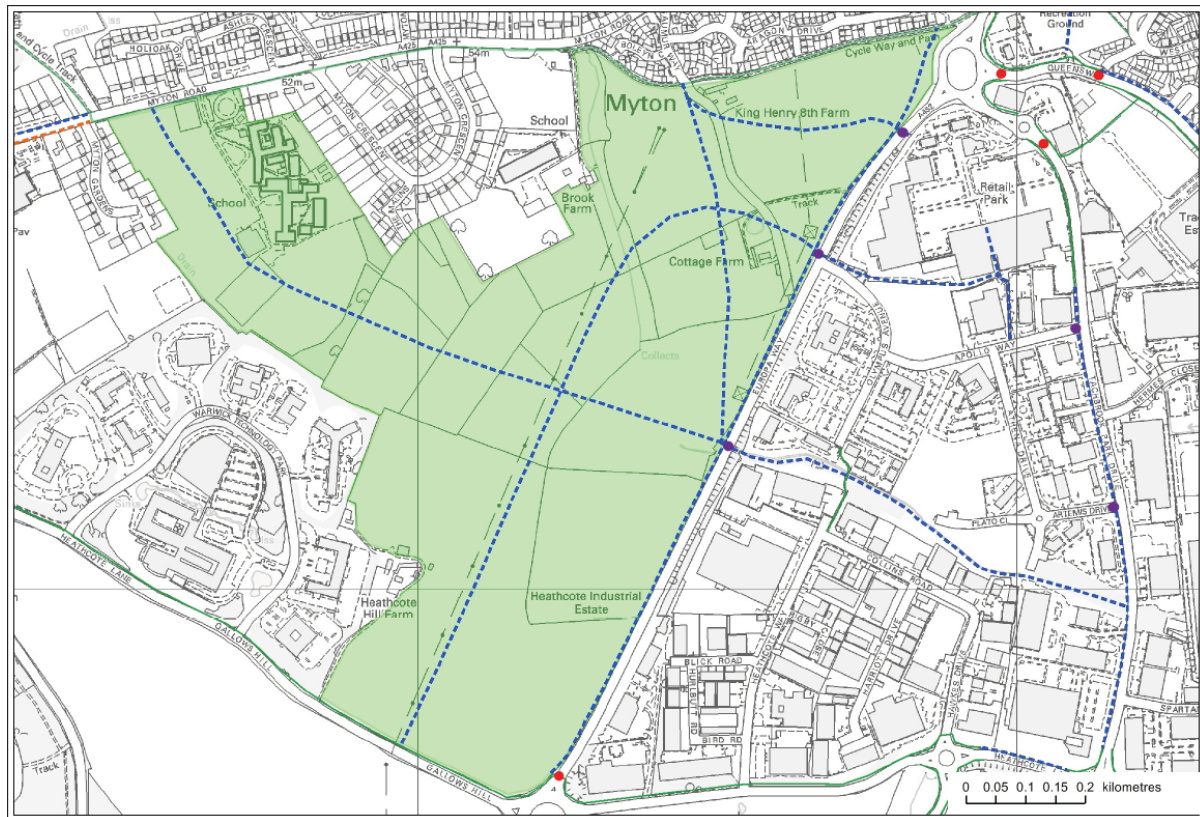








Figure 3. Cycle network (existing and proposed) for A452 Europa Way 'Sustainable Spine' Corridor



Key

-  existing on-road
-  existing off-road
-  proposed on-road
-  proposed off-road
-  existing toucan crossing
-  proposed toucan crossing / bridge
-  Myton Gardens development area

2. A452 Corridor (Leamington to Kenilworth)

The A452 corridor to the north of Leamington is a key route from the A46 into Leamington Spa and Kenilworth, and serves as an important gateway to both towns. It also provides the only direct highway link between Kenilworth and Leamington Spa. As such, the corridor carries significant volumes of traffic throughout the day and particularly at peak times. Even with growth focussed to the south of Warwick/Leamington Spa, it is predicted that the A452 corridor north of Leamington will come under further pressure as a result of growth.

The transport improvements proposed along the corridor will substantially improve the sustainable transport options for travel along this corridor. Key elements include:

- a northern Park and Ride facility between the A46/A452 Thickthorn roundabout and the A452/B4113 Blackdown roundabout. It is anticipated that the facility would be served by some or all of the existing regular bus services which currently use this corridor, thus delivering a highly attractive frequency of service for users. This would be accompanied by bus priority measures along the route, particularly at key pinch points.
- a continuous cycle link between Kenilworth and Leamington (K2L) and provision of local onward connections.
- a new railway station is due to open in Kenilworth town centre in December 2016. This will provide regular half hourly direct rail services between Kenilworth and Leamington Spa.

Table 2. A452 Corridor (Leamington to Kenilworth) proposals

Junction / highway modifications	Walking and Cycle improvements
<ol style="list-style-type: none"> 1. A452 Blackdown Roundabout - four arm signalised cross-roads. 2. A452 Bericote Roundabout - signalised roundabout, with the A452 southbound to Bericote Road eastbound movement separated out from the junction at an early stage (although the point at which the A452 meets Bericote Road is also signal controlled). 3. A452 Thickthorn Roundabout – signalisation of four entry arms onto the junction. The carriageway either side of the bridges has been widened to 3 lanes with 2 lanes retained on the bridges. Recommended that the site access for the Thickthorn development is removed from the A452/A46 junction and repositioned to the North-West of the junction on the A452 Leamington Road between Thickthorn and St Johns. Dual carriageway links between the A46 Thickthorn grade separated signalised roundabout and Bericote signalised roundabout. 4. St Johns Gyratory, Kenilworth - Proposals for this junction are in line with earlier proposals i.e. signalisation of the four entry arms onto the junction. Additional engineering will be required to ensure that the existing development which is located in the centre of the gyratory can be accessed satisfactorily. 	<p>K2L cycle route between Kenilworth and Leamington Spa. This will include cycle routes at the following junctions:</p> <ol style="list-style-type: none"> 1. A452 Blackdown Roundabout - Provision of Toucan crossing over B4113 2. A452 Bericote Roundabout - Provision of Toucan crossing over Bericote Road to contribute towards development of proposed A452 Kenilworth to Leamington Spa cycle route 3. A452 Thickthorn Roundabout - Provision of Toucan crossings over slip roads 4. St Johns Gyratory, Kenilworth – cycle facilities incorporated into this scheme
Park & Ride / Bus priority / Rail	Behavioural change measures
<ol style="list-style-type: none"> 1. Park & Ride between the A46/A452 Thickthorn roundabout and the A452/B4113 Blackdown roundabout. Facility served by some or all of the existing bus services which currently use this corridor, thus delivering a highly attractive frequency of service for users. This would be accompanied by bus priority measures along the route, particularly at key pinch points. 2. New rail station at Kenilworth with direct services between Kenilworth and Leamington Spa. 	<ol style="list-style-type: none"> 1. In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel. <p>Examples of such measures include:</p> <ul style="list-style-type: none"> • Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); • Sustainable Travel Packs for new residents; • Personalised travel planning; • Travel awareness campaigns; • Public transport information and marketing; • Car clubs; • Car sharing schemes; and • Teleworking, teleconferencing and home shopping.

Figure 4. Overview of Transport Proposals for A452 (Leamington to Kenilworth) Corridor

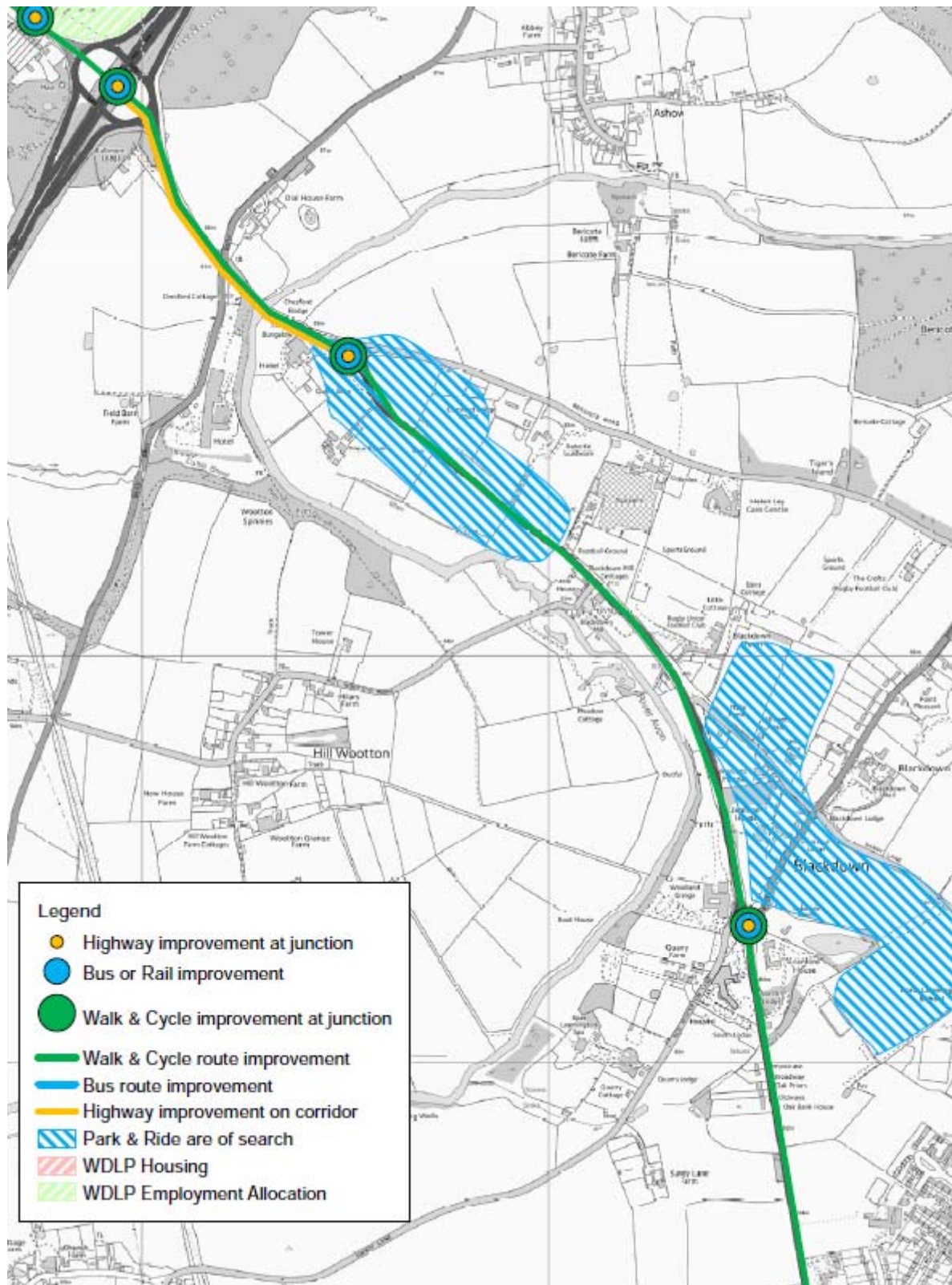
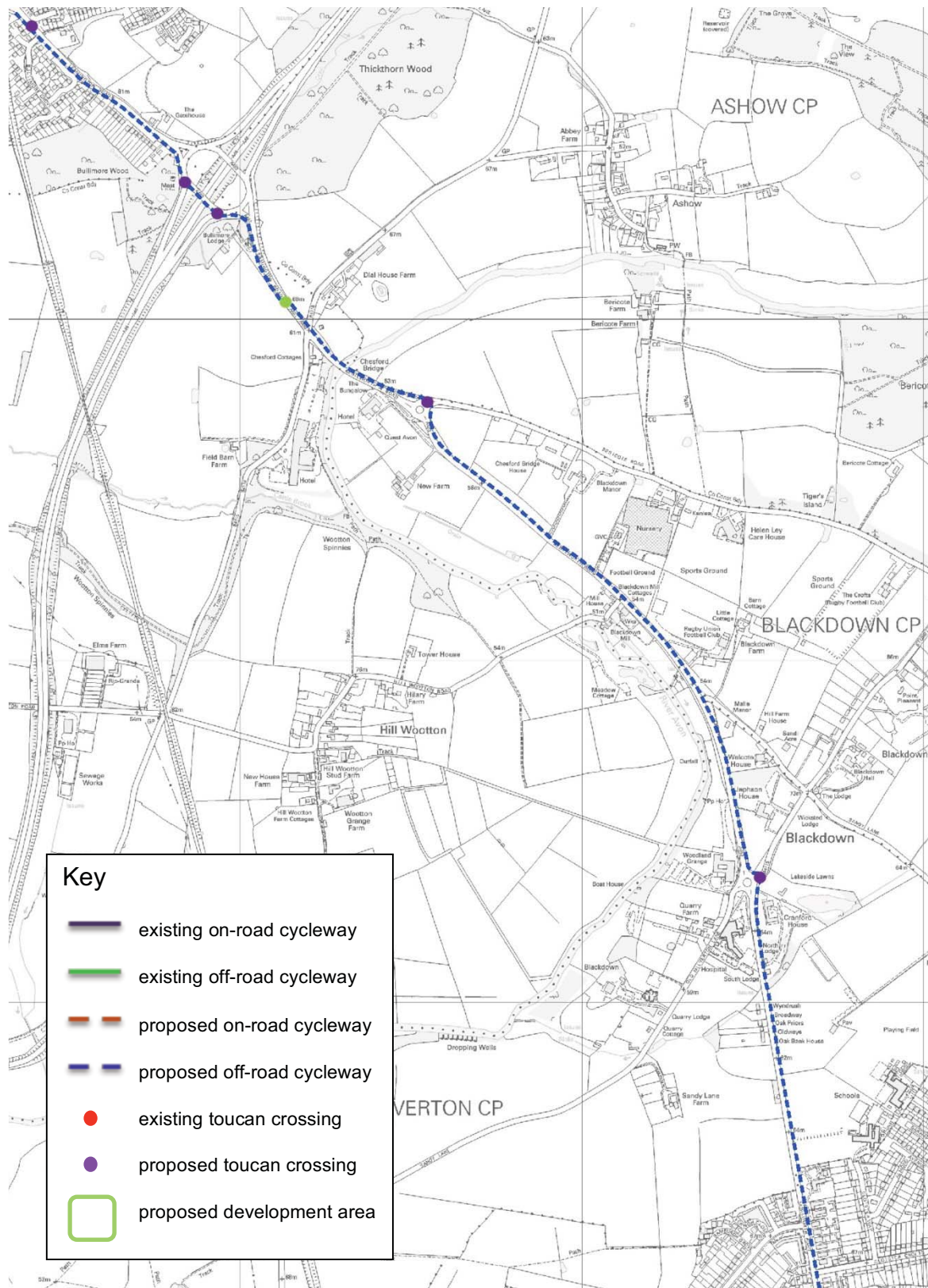


Figure 5. Cycle network (existing and proposed) for A452 (Leamington to Kenilworth) Corridor



3. Warwick - Leamington – Lillington (via Emscote Road)

The corridor between Warwick and Leamington Spa via A445 Emscote Road provides one of two direct links between the two towns (the other being A425 Myton Road). As well as demand for travel along the route to access the destinations in the towns at either end, the corridor is also a destination in itself with a combination of residential, commercial and education uses.

The transport improvements proposed along the corridor will substantially improve the sustainable transport options for travel along this corridor. Key elements include:

- Continuation of cycle provision to improve connections between Leamington and Warwick via Emscote Road
- Provision of bus priority measures along the route will be investigated, particularly at key pinch points
- highway and junction improvements, including widening of Portobello Bridge and signalisation of Princes Drive /Warwick New Road roundabout and Emscote Road/Greville Road junction

Table 3. Warwick – Leamington – Lillington (via Emscote Road)

Junction / highway modifications	Walking and Cycle improvements
<ol style="list-style-type: none"> 1. Princes Drive / B4099 Warwick New Road - reconfiguration of the mini-roundabout to a signalised 3 arm priority junction. 2. A445 Rugby Road / B4099 Warwick New Road – signal upgrade, including improvements for cyclists 3. A445 Portobello Bridge – bridge replacement/widening 4. A445 Emscote Road/Greville Road - signalisation of the junction. From the south the entry has been widened and marked out as 3 lanes. A right turn filter into Bridge Street is provided whilst two lanes can travel NB across the junction and merge back into one lane just west of the bridge. Bridge Street and Greville Road are signalised and Bridge Street is vehicle actuated. From the north there are two lanes in both directions between the junction and the bridge, one lane facilitates the movement of traffic straight across the junction whilst the other acts as an extended right turn lane from Emscote Road to Greville Road. Towards the back of this lane a queue detector has been included to prevent right turning traffic from blocking back onto the bridge. 5. A445 Emscote Road / Tesco junction – investigate improvement of bus / cycle provision at the junction 	<ol style="list-style-type: none"> 1. Princes Drive/B4099 Warwick New Road - Replacement of the existing mini-roundabout with a signal controlled junction will improve safety for cyclists. Cycle facilities (Advanced Stop Lines) will be incorporated into the scheme as appropriate and to contribute towards the development of the proposed Warwick – Leamington cycle route (via Emscote Rd / Warwick New Rd) and connection to the existing cycle facilities on Princes Drive south 2. A445 Rugby Road / B4099 Warwick New Road – signal upgrade, including improvements for cyclists 3. A445 Portobello Bridge – bridge replacement/widening incorporating on-carriageway cycle lanes in both directions and facilities for pedestrians 4. A445 Emscote Road / Greville Road - signalisation of this junction will improve safety for cyclists. The scheme will incorporate cycling facilities (Advanced Stop Lines) as appropriate and contribute towards the development of the proposed Warwick to Leamington cycle route (via Emscote Road / Warwick New Road). Pedestrian crossing facilities will be provided as part of the scheme. 5. A445 Emscote Road / Tesco junction – investigate improvement of bus / cycle provision at the junction (including access lane to cycle ASL) 6. St Nicholas Park / Myton Road / Myton Gardens / Europa Way – improved link from Emscote Road to south of Leamington via existing St Nicholas Park / Myton Road off-road cycle route with new onward connections to Shires Retail Park, Heathcote Industrial Estate and Warwick Gates via the new Myton Gardens development 7. Warwick Station Link – improved link between A445 Emscote Road and Warwick station via Broad Street, Guy's Cliffe Terrace and rear of Woodcote Road
Park & Ride / Bus priority	Behavioural change measures
<ol style="list-style-type: none"> 1. Investigate provision of bus priority measures along the route, particularly at key pinch points 	<ol style="list-style-type: none"> 1. In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel. <p>Examples of such measures include:</p> <ul style="list-style-type: none"> • Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); • Sustainable Travel Packs for new residents; • Personalised travel planning; • Travel awareness campaigns; • Public transport information and marketing; • Car clubs; • Car sharing schemes; and • Teleworking, teleconferencing and home shopping.

Figure 6. Overview of Transport Proposals for Warwick – Leamington – Lillington (via Emscote Road) Corridor

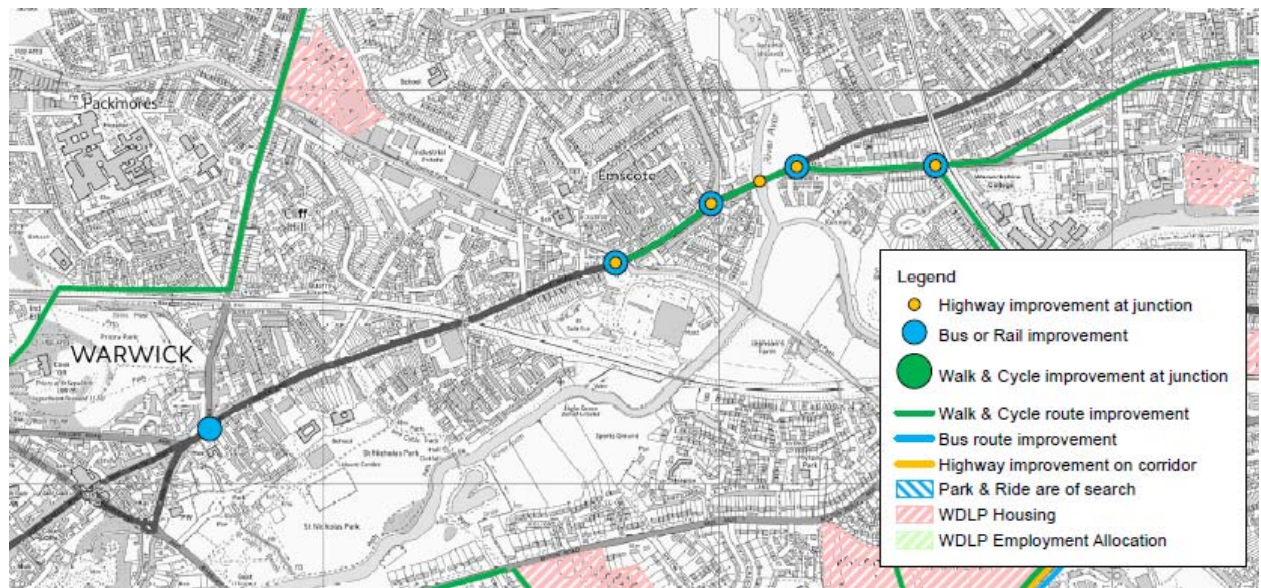
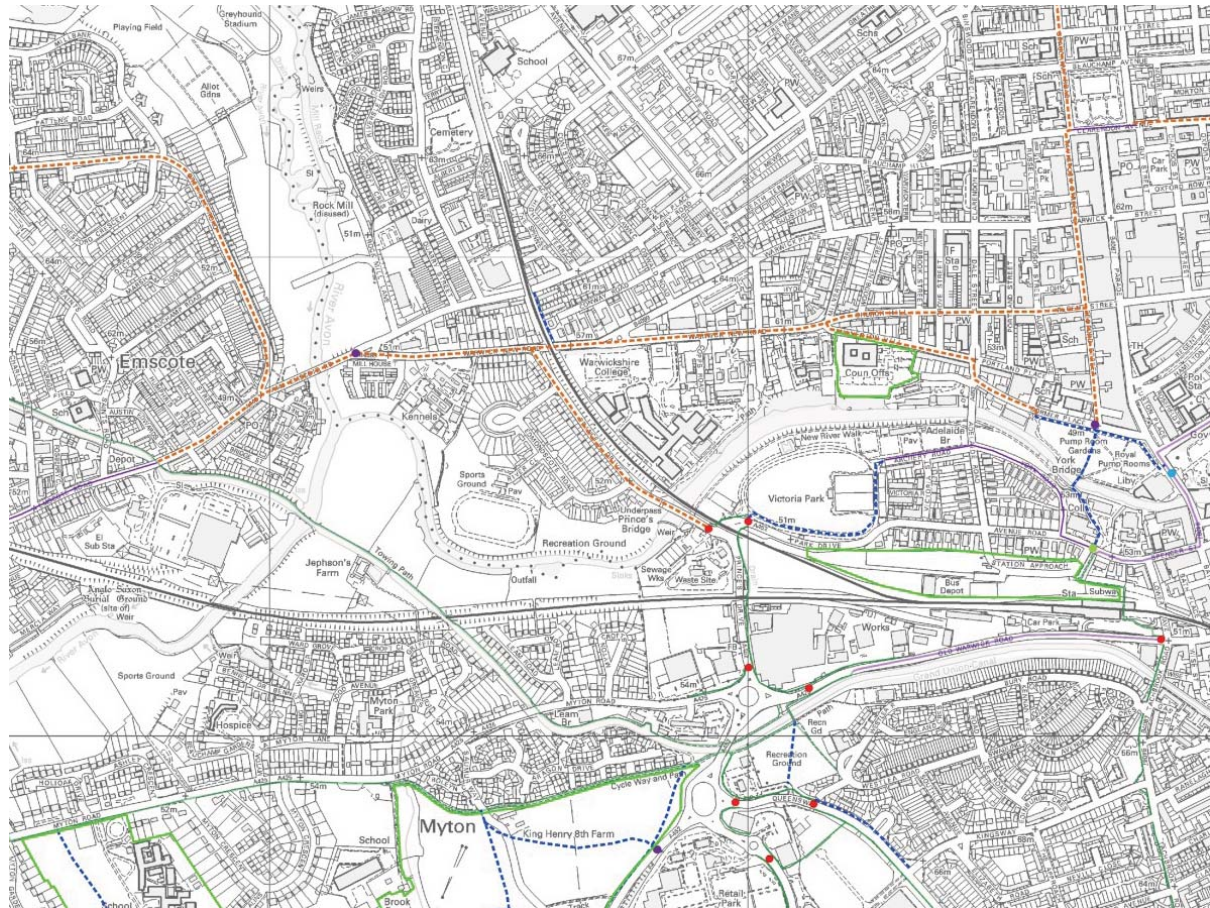









Figure 7. Cycle network (existing and proposed) for Warwick-Leamington-Lillington (via Emscote Road) Corridor



Key

-  existing on-road cycleway
-  existing off-road cycleway
-  proposed on-road cycleway
-  proposed off-road cycleway
-  existing toucan crossing
-  proposed toucan crossing
-  proposed development area

4. Leamington South (including Tachbrook Road)

Access to Leamington town centre from the Old Town area provides an important gateway from the south of the town. The route provides direct access to Leamington rail station as well as the commercial and retail facilities in this part of the town. The area around the railway bridge on High Street/Old Warwick Road is a designated Air Quality Management Area.

In the opposite direction, the corridor links the town centre and Old Town with numerous residential and commercial areas located adjacent to the Tachbrook Road. The Royal Leamington Spa Rehabilitation medical facility is also located on Heathcote Lane just off Tachbrook Road.

Table 4. Leamington South (including Tachbrook Road)

Junction / highway modifications	Walking and Cycle improvements
<ol style="list-style-type: none"> B4087 Bath Street/Spencer Street/High Street/Lower Avenue – introduction of a one-way gyratory along Lower Avenue /Spencer Street and Bath Street with restricted movement along Old Warwick Road for eastbound traffic. Introduction of signal control on at least three of the four entry points and inclusion of vehicle detection loops. A452 Adelaide Road/Avenue Road – provision of a signalised junction to replace the existing mini-roundabout A452 Adelaide Road/Dormer Place – provision of a signalised junction to replace the existing priority junction B4087 Tachbrook Road / Heathcote Lane - provision of a toucan / cycle facility on Tachbrook Road at junction with Heathcote Lane 	<ol style="list-style-type: none"> B4087 Bath Street/Spencer Street/High Street/Lower Avenue – Opportunity to reallocate road space to pedestrians and cyclists, particularly on Bath Street and High Street. The delivery of improved cycle access to the town centre from Tachbrook Road / Clemens Street will be sought. The opportunity to widen the footway / cycleway adjacent to the Toucan crossing on the south-west corner of Old Warwick Road / Tachbrook Road junction will also be sought A452 Adelaide Road/Avenue Road – Replacement of the mini-roundabout with signal controlled junction will improve safety for cyclists. Cycle facilities (Advance Stop Lines) will be incorporated into the scheme as appropriate. A452 Adelaide Road/Dormer Place – Provision of a signalised junction will improve safety for cyclists. Cycle facilities (Advanced Stop Lines) will be included in the scheme as appropriate. Opportunities to deliver improved east-west links for cyclists (Milverton Hill – Portland Place East / Dormer Place) will be sought as part of this scheme. B4087 Tachbrook Road / Heathcote Lane – provision of a toucan / cycle facility on Tachbrook Road at junction with Heathcote Lane
Park & Ride / Bus priority	Behavioural change measures
<ol style="list-style-type: none"> B4087 Bath Street/Spencer Street/High Street/Lower Avenue - Queue detector loops on all approaches to the proposed Old Warwick Road/ Lower Avenue/Spencer Street/Bath Street gyratory system A452 Adelaide Road/Avenue Road – provision of queue detector loops at signalised junction A452 Adelaide Road/Dormer Place – provision of queue detector loops at signalised junction 	<p>In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel.</p> <p>Examples of such measures include:</p> <ul style="list-style-type: none"> • Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); • Sustainable Travel Packs for new residents; • Personalised travel planning; • Travel awareness campaigns; • Public transport information and marketing; • Car clubs; • Car sharing schemes; and • Teleworking, teleconferencing and home shopping.

Figure 8. Overview of Transport Proposals for Leamington South (including Tachbrook Road Corridor)

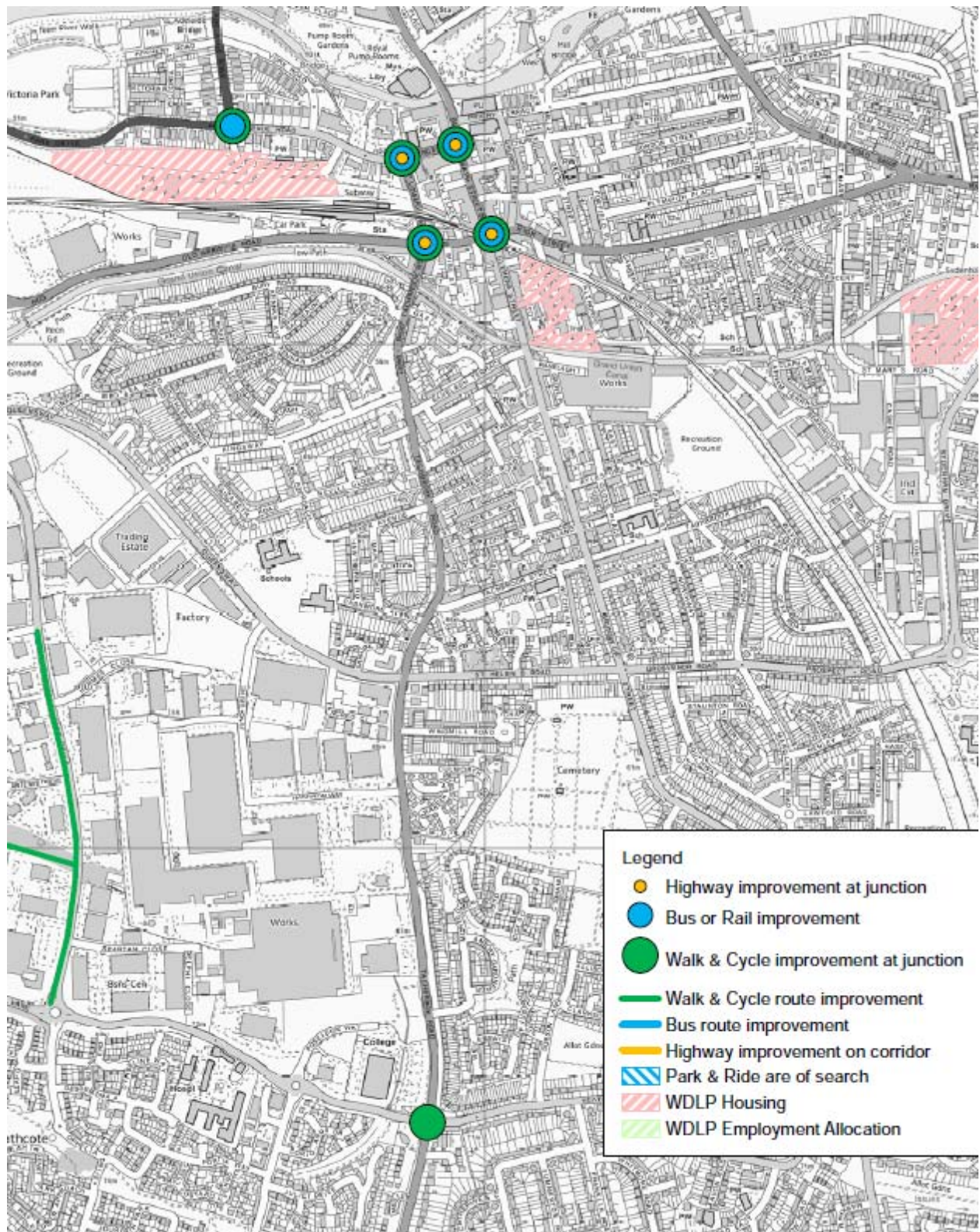
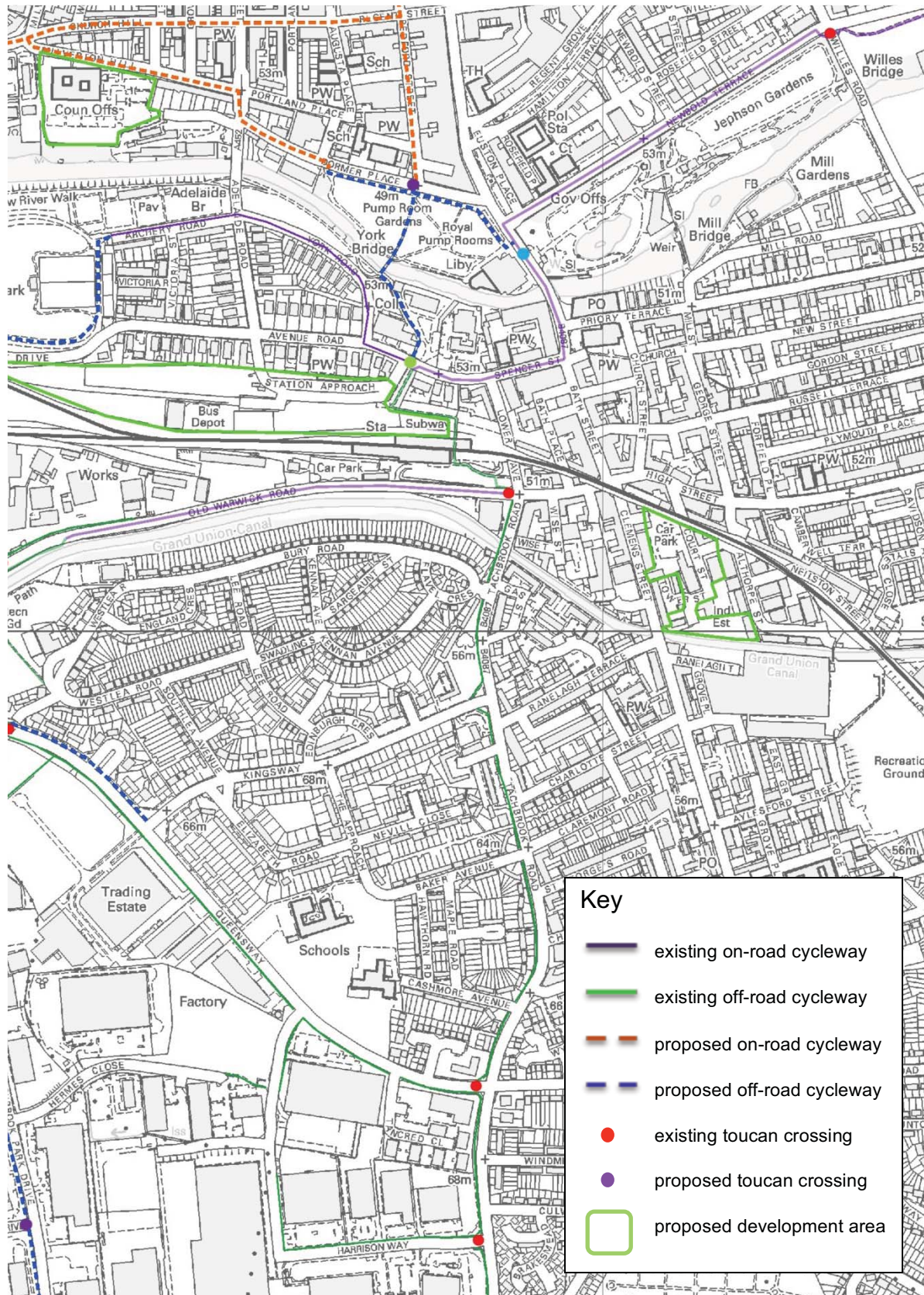


Figure 9. Cycle network (existing and proposed) for Leamington South (including Tachbrook Road) Corridor



5. Warwick Town Centre to Heathcote via Gallows Hill

The east-west corridor route from South Leamington into Warwick via C43 Harbury Lane and Gallows Hill/Heathcote Lane provides access to Warwick town centre as well as a number of key education, employment and residential areas on route, including:

- Warwick Gates residential area
- Heathcote Industrial Estate
- Warwick Technology Park
- Warwick School
- Myton School

The route carries significant volumes of traffic throughout the day and particularly at peak times. Growth to the south of Warwick/Leamington Spa will put the corridor under further pressure. The transport improvements proposed along the corridor will substantially improve the sustainable transport options for travel along this corridor. Key elements include:

- a Park & Ride facility in the vicinity of the A452 Heathcote roundabout. This would serve Warwick town centre (and Leamington Spa town centre) via Gallows Hill/Heathcote Lane using a combination of existing and enhanced bus services funded from the new development in this area. The possibility of Drop & Ride provision for Warwick School and Park & Stride provision for access to nearby employment sites (Warwick Technology Park and Heathcote Industrial Estate) will be investigated.
- highway improvements along Gallows Hill/Heathcote Lane and at the A425 Banbury Road / Myton Road roundabout offer the opportunity for dedicated bus lanes and bus priority measures to be introduced. An investigation into the provision of a High Occupancy Vehicle (HOV) lane on the approach to Warwick Tech Park will also be carried out.
- further improvements to cycle provision. The construction of a shared use off-road cycle link from Myton Road / Banbury Road roundabout to Heathcote has already improved conditions for cyclists along this section of the route, including toucan crossing facilities at the Gallows Hill / A452 Europa Way roundabout. Opportunities will be investigated to extend cycle provision along the route, including connections with Warwick town centre, the Myton Gardens development and an extension along Heathcote Lane to connect to Tachbrook Road.

Table 5. Warwick Town Centre to Heathcote via Gallows Hill

Junction / Highway modifications	Walking and Cycle improvements
<ol style="list-style-type: none"> A425 Banbury Road / Myton Road roundabout – signalised junction. Northbound, two lanes have been introduced from the Gallows Hill/Heathcote Lane junction which merges into the right turn into Warwick School, a single lane is then in operation until approximately 100m south of the junction with Myton Road. Gallows Hill/Warwick Tech Park – dualled section along the section from Myton Gardens distributor road to south of Tech Park entrance (with scope to introduce bus lane and/or investigation of use for High Occupancy Vehicle lane). New roundabout at Western Entrance to Tech Park to improve accessibility to the site and reduce the propensity for vehicles waiting to turn into the Tech Park to exacerbate queuing and delay levels along the Gallows Hill corridor. Priory Rd to St Nicolas Church Street - movement has been restricted. 	<ol style="list-style-type: none"> A425 Banbury Road / Myton Road roundabout – Replacement of roundabout with signal controlled junction will improve safety for cyclists. Cycle facilities (Advanced Stop Lines) will be incorporated into scheme and the need to facilitate cycle access to / from existing Banbury Road / Myton Road cycle routes will be considered in the development of the design. Onward connections to the town centre will be investigated, including introduction of 20mph speed limit to aid on-carriageway cycling and improve conditions for pedestrians. Extension of cycle provision along Heathcote Lane to connect to Tachbrook Road.
Park & Ride / Bus priority	Behavioural change measures
<ol style="list-style-type: none"> Southern Park & Ride facility in the vicinity of A452 Heathcote roundabout serving Leamington Spa and Warwick Bus priority measures to support the proposed southern Park and Ride facility towards Warwick town centre: <ul style="list-style-type: none"> Bus loop detectors at the exit of the Park and Ride site onto Europa Way; Bus lane northbound along the Europa Way as far as the junction of Gallows Hill/Heathcote Lane; Bus priority along Gallows Hill at the junction of the Myton Gardens development site distributor road (to facilitate right and straight on bus movements); Bus loop detectors on all approaches to the Banbury Road/Myton Road junction; <p>Opportunities for bus priority in Warwick town centre will be explored in due course as part of the development of a traffic management scheme.</p>	<p>In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel.</p> <p>Examples of such measures include:</p> <ul style="list-style-type: none"> Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); Sustainable Travel Packs for new residents; Personalised travel planning; Travel awareness campaigns; Public transport information and marketing; Car clubs; Car sharing schemes; and Teleworking, teleconferencing and home shopping.

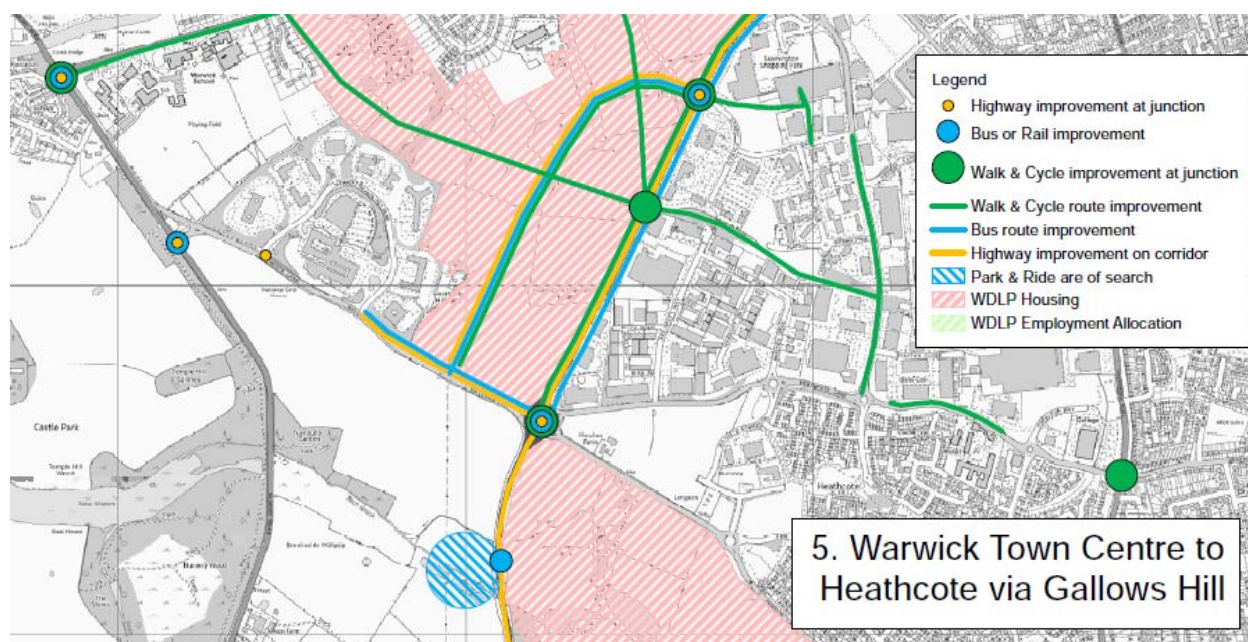
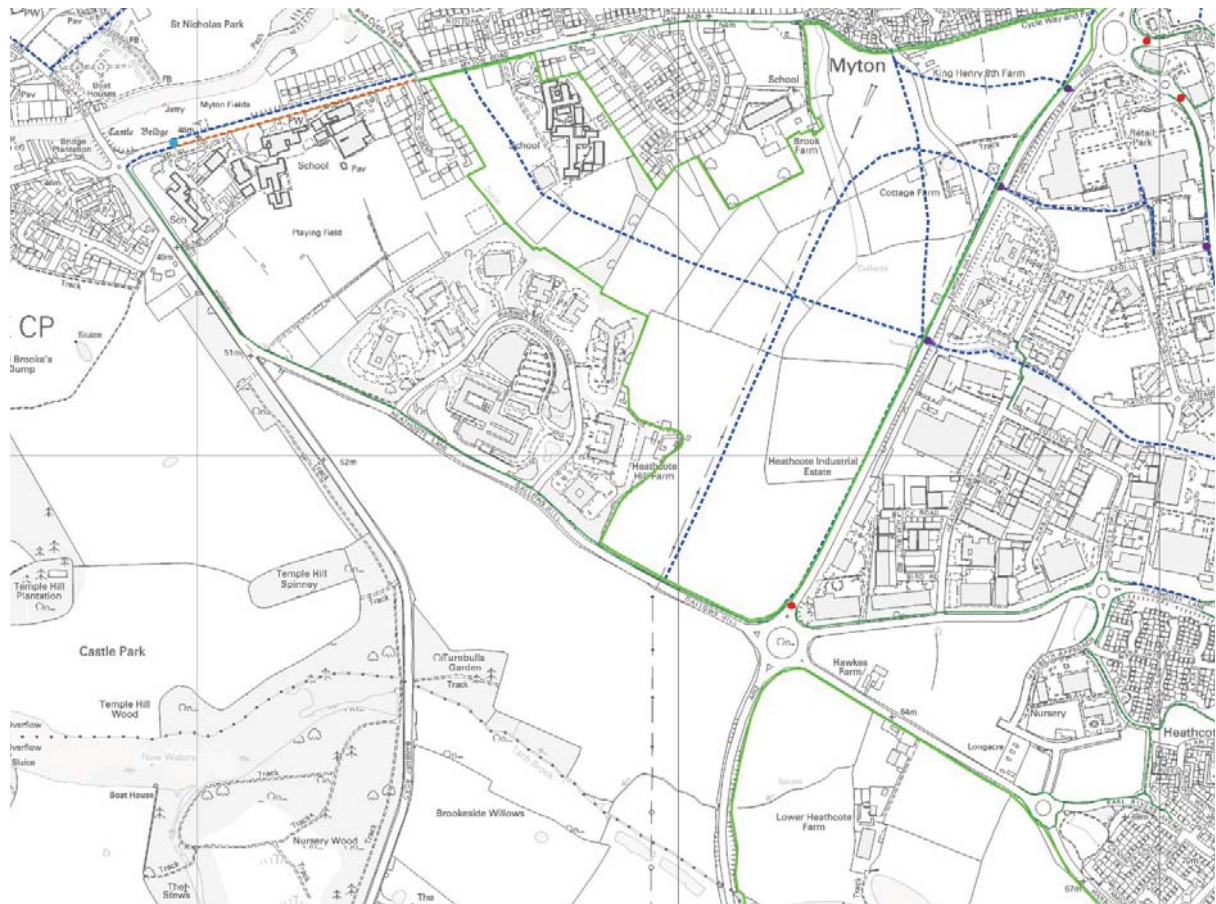







Figure 10. Overview of Transport Proposals for Warwick Town Centre to Heathcote via Gallows Hill

Figure 11. Cycle network (existing and proposed) for Warwick Town Centre to Heathcote via Gallows Hill Corridor



Key

-  existing on-road cycleway
-  existing off-road cycleway
-  proposed on-road cycleway
-  proposed off-road cycleway
-  existing toucan crossing
-  proposed toucan crossing
-  proposed development area

6. Warwick Town Centre to Leamington (via Myton Road)

The corridor between Warwick and Leamington Spa via A425 Myton Road provides one of two direct links between the two towns (the other being A445 Emscote Road). As well as demand for travel along the route to access the destinations in the towns at either end, the corridor is also a key destination in itself. Two schools are located along the Myton Road (Myton School and Warwick School) which generate significant volumes of traffic at peak times. The corridor also provides a key link to Warwick Technology Park which is located close to the western end of the corridor, to retail facilities at the eastern end as well as providing local access to residential areas along its entire length. Growth to the south of Warwick/Leamington Spa will put the corridor under further pressure.

The transport improvements proposed along the corridor will substantially improve the sustainable transport options for travel along this corridor. Key elements include:

- further improvements to cycle provision. This will provide both improved facilities along the length of Myton Road as well as improved connections from Myton Road (in the vicinity of Myton School) through the Myton Gardens development, across Europa Way to the Shires Retail Park, Warwick Gates and Heathcote.
- Improved access by bus using the southern Park & Ride service (including schools Drop & Ride), with bus priority from the Park& Ride facility into Warwick.

Table 6. Warwick Town Centre to Leamington (via Myton Road)

Junction / highway modifications	Walking and Cycle improvements
<ol style="list-style-type: none"> A425 Banbury Road / Myton Road roundabout – signalised junction. Northbound, two lanes have been introduced from the Gallows Hill junction which merges into the right turn into Warwick school, a single lane is then in operation until approximately 100m south of the Junction with Myton Road. A452 Europa Way/Myton Road Roundabout - signalised junction with all entry approaches widened (includes queue detector loops for buses) 	<ol style="list-style-type: none"> A425 Banbury Road / Myton Road roundabout – Replacement of roundabout with signal controlled junction will improve safety for cyclists. Cycle facilities (Advanced Stop Lines) will be incorporated into scheme and the need to facilitate cycle access to / from existing Banbury Road / Myton Road cycle routes will be considered in the development of the design. Onward connections to the town centre will be investigated, including introduction of 20mph speed limit to aid on-carriageway cycling. Extension of cycle facility along Myton Road between St Nicholas Park cycle entrance and Myton Road / Banbury Road junction. Improved cycle connections from the area to the Shires Retail Park, Warwick Gates and Heathcote via the Myton Gardens development.
Park & Ride / Bus priority	Behavioural change measures
<ol style="list-style-type: none"> A425 Banbury Road / Myton Road roundabout – signalised junction with bus loop detector loops on all approaches A452 Europa Way/Myton Road Roundabout – signalised junction with bus detector loops on each approach 	<p>In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel.</p> <p>Examples of such measures include:</p> <ul style="list-style-type: none"> • Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); • Sustainable Travel Packs for new residents; • Personalised travel planning; • Travel awareness campaigns; • Public transport information and marketing; • Car clubs; • Car sharing schemes; and • Teleworking, teleconferencing and home shopping.

Figure 12. Overview of Transport Proposals for Warwick Town Centre to Leamington (via Myton Road)

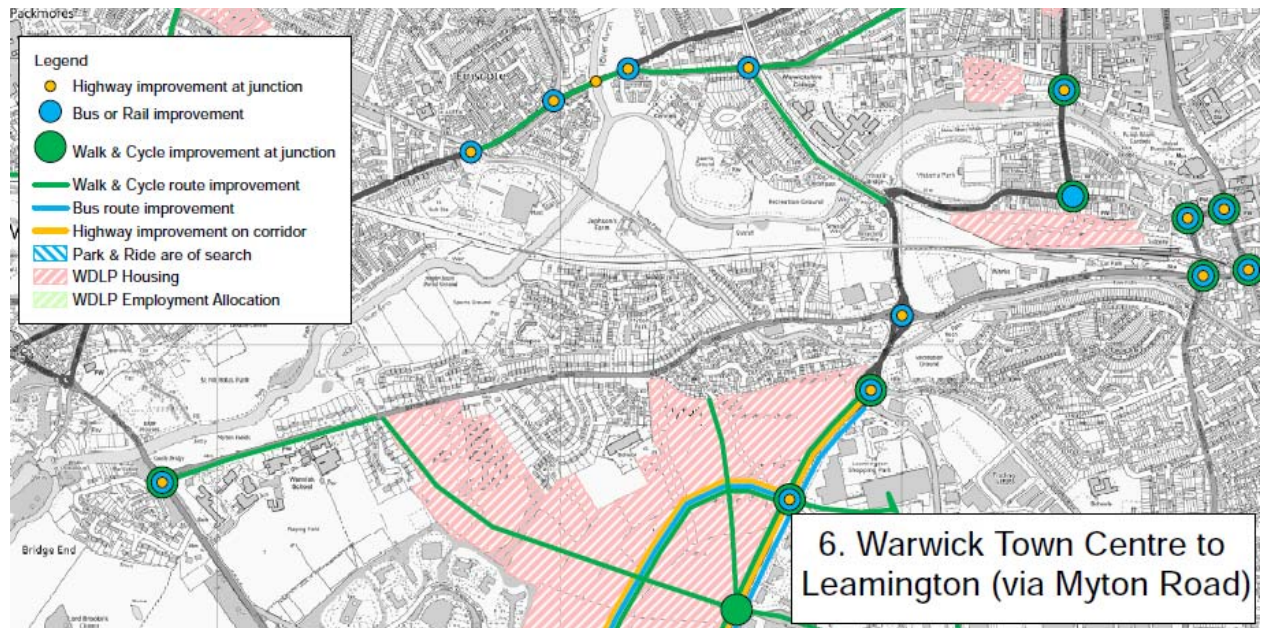
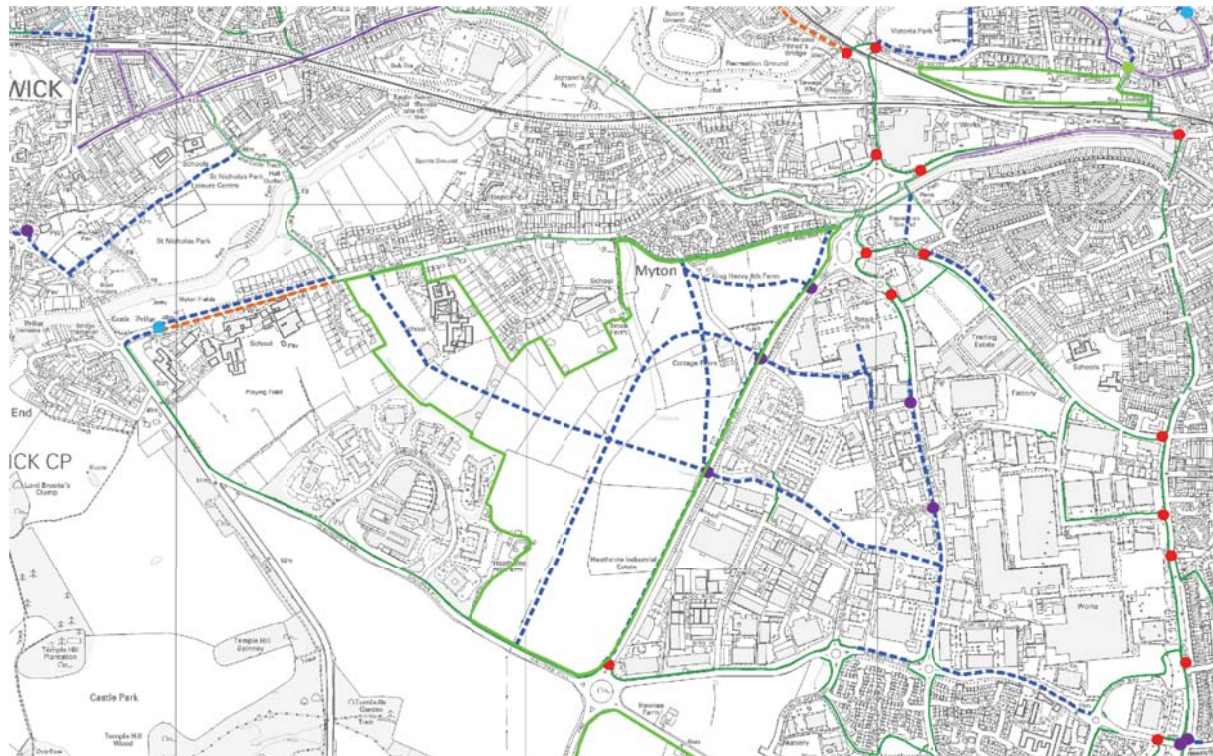









Figure 13. Cycle network (existing and proposed) for Warwick Town Centre to Leamington (via Myton Road)



Key

-  existing on-road cycleway
-  existing off-road cycleway
-  proposed on-road cycleway
-  proposed off-road cycleway
-  existing toucan crossing
-  proposed toucan crossing
-  proposed development area

7. A429 Coventry Road, Warwick

The A429 Coventry Road provides a key link from the A46 north of Warwick into Warwick town centre. Key transport improvements proposed along the corridor include:

- extension of Coventry Road cycle facility from Primrose Hill to Warwick town centre
- widening of all approaches at Spinney Hill roundabout, including potential for bus priority on approach of roundabout from Spinney Hill and Primrose Hill
- improved east-west cycle connections in vicinity of Spinney Hill roundabout

Table 7. A429 Coventry Road, Warwick

Junction / highway modifications	Walking and Cycle improvements
<p>1. A429/Spinney Hill Roundabout - widening of all approaches</p>	<p>1. A429 Spinney Hill Roundabout - Provision of a Toucan crossing over Primrose Hill to facilitate access to existing A429 Warwick to Leek Wootton cycleway. The conversion of the existing Pelican crossing south of the A429 roundabout to a Toucan and provision of a short cycle link to Spinney Hill across the adjoining area of open space will also be included.</p> <p>2. Extension of Coventry Road cycle facility from Primrose Hill to Warwick town centre (via Warwick station link). Improvements for cyclists will be sought at Cape Road junction.</p>
Park & Ride / Bus priority	Behavioural change measures
<p>1. A429/Spinney Hill Roundabout – potential for bus priority for east-west movements across junction</p>	<p>In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel.</p> <p>Examples of such measures include:</p> <ul style="list-style-type: none"> • Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); • Sustainable Travel Packs for new residents; • Personalised travel planning; • Travel awareness campaigns; • Public transport information and marketing; • Car clubs; • Car sharing schemes; and • Teleworking, teleconferencing and home shopping.

Figure 14. Overview of Transport Proposals for A429 Coventry Road, Warwick

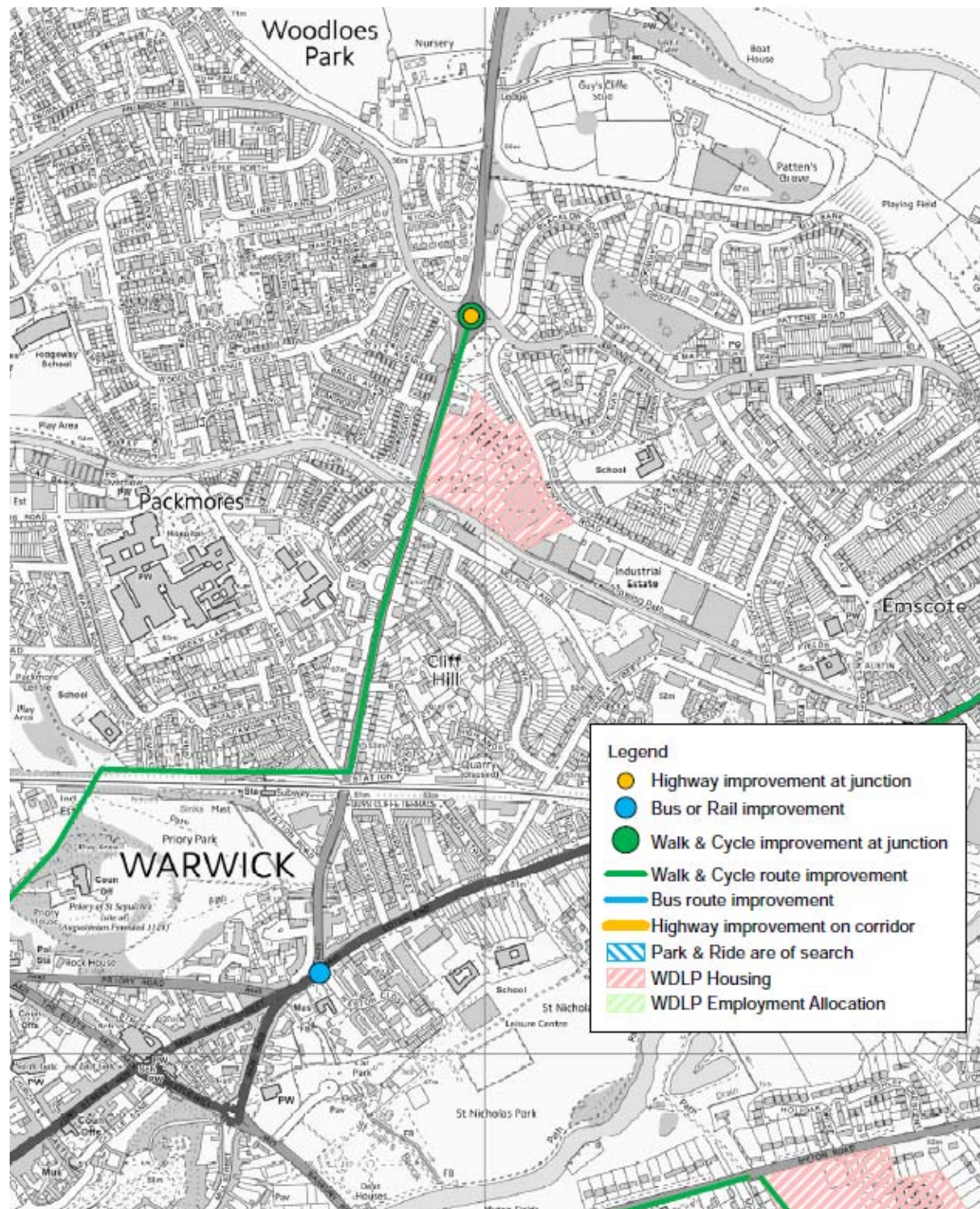
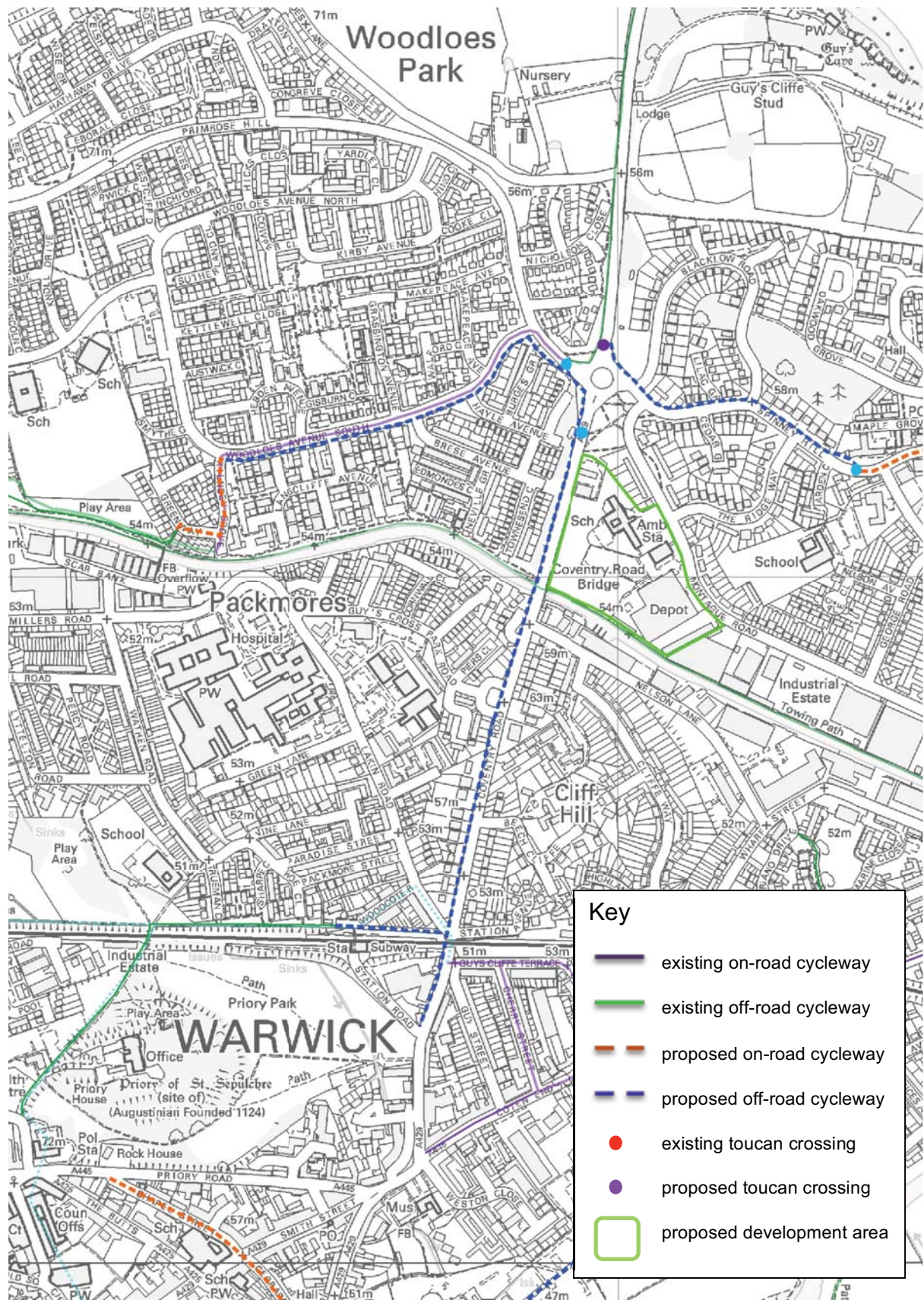


Figure 15. Cycle network (existing and proposed) for A429 Coventry Road, Warwick



8. A425 Birmingham Road, Warwick

The A425 Birmingham Road provides a key gateway from the A46 and A4177 west of Warwick into Warwick town centre. Access to employment sites at Opus 40 and along Wedgnock Lane are provided close to A46 / Birmingham Road junction.

Key transport improvements proposed along the corridor include:

- upgrade of A46/A425/A4177 'Stanks Island' and associated cycle/pedestrian improvements on the western end of Birmingham Road between Wedgnock Lane and Stanks Island
- investigation of possible Park & Ride facility in vicinity of A46/A425/A4177 junction and provision of a through bus link to the southern Park and Ride site via Warwick town centre

Table 8. A425 Birmingham Road, Warwick

Junction / highway modifications	Walking and Cycle improvements
1. A46/Birmingham Road 'Stanks Island' – upgrade of 'Stanks Island' and associated cycle/pedestrian improvements on the western end of Birmingham Road between Wedgnock Lane and 'Stanks Island'	1. A46/Birmingham Road 'Stanks Island' – Scheme will include cycle facilities to improve access across the major roundabout from the existing A4177 Hatton – Warwick cycle route. Scheme design will consider need to facilitate cycle access to Warwick Parkway, new residential / employment development on Opus 40 site, employment located on Wedgnock Lane and Warwick town centre.
Park & Ride / Bus priority	Behavioural change measures
1. Investigate possibility of Park & Ride facility in vicinity of A46/A425/A4177 junction	<p>In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel.</p> <p>Examples of such measures include:</p> <ul style="list-style-type: none"> • Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); • Sustainable Travel Packs for new residents; • Personalised travel planning; • Travel awareness campaigns; • Public transport information and marketing; • Car clubs; • Car sharing schemes; and • Teleworking, teleconferencing and home shopping.

Figure 16. Overview of Transport Proposals for A425 Birmingham Road, Warwick

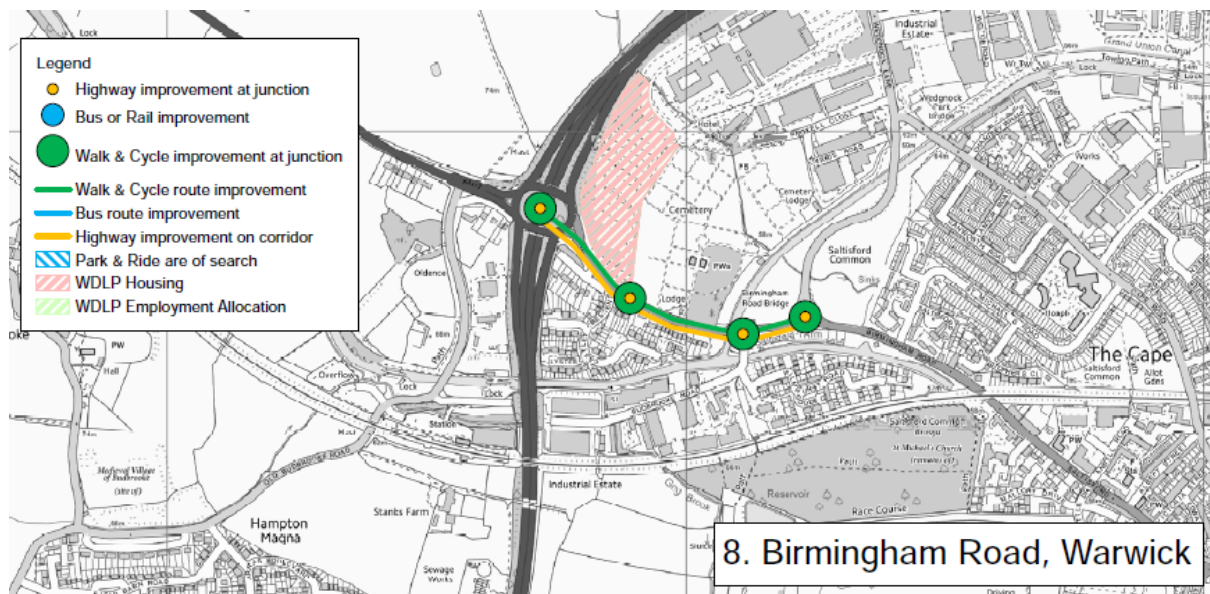
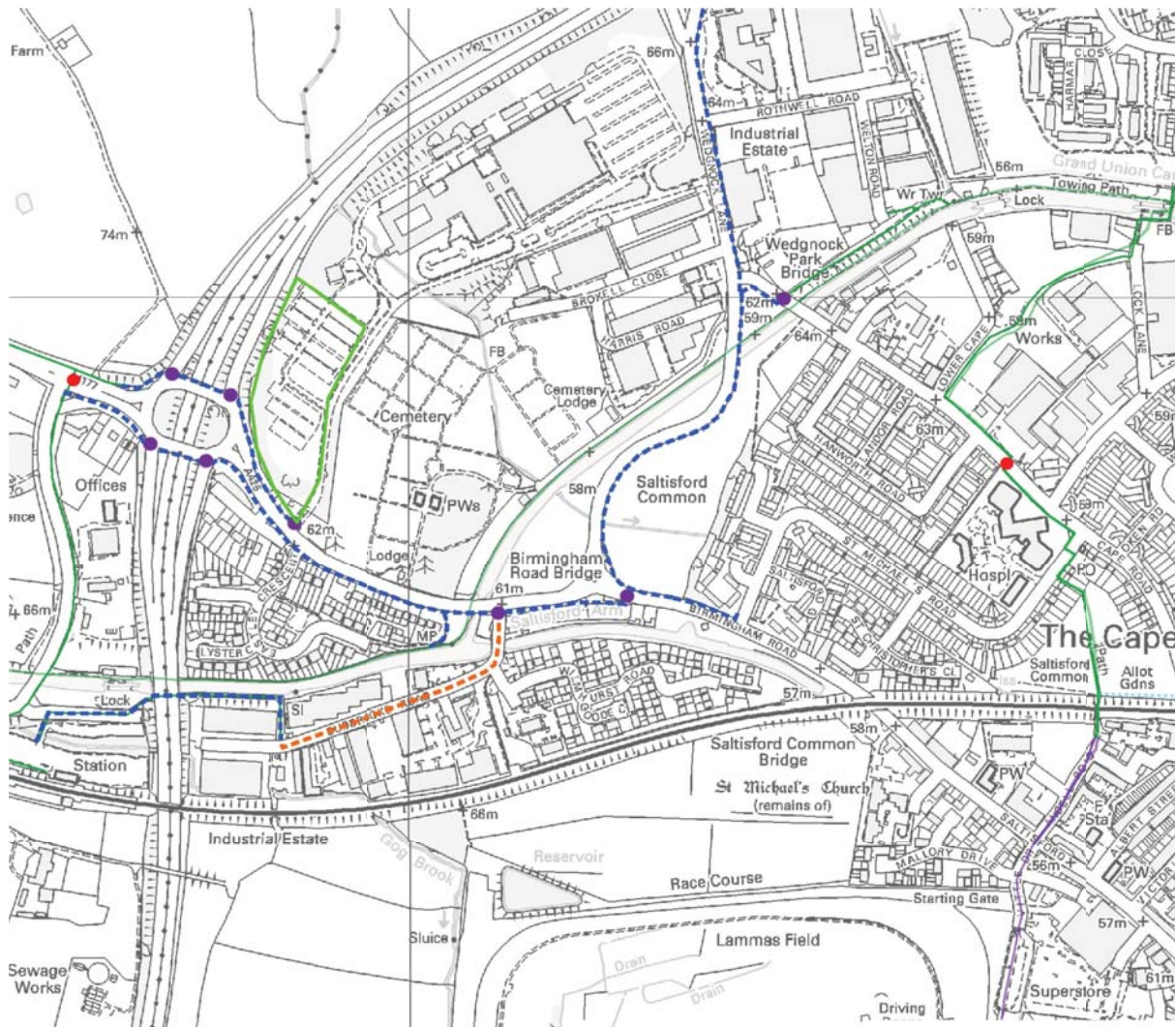









Figure 17. Cycle network (existing and proposed) for A425 Birmingham Road, Warwick



Key

-  existing on-road cycleway
-  existing off-road cycleway
-  proposed on-road cycleway
-  proposed off-road cycleway
-  existing toucan crossing
-  proposed toucan crossing
-  proposed development area

9. A429 Stratford Road, Warwick

The A429 Stratford Road corridor runs from M40 Junction 15 at Longbridge to West Gate in Warwick town centre. The road provides a direct route to the town centre and is the signed route to Warwick Castle car park for visitors. Also accessed off Stratford Road are the South West Warwick housing and employment developments, Aylesford School and the Shakespeare Avenue housing area.

Key transport improvements proposed along the corridor include:

- Stratford Road cycleway - extension of Stratford Road cycle facility from South West Warwick housing and employment development to Warwick town centre

Table 9. A429 Stratford Road, Warwick

Junction / highway modifications	Walking and Cycle improvements
See 'Walking and Cycle improvements'	<ol style="list-style-type: none"> 1. Stratford Road cycleway - Extension of Stratford Road cycle facility from South West Warwick housing and employment development to Warwick town centre 2. Completion of North West Warwick to Aylesford School cycle scheme 'missing link' - Options to provide a cycle facility to bridge the missing link along Hampton Road will be investigated 3. Pedestrian crossing near Shakespeare Avenue
Park & Ride / Bus priority	Behavioural change measures
Opportunity for tourist trips to Castle to switch to Park & Ride rather than use on site car parking facility accessed from A429 Stratford Road	<p>In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel.</p> <p>Examples of such measures include:</p> <ul style="list-style-type: none"> • Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); • Sustainable Travel Packs for new residents; • Personalised travel planning; • Travel awareness campaigns; • Public transport information and marketing; • Car clubs; • Car sharing schemes; and • Teleworking, teleconferencing and home shopping.

Figure 18. Overview of Transport Proposals for A429 Stratford Road, Warwick

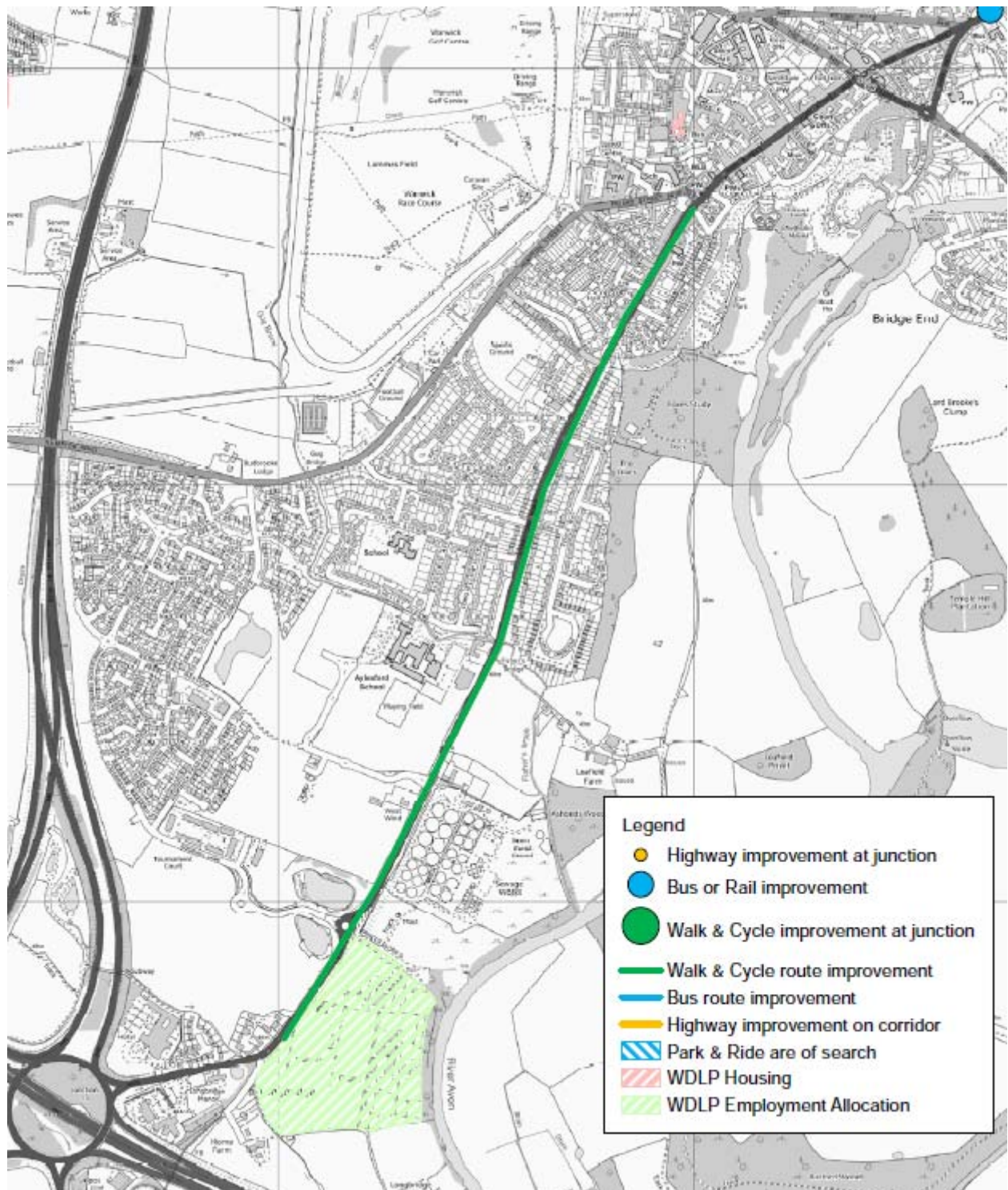
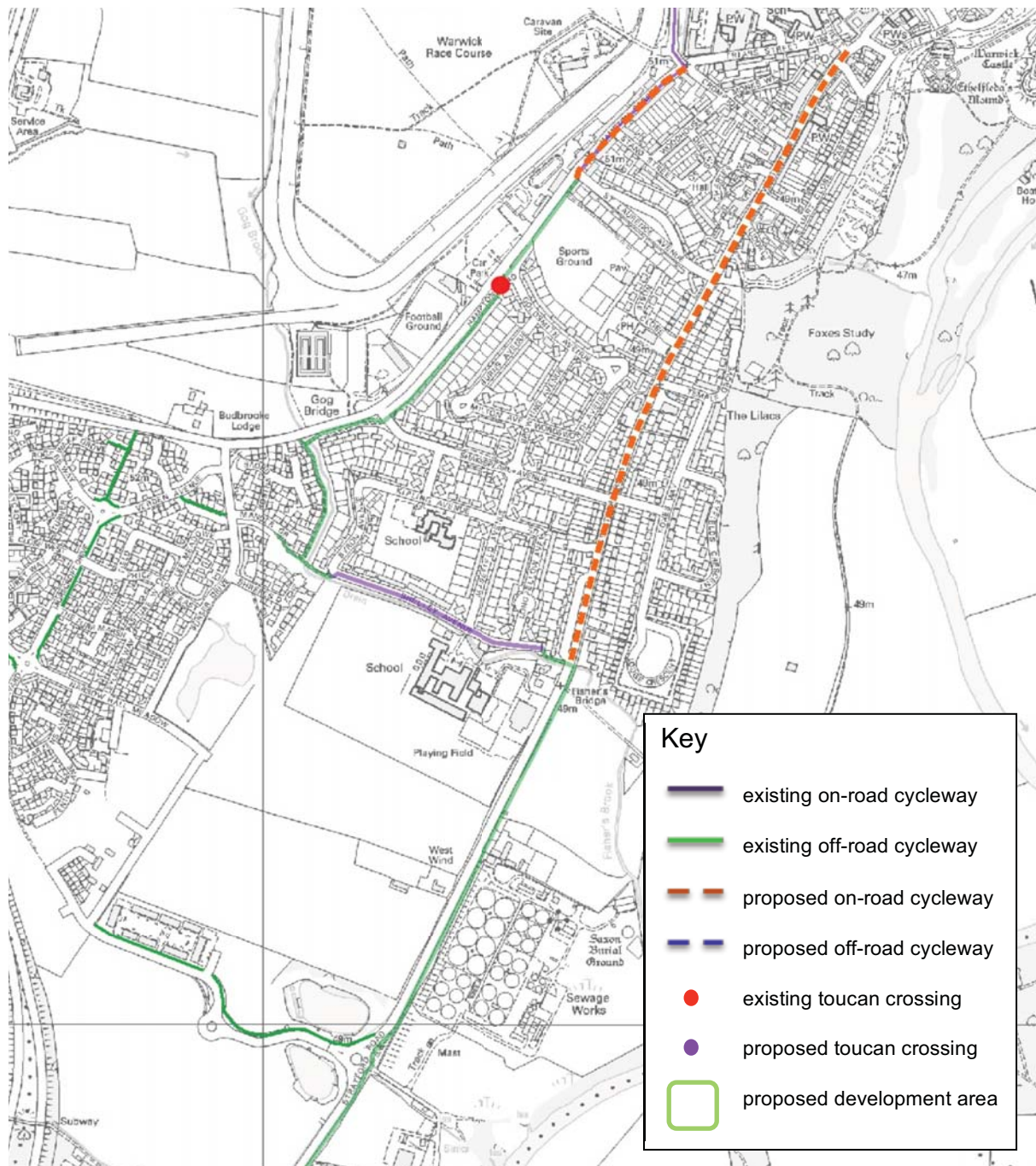


Figure 19. Cycle network (existing and proposed) for A429 Stratford Road, Warwick



10. Strategic corridor improvements

The A46 / M40 corridor to the west and south of the Warwick and Leamington urban areas provides a key route for people accessing the town from these areas. Recent improvements have included:

- Longbridge Island upgrade and grade separation of A46 at M40 at junction 15
- M40 Junction 14 and associated improvements on the A452 Europa Way, in order to improve safety and reduce congestion on the M40 between junctions 15 and 14

Further junction improvements along A46 / M40 corridor will ensure that the route continues to fulfil its role as part of the Strategic Road Network (SRN) as well as facilitating local access to the towns. The future upgrades will help to encourage access to the south of Leamington and Warwick to use this corridor rather than routing through the town centres.

Table 10. Strategic corridor improvements

Junction / highway modifications	Walking and Cycle improvements
<ol style="list-style-type: none"> A46/Birmingham Road 'Stanks Island' – upgrade of 'Stanks Island' (and associated cycle/pedestrian improvements) A46/A452 Thickthorn Roundabout - signalisation of four entry arms onto the junction. The carriageway either side of the bridges has been widened to 3 lanes with 2 lanes retained on the bridges. M40 Capacity Enhancements A452 Europa Way capacity enhancements – to encourage routing via M40 for access to destinations in south Leamington and Warwick 	N/A
Park & Ride / Bus priority	Behavioural change measures
N/A	N/A

11. Kenilworth improvements

There is a strong net outflow from Kenilworth for travel to work journeys to the neighbouring towns of Leamington Spa and Warwick and the West Midlands Metropolitan area, particularly Coventry and Solihull. These journeys are predominantly made by car, with 69% of travel to work journeys made by Single Occupancy Vehicles (Census 2011).

Improving the options to travel by sustainable modes for external trips is a key focus of future transport proposals. In recent years cycle links have been improved to Coventry via Warwick University. Further proposals include:

- K2L – providing a continuous cycle link between Kenilworth and Leamington (K2L) and provision of local onward connections in both towns
- opening of a rail station in Kenilworth in December 2016. This will provide a regular hourly direct rail service from Kenilworth to Leamington Spa and Coventry, with onward connections to Birmingham, London and the Thames Valley.
- a northern Park and Ride facility between the A46/A452 Thickthorn roundabout and the A452/B4113 Blackdown roundabout, providing regular bus services to Leamington Spa and the possibility of onward connections to the proposed southern Park and Ride.

Improvements will also be sought to improve sustainable links for internal movements within Kenilworth. This will include:

- Improved connections through the Thickthorn development site from Leamington Road to Glasshouse Lane
- Links from Thickthorn development site to Kenilworth School
- Links to Rocky Lane and potential onward connection to Stoneleigh Park
- Completion of NCN route through Kenilworth with provision of a cycle route through Abbey Fields

Table 11. Kenilworth improvements

Junction / highway modifications	Walking and Cycle improvements
<ol style="list-style-type: none"> 1. A452 Thickthorn Roundabout – signalisation of four entry arms onto the junction. The carriageway either side of the bridges has been widened to 3 lanes with 2 lanes retained on the bridges 2. St Johns Gyratory, Kenilworth - signalisation of the four entry arms onto the junction. Additional engineering will be required to ensure that the existing development which is located in the centre of the gyratory can be accessed satisfactorily 	<ol style="list-style-type: none"> 1. K2L cycle route 2. Cycle link - Connection from Leamington Road to Glasshouse Lane via Thickthorn development site 3. Links from Thickthorn development site to Kenilworth school 4. Links to Rocky Lane and potential onward connection to Stoneleigh Park 5. Completion of NCN route through Kenilworth through Abbey Fields
Park & Ride / Bus priority / Rail	Behavioural change measures
<ol style="list-style-type: none"> 1. New rail station at Kenilworth with direct services between Kenilworth and Leamington Spa 	<p>In order to reinforce the investment in public transport, walking and cycling described in this table, the County Council would expect to see the parallel deployment of a range of behavioural measures (also known as Smarter Choices) as part of the growth proposals across the District and to address existing issues in relation to the demand for travel.</p> <p>Examples of such measures include:</p> <ul style="list-style-type: none"> • Workplace Travel Plans (in respect of sites generating in excess of 100 jobs); • Sustainable Travel Packs for new residents; • Personalised travel planning; • Travel awareness campaigns; • Public transport information and marketing; • Car clubs; • Car sharing schemes; and • Teleworking, teleconferencing and home shopping.

Figure 20. Overview of Transport Proposals for Kenilworth

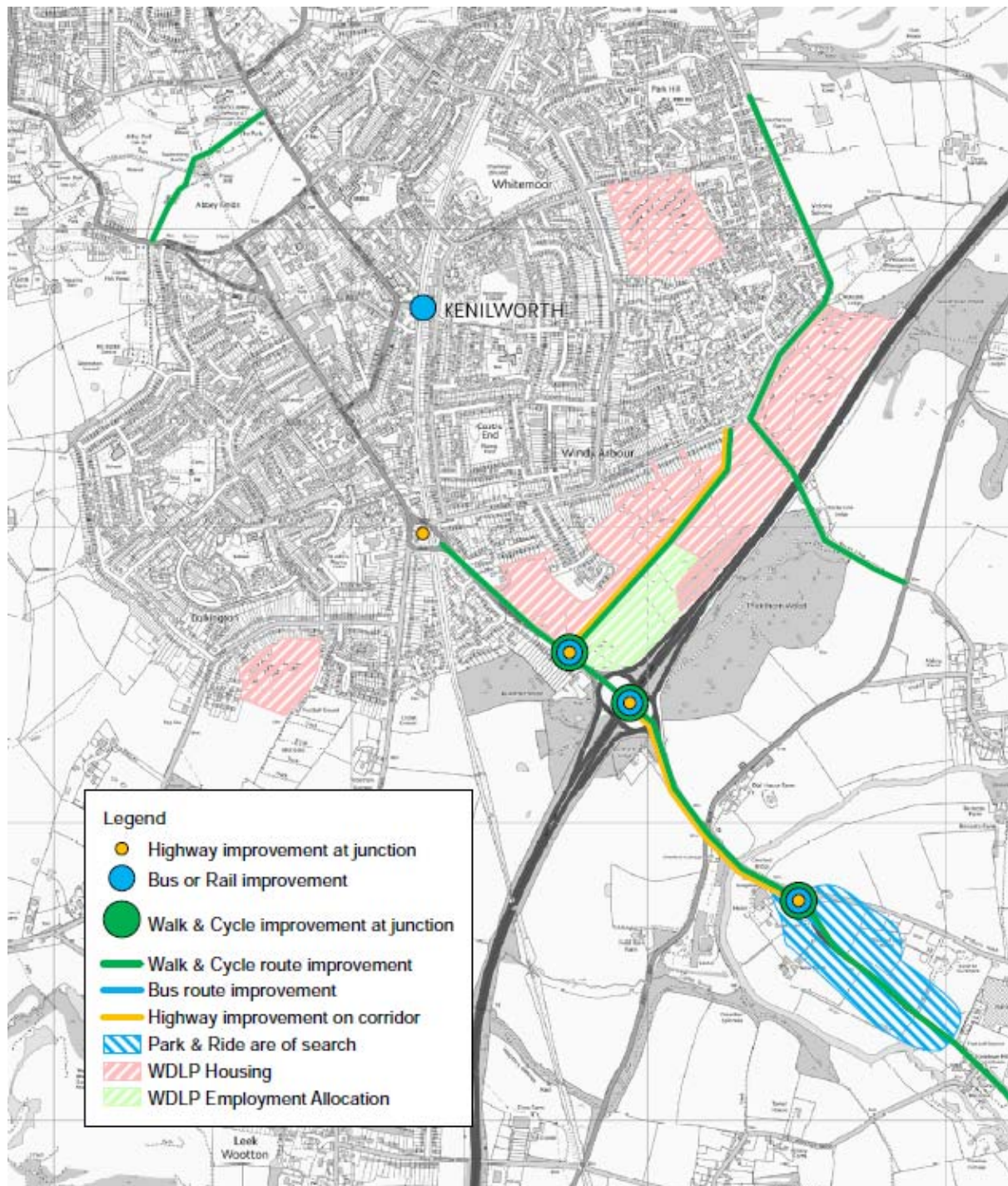
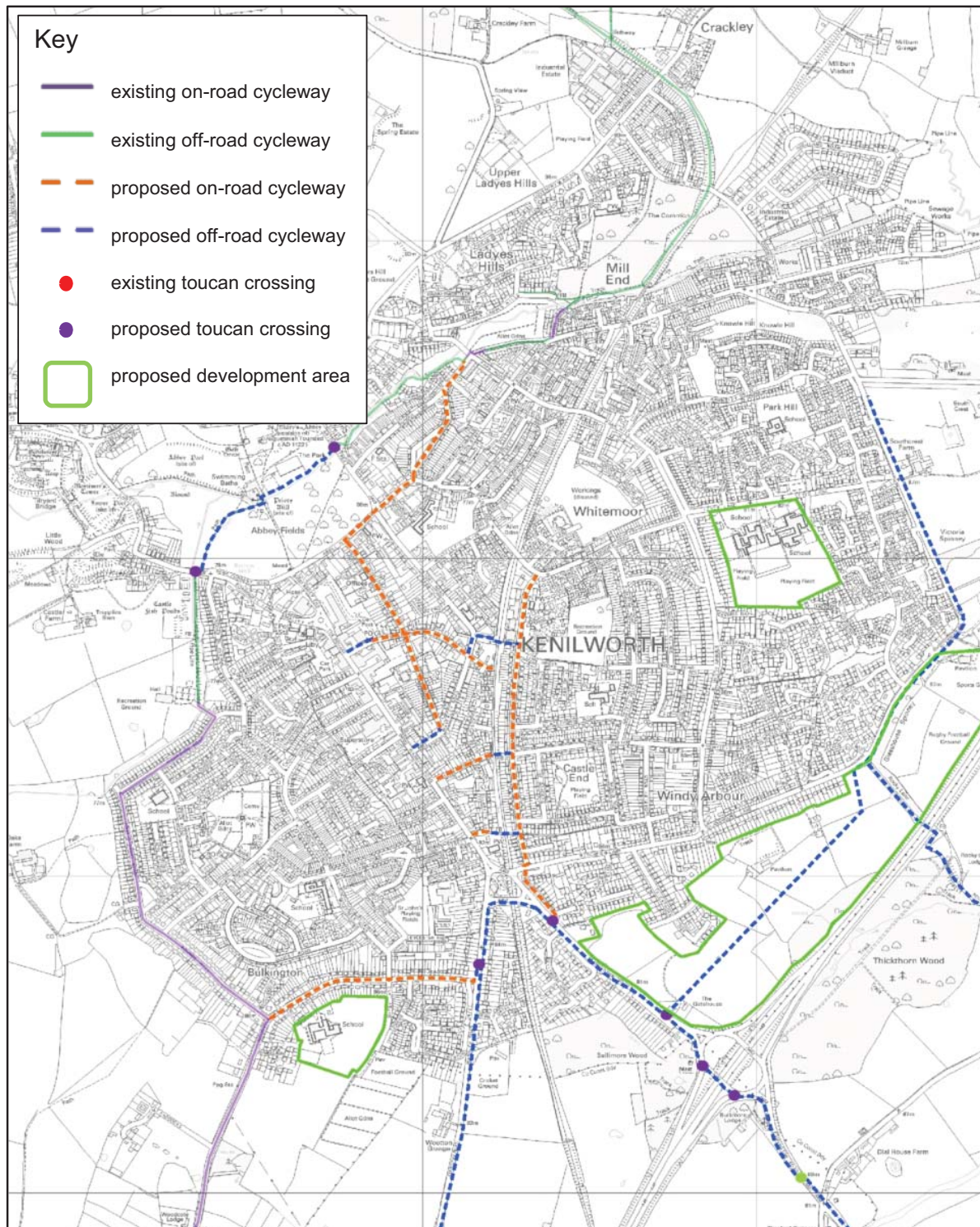



Figure 21. Cycle network (existing and proposed) for Kenilworth



 Executive 5th January 2017		Agenda Item No. 7
Title	Cloister Way affordable housing	
For further information about this report please contact	Ken Bruno ken.bruno@warwickdc.gov.uk (01926) 456044	
Wards of the District directly affected	Manor	
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	None	
Background Papers	None	

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 Impact Assessment Undertaken	No (If No state why below)

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	12.12.2016	Chris Elliott
Head of Service	12.12.2016	Bill Hunt
CMT	12.12.2016	
Section 151 Officer	12.12.2016	Mike Snow
Monitoring Officer	12.12.2016	Andrew Jones
Finance	12.12.2016	Mike Snow
Portfolio Holder(s)	12.12.2016	Cllr P Phillips
Consultation & Community Engagement		
None		
Final Decision?		No.
Suggested next steps (if not final decision please set out below)		
The budget impact will be recommended to full Council.		

1. **Summary**

- 1.1 This paper recommends that the council purchases five affordable housing units on the Cloister Way development for retention as Housing Revenue Account assets.

2. **Recommendation**

- 2.1 That Executive notes the position with regard to the affordable housing units on the site at Cloister Way.
- 2.2 That Executive gives approval in principle for officers to conclude negotiations with Spitfire Properties for the purchase of five affordable housing units, two of which will be made available as social rent and three of which will be for shared ownership at a cost of £776,501 and stamp duty at 1% (£7,765).
- 2.3 Subject to recommendation 2.2 that Executive recommends to council that:
- A budget of £784,266 be made available for the purchase, from Right To Buy receipts, HRA capital reserves and potentially section 106 affordable housing funding.
 - A budget of £16,000 be allocated for administrative and legal costs for the administration of the purchase and the sale of the shared ownership dwellings.
 - A contingency budget of £5,000 per property, £25,000 in total, be set aside for any improvements that may be considered necessary over and above Spitfire Properties' house type specification.
- 2.4 That Executive delegates the financing arrangements to the Head of Finance in consultation with the Finance Portfolio Holder as part of reviewing the financing of the overall Housing Investment Programme.

3. **Reasons for the Recommendation**

- 3.1 The site of the former North Leamington School was partially developed a few years ago. A later phase of development was recently approved by Planning Committee on 13th September 2016.
- 3.2 The approval includes an affordable housing requirement of five homes: two three-bedroom houses for social rent and three two-bedroom flats for shared ownership.
- 3.3 This was subsequently secured by a section 106 agreement, concluded on 8th November 2016, which also includes "cascade provisions" setting out the process to be followed in the event of lack of interest from Registered Providers (RP aka housing associations).
- 3.4 Briefly this requires the developer to try to find a RP and to conclude negotiations within three months. If they cannot do this they may serve a "First Affordable Housing Notice" (FAHN) on the Council, who may, within two months of receipt, nominate another RP. The developer then has a further three months to try to agree a deal with the nominated RP. If the Council does not nominate another RP, or if the developer cannot conclude a deal with a nominated RP in the timescales, then the developer must offer the properties to the Council for the price of £776,501. The Council must then confirm within 14 days whether it wishes to purchase them.

- 3.5 Negotiations over the reserved matters planning application and the subsequent section 106 agreement were lengthy and the developer was taking soundings from prospective social landlords while these were ongoing.
- 3.6 Consequently, very quickly after signing the section 106 agreement, the developer's agent contacted the Housing Strategy & Development Team to advise that none of the partner RPs was interested in taking the properties because of the relatively small numbers. They are therefore requesting that they be allowed to serve the FAHN early.
- 3.7 It will be difficult to find an alternative RP because of the small number of units involved. This would also be undesirable given that all the RPs with a current management presence in the district have declined to buy them so any other RP would not have local facilities for the tenants and shared owners.
- 3.8 It is therefore highly likely that the next stage of the cascade will be triggered and the dwellings offered to the Council. A decision in principle is therefore required so that we can respond quickly at the time when such an offer is made.
- 3.9 The council has the statutory power to buy housing for rent or sale under Section 17 Housing Act 1985.

4. **Policy Framework**

- 4.1 The Council's Sustainable Community Strategy has 5 key thematic areas of which Housing is one.
- 4.2 The Council's Housing Strategy has as one of its key aims "Meeting the need for housing across the district" and includes action point 2.1.6: Investigating the best way of using the new financial freedoms to build council housing".
- 4.3 The circumstances at Cloister Way present an opportunity for the Council to build on the acquisition of 21 homes provided under planning obligations at Great Field Drive, Warwick in 2015 and is fully complementary to this policy direction.

5. **Budgetary Framework**

- 5.1 Pursuing this project will have an impact of more than £50,000 and is therefore a key decision. It was not on the Forward Plan because it is a "windfall" opportunity that has arisen at very short notice as indicated above.
- 5.2 The price is £776,501, fixed by the section 106 agreement and is therefore non-negotiable. However some reassurance can be taken from the fact that it was appraised for the Council by independent consultants JLL during the viability negotiations and was assessed to be reasonable. The individual plot prices are as follows:
- Plot 11 £156,500
 - Plot 12 £210,000
 - Plot 13 £210,000
 - Plot 34 £100,000
 - Plot 35 £100,001
- 5.3 Stamp duty of 1% will be payable on the purchase price.


- 5.4 As the properties are being purchased “off the shelf” with no opportunity to negotiate over the standards and specification it is considered appropriate to allocate a capital budget of £5,000 per property in case some modifications prove to be desirable.
- 5.5 It is also recommended that a budget of £16,000 be set aside for the administration costs of the purchase and legal costs of the sale of the shared ownership units. This will need to be met from the Housing Revenue Account.

6. Risks

- 6.1 The principal risks are those associated with buying property such as building risks and defects. Assurances will be sought through the contract negotiations that there will be a 12 months defects liability period and a standard ten-year National House Building Council guarantee for new homes.
- 6.2 There is the risk of the building company going into liquidation or failing to complete the dwellings. This can be managed by appropriate contractual clauses regarding clawback of deposit and a long-stop completion date.
- 6.3 There are also general risks associated with managing these properties: void losses; relet repairs; long-term maintenance and improvement costs; rent arrears; anti-social behaviour etc. However these are no different to the day-to-day risks associated with managing the existing housing stock and as the number of new properties is very small relative to the current housing stock this can be managed within existing resources.
- 6.4 The possibility that the properties are not built to a specification acceptable to the council is being mitigated by the proposal of a small budget for enhancements to be carried out.
- 6.5 As three of the properties are for shared ownership there is a risk that it may not be possible to find buyers. The fall-back position in that case would be to rent out the properties to generate rental income until the market picked up again.

7. Alternative Option(s) considered

- 7.1 There are two other options available.
- 7.2 Alternative option one would be for the Council to seek to nominate another RP to take on the properties. As indicated at paragraph 3.7 this would be both difficult to achieve and, in any event, undesirable.
- 7.3 The other alternative is for the Council to decide not to purchase the properties. This would then result in the Council receiving a financial contribution equal to the build costs of the five affordable housing units. This would be available to the Council for up to five years to spend on affordable housing elsewhere in the district. If it wasn't spent after five years it would be repayable to the developer. This is a less attractive option because of the difficulty in finding somewhere to spend the money: onsite provision is always preferable.

 EXECUTIVE 5 JANUARY 2017		Agenda Item No. 8
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	28 September 2016 – 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	23/11/16	Chris Elliott
CMT	23/11/16	CMT
Head of Service	23/11/16	SMT
Section 151 Officer	23/11/16	Mike Snow
Monitoring Officer	23/11/16	Andrew Jones
Finance	23/11/16	As S151 Officer
Portfolio Holder(s)	12/12/16	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 a review by the Council's Senior Management Team and the Leader of the Council.

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.
- 2.2 That the Executive note the emerging potential and changing risks identified in section 6 of this report.

3 **Reason for the Recommendations**

- 3.1 This report seeks to assist members fulfil their role in overseeing the organisation's risk management framework. 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.”

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 recorded are immediately impending or are likely to happen. Paradoxically, 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.

8 Background

- 8.1 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.
- 8.2 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. The latest version of the SBRR is set out as Appendix 1 to this report.

- 8.3 A summary of all the risks and their position on the risk matrix, as currently assessed, is set out as Appendix 2.
- 8.4 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 to assessing risk.
- 8.5 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 viewed in colour (e.g. on-line), 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 Movements in Risk

- 9.1 Any movements in the risk scores over the last six months are shown on the risk matrices in Appendix 1.
- 9.2 More than six months ago there were three risks in the "red zone" (Risks 4, 6 & 16). Since then, as advised to Members previously, following the introduction of additional controls and mitigations, Risks 4 and 6 have come out of the red zone. On the other hand, Risk 2 (Risk of Sustained Quality Service Reduction') moved into the red zone by virtue of the Likelihood of it occurring increasing. The other risk in the red zone is therefore Risk 16: 'Risk of Local Plan being unsound' in the red zone. An update is provided below.

Risk 16 – Risk of Local Plan being unsound

The Planning Inspector considering our Local Plan will complete the examination hearings on 16th December 2016. The housing requirement and spatial strategy have been challenged by developers and community groups. However, whilst this risk remains in the red zone, the progress made through the hearings have provided encouragement that the mitigation approach (e.g. the proposed modifications) has reduced the risk of the plan being found unsound.

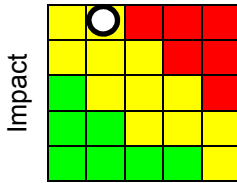
10 Emerging and Changing Risks

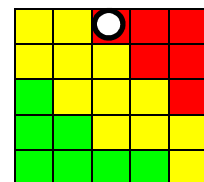
- 10.1 As part of the process of assessing the significant business risks for the Council, some issues have been identified which at this stage do not necessarily represent a significant risk, or even a risk at all, but as more detail emerges may become one. They include:
- Staff recruitment and retention
 - The impact of national housing policy proposals on the Council's ability to remain a viable landlord.
- 10.2 A team led by the HR Manager is currently looking at staff recruitment and retention in the organisation and, where there are deemed to be problem areas, comparing pay with other local authorities.
- 10.3 An updated Housing Revenue Account (HRA) Business Plan was presented to the March 2016 Executive, in the knowledge that a further update would be required when there was more certainty as to the impact of the Planning and

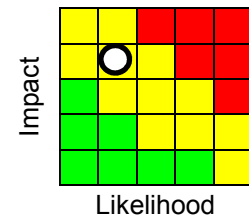
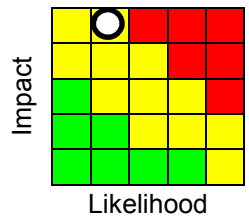
Housing Act on the viability of the HRA. The recent announcements of the abandonment of a compulsory 'Pay to Stay' levy and a deferral of the implementation of a levy to compensate Registered Providers for an extension of the Right to Buy legislation to their sector, pending a pilot scheme, have now provided more confidence that the impact, at least in the short term, is less likely to be significantly detrimental. A new update to the HRA Business Plan will be presented to the March 2017 Executive, as part of the Housing Futures project, and further reviews undertaken during 2017/18 as and when new guidance emerges.

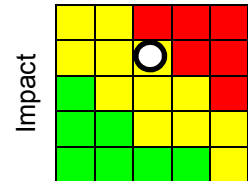
- 10.4 The SBRR will be updated as necessary in the light of this additional work and officers will continue to scan to identify other potentially emerging risks.
- 10.6 One of these, the EU referendum result, is recognised as an additional potential trigger to some of the Council's existing recognised risks in this register. Officers will keep this issue under review so that as details emerge of exactly what Brexit may mean generally and more specifically for Local Government and this Council, the implications, risk and mitigations can be considered.

Significant Business Risk Register

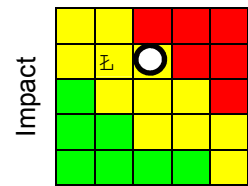
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Performance Management Risks				
1. Fit for the Future Change Programme not managed appropriately/effectively	<p>Poor organisational communication.</p> <p>Conflicting priorities 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 demotivated staff.</p>	<p>OD team in place. (CEO)</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. (SMT)</p> <p>People Strategy Action plan. (SMT)</p> <p>Additional training for staff involved with project management. (CEO)</p> <p>Out of date</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. (SMT)</p>	 <p>Impact</p> <p>Likelihood</p>

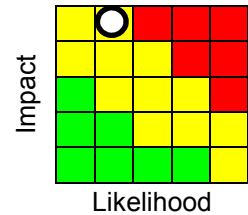
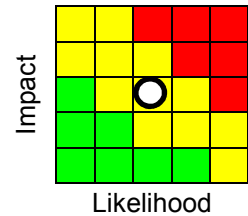
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Performance Management Risks (Cont.)				
2. Risk of sustained service quality reduction.	<p>Shortage of staff resources and staff skills and knowledge.</p> <p>Staff skills 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>Unplanned termination of contract by contractor.</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>Additional costs attached to re-procuring contract, including legal fees.</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. (SMT)</p> <p>Effective vacancy control. (SMT)</p> <p>Service Reviews. (SMT)</p> <p>Workforce Planning. (SMT)</p> <p>Enhanced Performance Management System (HoNS)</p> <p>Project underway considering recruitment & retention, job evaluation procedure, "employee branding", impact of National Living Wage, Apprentices. Reports in due course to Employment Committee and People Strategy Steering Group. (HR&OD)</p> <p>A work plan has been agreed by SMT and PSSG to implement a range of actions that will are intended to address the causes and impact of recruitment and retention difficulties. (SMT)</p> <p>Effective contract management supported by appropriate legal support. (SMT)</p>	<p>Impact</p>  <p>Likelihood</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
3. Risk of major contractor going into administration or deciding to withdraw from the contract.	Poor procurement of contractor. Poor contract management. Poor management of company. External factors. State of economy (including Brexit factors). Introduction of Living Wage.	Reduced service levels. Non or reduced achievement of objectives. Adverse financial impacts. Reputational damage.	Properly procured contracts. (SMT) Active contract management supported by appropriate legal support. (SAMS) Business Continuity Plan. (SMT)	
Corporate Governance Risks				
4. Risk of corporate governance arrangements not maintained effectively.	Ineffective political and senior management leadership. Complacent attitudes. Delays in making, or failure to make, key decisions by Council Members. Breakdown of member-officer relationships. Election of new members.	Breakdown in internal controls leading to: non-achievement of objectives; high volumes of staff, customer, and contractor fraud; and loss of reputation.	Council's constitution. (DCE(AJ)) Council's strategies and policies, including Code of Financial Practice and Code of Procurement Practice. (SMT) Strong scrutiny arrangements. (SMT) Effective internal audit function. (HoF) Annual Governance Statement. (DCE(AJ)) Codes of Conduct. (Members) Effective Political Group discipline. (Group Leaders) Councillor training (CMT) New Member/Officer Protocol introduced. (DCE(AJ))	

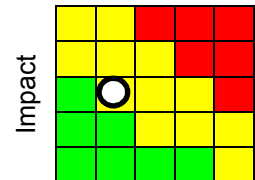
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Human Resources Risks				
5. Risk of staff not developed effectively.	<p>Ineffective workforce strategies.</p> <p>Not managing staffing resources efficiently and effectively.</p> <p>Possible insufficient training budget.</p>	<p>Disruption to Council services – staff cannot undertake level or volume of work to meet all priorities.</p> <p>Poor customer service.</p> <p>‘Industrial’ action.</p>	<p>Link to People Strategy. (SMT)</p> <p>Management development programme. Subset of HR Steering Group to audit skills training as Mandatory/Essential/Desirable.</p> <p>Assess corporate/service area training budgets to match short and long term needs. (HR Manager)</p> <p>Succession planning. (SMT)</p> <p>Prioritisation of work. (SMT)</p> <p>Appropriate use of external resources. (SMT)</p>	 <p>Impact</p> <p>Likelihood</p>

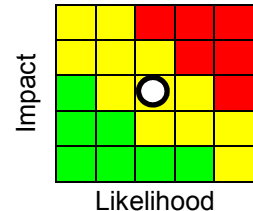
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks				
6. Risk of insufficient finance to enable the council to meet its objectives (including insufficient reduction in operational costs).	<p>Poor 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>Increased contract costs (from intro of LW)</p> <p>Housing and Planning Bill reducing the resources available to the Council to maintain its housing landlord service.</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>Landlord service becomes unviable and/or the condition of the housing stock reduces its utility and value.</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. (SMT)</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>Prosperity Agenda prioritised within Sustainable Community Strategy aspirations and resources aligned to support delivery. (CMT)</p> <p>Code of Financial Practice Training being provided. (HoF)</p> <p>Deloitte Fees & Charges Review Completed.</p> <p>Plan in place to fill the anticipated budget shortfall. (HoF/SMT)</p> <p>Complete Leisure Development Programme regarding investment and management arrangements. (HoCS/CMT)</p> <p>Review of Housing Revenue Account Business Plan to balance expenditure with net income (after any payments due to government in support of national policy). (HoH&PS/HoF)</p> <p>New FFF programme agreed by Members. (CMT)</p> <p>Ongoing monitoring and future reports of existing assumed savings – e.g. leisure programme, office move, terms & conditions review. (SMT).</p> <p>Complete business case for HQ relocation. (DCE(BH))</p> <p>Efficiency Plan agreed with DCLG. (HoF/CMT)</p>	<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 (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>Contractual disputes.</p>	<p>Fit for the Future change programme. (CMT)</p> <p>Project Risk Registers. (SMT)</p> <p>Project Management. (SMT)</p> <p>Asset Management. (DCE(BH))</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. (SMT)</p> <p>Projects drawn up within RIBA framework. (SMT)</p> <p>Reserves used to smooth impact of fluctuations in income. (HoF)</p>	 <p>Impact</p> <p>Likelihood</p> <p>Increased likelihood of contractual disputes in current economic climate.</p>

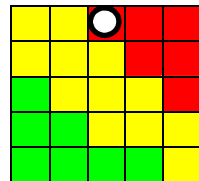
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks (Cont.)				
8. Risk of not investigating potential income sources.	Ineffective management. Complacency. Lack of resources to investigate. Other priorities.	More loss-making or subsidised services. Reduced income for the Housing Revenue Account that could compromise banking covenants.	FFF Programme. (SMT) Effective fees and charges schemes. (HoF) Communications & Marketing Strategy. (SAMS) Regular review of financial forecasts to ensure income projections are up to date. (HoF) Secure additional resources to ensure existing services are not impacted as a result of a focus on FFF/corporate priorities. (HoF) Ongoing submission of bids for external funding opportunities e.g. Expressions of Interest to CWLEP SEP refresh process for future LGF rounds, bids for Growing Places funding(DCE(BH)) Adopt new Local Plan. (Members)	
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/SMT) Monitoring of departmental procurement. (SMT) Procurement Strategy (incl. action plan). (HoF) Code of Procurement Practice and related documents updated. (HoF)	

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Partnership Risks				
10. Risk of partnerships not delivering stated objectives.	<p>Poor management. Failure to apply a robust process for entering into partnerships.</p> <p>Lack of framework governing partnerships.</p> <p>Possible repatriation of calls to Riverside House. (Now done it.)</p> <p>Existing sub-regional partnerships disrupted or disbanded as a consequence of the regional focus resulting from the announcement of the West Midlands Combined Authority</p>	<p>Required outcomes not achieved.</p> <p>Increased costs.</p> <p>Reduced level of service or failure to deliver service.</p> <p>Worsening relationship with WCC. (See removal of attached trigger.)</p>	<p>Ongoing scrutiny of partnerships. (DCE(AJ))</p> <p>Normal management arrangements. (SAMS)</p> <p>Partnership checklists. (DCE(AJ))/SMT)</p> <p>Annual healthcheck completed by senior officers. (DCE(AJ))/SMT)</p> <p>Scrutiny committee regular review. (DCE(AJ))</p> <p>Audit of partnership arrangements. (DCE(AJ))</p> <p>Project Groups for significant services. (SMT)</p> <p>Involvement in and engagement with existing sub-regional partnerships e.g. CWLEP, sEPB etc. (CMT)</p>	
Legal Risks				
11. Risk of not complying with key legislation or legal requirements, including failure to protect data.	<p>Breakdown in governance.</p>	<p>External censure.</p> <p>Financial loss.</p> <p>Litigation.</p> <p>Financial sanctions/penalties</p> <p>Damage to reputation.</p>	<p>Constitution. (DCE(AJ))</p> <p>External legal advice. (DCE(AJ))</p> <p>Ongoing monitoring of all Executive recommendations. (DCE(AJ))</p> <p>Ongoing professional training. (SMT)</p>	

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
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. Poor training of new and existing staff on ICT systems. Poor data quality. Resistance to change.	Costly services. Inefficient services. Poor customer service. Data disclosures.	ICT Strategy and Digital Transformation Strategy. (DCE (AJ)) Fully-resourced, effective and secure IT function. (DCE (AJ)) Training for staff. (DCE (AJ)) Remediation action being taken through re-formed ICT Steering Group. (SMT)	

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>Inaction re multi-storey car parks.</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>Closure of car parks with resultant loss of income.</p>	<p>End-to-end systems intervention of the Property Service undertaken. (Very historical.)</p> <p>New Asset Management Strategy developed linked to Asset Database. (DCE(BH))</p> <p>Overall strategic decisions regarding Council's corporate assets managed by multi-disciplinary Asset Strategy Group – chaired by Deputy Chief Executive. (DCE(BH))</p> <p>The operational management of the corporate repairs budget is overseen by the Asset Management Group (AMG) – chaired by Property Manager. (HoH&PS)</p> <p>Improvements to be made to end to end systems to manage electrical testing, asbestos and gas servicing and Legionella Disease. (HoH&PS)</p> <p>Completion of HRA stock condition survey. (HoH&PS)</p> <p>Complete business case for HQ relocation. (DCE(BH))</p> <p>Completion of review of planned maintenance programme for corporate assets. (DCE(BH))</p> <p>Preparation of Business Cases for future investment in the Linen Street MSCP. (HoNS)</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.	<p>Numerous causes including terrorism, natural disaster, loss of ICT facilities/data and pandemic such as bird flu.</p> <p>In terms of cyber-attacks, the Council does not currently operate an automated Intrusion Detection System (IDS).</p>	<p>Partial or total loss of resources such as staff, equipment, systems.</p> <p>Major media engagement.</p> <p>Major disruption to all Council services.</p> <p>Possible legal action for damages.</p>	<p>Emergency plan reviewed every 6 months. (CMT)</p> <p>Business continuity plan reviewed every 6 months. (CMT)</p> <p>Training for SMT – exercises and reviews. (HoH&CP)</p> <p>ICT Business Continuity contract, inc. annual off-site rehearsal (ICT)</p> <p>Perimeter network protection (Firewall, 2 Factor Authentication, Spam filter, Antivirus, etc.), including penetration testing (ICT)</p> <p>Backup and recovery procedures (ICT)</p> <p>Counter terrorism training has been provided (HoH&CP)</p> <p>Adoption of IDS is currently being investigated as part of the firewall upgrade scheduled for 2016/17. (ICT)</p>	
Environmental Risks				
15. Risk of climate change challenges not responded to effectively.	<p>Lack of expertise.</p> <p>Lack of finance.</p> <p>Failure to reduce carbon footprint.</p>	<p>Budgetary impacts.</p> <p>Service changes required if long recovery phase.</p> <p>Loss of reputation and external censure.</p> <p>Disruption to services.</p> <p>Public health issues.</p>	<p>Climate Change Strategy in place.</p> <p>Sustainability Action Plan (HoH&CP)</p>	

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Planning Risks				
16. Local Plan is found unsound.	<p>Developer challenge before local plan complete.</p> <p>Political procrastination.</p> <p>Lack of involvement of external key players.</p> <p>Local Plan not evidenced properly.</p> <p>Failure to identify suitable sites for Gypsies and Travellers.</p> <p>Sub-Regional Housing Allocation not addressed.</p> <p>Failure to adequately address controversial issues such as village green belt boundaries and gypsy and traveller sites.</p>	<p>Non or reduced achievement of objectives.</p> <p>Adverse financial impacts such as failure to set the Community Infrastructure Levy, loss of New Homes Bonus, Reputational damage.</p> <p>Possible legal action for damages.</p> <p>Development not where required.</p> <p>Wasted resources involve in reworking the Local Plan and increased costs.</p> <p>Additional work.</p> <p>Reduction in investment in area.</p> <p>Increase in appeals.</p> <p>Risk of insufficient Infrastructure Funding.</p> <p>Impact on Sustainable Community Strategy (SCS) objectives.</p>	<p>Published timetable. (HoDS)</p> <p>Plan based on robust evidence. (HoDS)</p> <p>Project management. (HoDS)</p> <p>Local Plan Programme Board. (HoDS/CMT)</p> <p>Local Plan Risk Register. (HoDS)</p> <p>Appeal letter sent to Greg Clarke, Secretary of state for DCLG. (HoDS)</p> <p>Historical</p> <p>Letter to the Planning Inspector sent to request a suspension to the plan. Historical.</p> <p>Ensure effective Duty to Cooperate - MoU agreed by all councils in the sub-region except N&BBC who are yet to confirm.</p> <p>Prepared Revised Local Plan proposals now progressing through the EIP in line with the MoU for Council 24/2/16. (CMT/HoDS)</p> <p>Topic papers now completed and submitted to the Inspector with the Local Plan. Further work continuing on G & T sites to be considered at the EIP in Dec 16 in time for the examination. (HoDS)</p>	<p>Impact</p>  <p>Likelihood</p>

Key:

New narrative

Narrative transferred

~~Deleted narrative~~

Comment

⬅ = Current risk score

etc = Previous risk scores

↗ etc = trail (direction) of changes

CMT	:	Corporate Management Team
SMT	:	Senior Management Team
CE	:	Chief Executive
DCE(AJ)	:	Deputy Chief Executive and Monitoring Officer – Andrew Jones
DCE(BH)	:	Deputy Chief Executive – Bill Hunt
HoF	:	Head of Finance (and S151 Officer)
HoDS	:	Head of Development Services
HoH&CP	:	Head of Health & Community Protection
HoNS	:	Head of Neighbourhood Services
HoH&PS	:	Head of Housing & Property Services
HoCS	:	Head of Cultural Services
HR&OD	:	Human Resources & Organisational Development Manager
ICT	:	ICT Manager

Summary of Significant Business Risks

APPENDIX 2

Consequences	Probability of Occurrence				
	Low	Low-Medium	Medium	Medium-High	High
High		Risks 1, 4, 6, 8 & 11	Risks 2 & 16		
Medium-High		Risk 3	Risks 5, 7 & 14		
Medium		Risk 12	Risks 9 & 13	Risk 10	
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 (e.g. considered as more than 50% chance of occurrence in any year).	<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 (considered as between 5% and 25% chance of occurrence in any year).	<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. There's a history of occurrence
2: Low to Medium	Apply judgement	Apply judgement
1: Low (Remote)	Not likely to occur in a 10 year period (considered as less than 2% chance of occurrence in any year).	<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 – 5th January 2017		Agenda Item No. 9
Title	Review of Visitor Information Centre (VIC) arrangements	
For further information about this report please contact	David Butler David.butler@warwickdc.gov.uk Strategic Economic Development Officer 01926 456017	
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: 14 March 2012 (item 5) 12 September 2012 (item 5) 14 November 2012 (item 10) 17 April 2013 (item 11) 02 June 2016 (item 7)	
Background Papers	Destination Management Plan (DMP) for Shakespeare’s England Region (2015-2025)	
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 (ref 816)	
Equality Impact Assessment Undertaken	No	
Not applicable		
Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	09/12/16	Bill Hunt
Head of Service	09/12/16	Tracy Darke
CMT	09/12/16	Bill Hunt/Andrew Jones/Chris Elliott
Section 151 Officer	09/12/16	Mike Snow
Monitoring Officer	09/12/16	Andrew Jones
Finance	09/12/16	Mike Snow
Portfolio Holder(s)	09/12/16	Cllr. Noel Butler; Cllr Michael Coker
Consultation & Community Engagement		
Engagement with Warwick Town Council, Leamington Town Council and Leamington BID.		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		
Reports will be taken to the Employment Committee on March 22 (2017) to establish the roles and on June 15 (2017) to present the final redesign of the new integrated service.		

1. Summary

- 1.1 In June 2016 Members agreed to a review of the provision of the Visitor Information Centre (VIC) in Leamington, located in the Royal Pump Rooms. The underpinning principles for the review were that we should retain the commitment to face-to-face services as they are valued, that members would like to see the service extended and improved, but that budgets were constrained and that no additional funding was available.

2. Recommendations

- 2.1 That Executive endorses the proposed future model of service delivery as detailed in Appendix 1 and summarised in paragraphs 3.6-3.7.
- 2.2 That, subject to approval of recommendation 2.1, Executive approves the principle of Warwick District Council taking over responsibility for the Leamington Visitor Information Centre (VIC) on 1 April 2017, or as soon as practicably possible thereafter, with VIC staff being directly employed by Warwick District Council with transfers of current staff employed by Warwick Town Council under the TUPE regulations as applicable.
- 2.3 That Executive agrees to end the current grant arrangement with Warwick Town Council, for payment of £15,000 per annum, in respect of the Leamington VIC on expiry of the current grant period on 31 March 2017.
- 2.4 That Executive agrees that the Royal Spa Centre Box Office is relocated from the Town Hall and, together with the Art Gallery & Museum reception is co-located with the Leamington VIC in the Royal Pump Rooms.
- 2.5 That, subject to approval of recommendations 2.3 and 2.4, Executive delegates authority to the Head of Development Services and the Head of Cultural Services, in consultation with the Business Portfolio Holder and the Culture Portfolio Holder, to utilise the £15,000 allocated for 2017/18 as grant to Warwick Town Council, to instead deliver ICT infrastructure upgrades to enable the Royal Spa Centre Box Office and Art Gallery & Museum reception to be co-located to the VIC area within the Royal Pump Rooms.
- 2.6 That Executive delegates authority to the Head of Development Services, in consultation with the Business Portfolio Holder, to re-negotiate and agree the payment of the Tourism Grant (additional to the £15,000 grant referred to above) to Warwick Town Council, up to a maximum value of £25,000.
- 2.7 That Executive notes that an additional phase of the Review will be undertaken to examine the provision of Visitor Information services in Kenilworth, involving engagement with stakeholders on the recent Kenilworth Visitor Audit, with the intention of delivering improvements to the range and accessibility of information within existing budgets

3. Reasons for the Recommendations

- 3.1 In November 2012, Members agreed to develop the 'hub and spoke' model for service delivery of visitor information in the District, which resulted in the granting of £40,000 p.a. to Warwick Town Council for the provision of the management of both the Warwick and Leamington VIC's along with other tourism activities.

- 3.2 The agreement governing the 'hub and spoke' arrangement comes to an end in March 2017, and so a comprehensive review of the future options of Leamington VIC has taken place to ensure that the Council can continue to provide a cost-effective solution to visitor needs. These options have been discussed with partners and offer several ways forward that would deliver the current and aspired-to levels of service.
- 3.3 Following the Executive approval of the Tourism Review in June 2016, a variety of models were explored for the operation of the Leamington VIC. This review was based on seeking improvement for visitors, especially around the quality of service delivery and the length of opening hours. The VIC currently operates over fewer hours than the rest of the functions in the Royal Pump Rooms, meaning that the space is secured by a large security shutter whilst the building is still in use – deterring visitors to the Art Gallery and Museum and café, and creating a negative impression. Furthermore, there is a desire to improve the value of interactions with visitors, offering a greater depth of knowledge and service where possible.
- 3.4 In seeking alternative models for the operation of the VIC service the starting point was that the face-to-face visitor information service in Leamington was valued, that we would like to see the service extended and improved, but that budgets were constrained and that no additional funding was available. As a result two models were proposed; one involving merging with other similar WDC functions (Appendix 1) and another involving extended opening hours through increased use of volunteers managed through the existing 'hub and spoke model' (Appendix 2).
- 3.5 Both models potentially provide an improved service to visitors by extending the current opening hours. This would be of benefit to those wishing to access the VIC service in the Pump Rooms as well as those visiting the Art Gallery & Museum who may be deterred by the metal shutters that are used to segregate the closed VIC when the Pump Rooms remains open.
- 3.6 Appendix 1 proposes a model that brings the VIC delivery in-house and, following a redesign consultation, integrates the staff with those providing a similar function in the Art Gallery & Museum and with the Box Office, currently located in the Town Hall. By integrating the teams and co-locating the functions, synergies will be produced that would provide the customer with an improved, more comprehensive service at first point of contact and over the desired longer opening hours. Given the much higher footfall in the Royal Pump Rooms compared to the Town Hall, there is reasonable expectation of opportunities to generate additional income above the current level.
- 3.7 Once the staff have transferred in-house, a focussed service redesign and consultation would be undertaken in order to integrate the teams, with the intention to present to Employment Committee in June 2017. Given the requirement to bring the VIC staff in-house prior to consultation and the creation of an integrated team, the extended opening hours sought for the VIC are unlikely to be able to be delivered until after the 15 June 2017 Employment Committee. However, once approved the physical relocation of the box office and the amalgamation of the teams can take place. There will be the need to put training plans in place and ensure that the transition of the service is done as smoothly as possible and that staff are fully engaged throughout the whole process.

- 3.8 Appendix 2 offers details of a proposed model that retains the current management arrangement of Warwick Town Council (WTC) managing the Leamington VIC, but utilising their established pool of volunteers to extend the opening hours without incurring additional costs. WTC have experience of successfully recruiting and managing volunteers having done so in the Warwick Visitor Hub. The model has the additional advantage of maintaining the existing and experienced management function, and would be able to deliver the extended opening hours immediately.
- 3.9 However on balance, the combination of increased opening hours, improved customer service and increased synergies between teams, the model proposed in Appendix 1 and summarised in paragraphs 3.6 and 3.7 above is considered to offer the greatest benefits for both the Council and for the customer.
- 3.10 To relocate the Box Office and reception function the communication infrastructure to both the customer facing and back office areas would require investment. Given that it would be inappropriate to award the VIC element of the Tourism Grant outside of the Council when the service is now being provided in-house, it is proposed to instead utilise this element of the grant to deliver the required improvements in 2017/18.
- 3.11 Warwick Town Council is currently in receipt of a Tourism Grant made up of two parts – a) £25,000 for tourism activities and b) £15,000 for the management of the Leamington VIC. As part b) of the grant will be repositioned as detailed in section 2.5, Recommendation 2.6 allows for the renegotiation and renewal of part a) of the grant to ensure future delivery of tourism activities in Warwick town
- 3.12 Currently the visitor information is an unmanned stand in Kenilworth Library, Smalley Place. Officers will engage with stakeholders and end users to assess this provision and seek ways of improving its accessibility, relevance and prominence to the visitor within existing budgets. There has been a recent Visitor Audit for Kenilworth and associated action plan, attached as Appendix 3, and this will form the starting point of reviewing and improving the visitor information provision, with particular reference to Priority 4 – Optimising the Experience.

4. **Policy Framework**

- 4.1 The recommendations relate to the key strands of the FFF programme as follows:

Service:

Maintain or Improve Services – the offering of a visitor experience over a longer range of opening times will deliver an improved service.

People:

Engaged and Empowered Staff – through recent consultation of staff for a different review, the issue of the shortened VIC opening times was raised by Art Gallery and Museum staff as having a detrimental effect upon attendance, and this will directly resolve that issue.

Money:

Achieve and Maintain a Sustainable Balanced Budget – the recommendation delivers an improved service at the current budget.

4.2 One of the five key themes of the Sustainable Community Strategy (SCS) is Prosperity. The Tourism sector has a vital role to play in the prosperity of the District – it directly maintains over 4,300 jobs and brings in an estimated £260m per year. The priority for tourism is to make sure that, through collaboration with private and public sector partners, we maximise the draw of our tourism assets to attract and retain visitors to the District.

4.3 **Impact Assessments** – Equality Impact Assessments will be conducted as part of the re-design process.

5. **Budgetary Framework**

5.1 The ongoing costs of the Leamington VIC, and associated grant, are within the current budgetary framework. Currently Warwick Town Council employs the staff to run the VIC, for which the District Council is invoiced. The current year District Council budget for these staff is £27,900. Members should note that the running costs of the VIC, including the staff budget, are budgeted for in addition to the grant allocated for the management of the VIC and are therefore unaffected by the proposed reallocation of the £15,000 grant.

5.2 Warwick Town Council is currently in receipt of an annual Tourism Grant of £40,000, comprised of a long-standing grant of £25,000 and £15,000 that was added when the Town Council took on the management of the VIC. The grant agreement concludes at the end of March 2017, although the full amount remains within the budget framework for future years. Recommendation 2.6 allows for the renegotiation of the remaining £25,000.

5.3 The recommendations contained in this report will mean that the portion of the grant covering the management of the VIC we will be repositioned for 2017/18 to enable the transfer of the Box Office and associated upgrading of communication infrastructure. In line with standard practice, the Town Council will need to submit a relevant and appropriate business case to unlock the remainder of the grant for appropriate tourism activities.

5.4 There are potential budgetary implications within the TUPE process that can only be detailed at the conclusion of the process. Should the transferring staff wish to take up our terms and conditions there will be an additional cost regarding pension contributions. However, it is expected that these additional costs would be offset after the consultation period by savings delivered by co-locating and increased revenue generation.

5.5 Any additional costs coming out of the further review in recommendation 2.7 should be funded from the £15,000 which should be available for appropriate tourism activities in future years.

6. **Risks**

6.1 There is a risk with the transferring of staff and the restructure process that might lead to the loss of existing staff members. However, there are opportunities within the consultation process to ensure that all staff are engaged with the process and have opportunity to inform final proposals. Through this process management aim to reduce the loss of staff whilst ensuring plans are in place to recruit and/or cover any gaps that may appear. Once the re-design is complete the integration of the teams will provide greater resilience.

- 6.2 The creation of the new integrated role will mean that there may be an initial knowledge gap for the staff matched to it. To remedy this, a detailed training plan will be in place to ensure that excellent customer service is delivered, and will be developed as part of the established consultation process.

7. Alternative Option(s) considered

- 7.1 The Council could choose to shut the Leamington VIC without exploring alternative delivery models. This would offer up savings to the Council in the region of £45,000, or the money saved could be used elsewhere to support Tourism. Closure would, however, be detrimental to the visitor experience, be reputationally damaging both within the community and within the tourism industry and have a negative impact on the other functions within the Royal Pump Rooms.
- 7.2 The Council could choose to adopt the proposal detailed in Appendix 2. This proposal would deliver longer opening hours which would benefit visitors to the VIC and to the Pump Rooms. However, this would not deliver the service benefits of co-location with other elements of service delivery such as the Box Office and Gallery Assistants, as made possible in the recommended option.

Proposal for the Integration of Royal Leamington Spa Visitor Information Centre with Cultural Services

1. CONTEXT

- 1.1. The 'arts section' of Cultural Services, which includes the Royal Spa Centre, Royal Leamington Spa Town Hall, Arts Development and the Art Gallery & Museum (together with the wider operation of the Royal Pump Rooms), recently underwent a service review. Upon the conclusion of the review it was recommended that those separate areas be amalgamated into one team in order to create a more efficient, consistent service with a combined management team and joint approach to delivery. The final proposals were considered and approved at the Employment Committee in December and will be implemented from January 2017. The subsequent 'at risk' and trial periods would run until 9th March 2017.
- 1.2. This proposal seeks to integrate the operation of the Royal Leamington Spa Visitor Information Centre into the restructured arts section of Cultural Services. It is motivated by issues raised by staff during the consultation period of the arts review. The working group consistently received feedback from the Art Gallery & Museum (AG&M) team regarding the Visitor Information Centre (VIC) and the shared concourse area located in the main front entrance of the Royal Pump Rooms.
- 1.3. The relevant issues raised by the AG&M team were:
 - a) The current VIC opening hours are not aligned with the needs of visitors and residents. The AG&M team regularly receive complaints from the public on the days when the VIC is closed.
 - b) The positioning of the Art Gallery & Museum within the Royal Pump Rooms is not ideal. The main entrance to the AG&M is not prominent and the galleries have no presence within the expansive concourse space, which may have a detrimental effect upon attendance. Many anecdotal examples were supplied of long-time visitors to the building who were completely unaware that the AG&M was located within the Royal Pump Rooms.
 - c) When the VIC is closed, being located within the open plan, public concourse, it is necessary to secure the area with large, floor to ceiling shutters which are highly visible from the entrance and convey the false impression to the public that the building as a whole is also 'closed'. It is believed that this acts as a significant deterrent which has a detrimental effect on footfall into the building.
 - d) A range of services are delivered from the Royal Pump Rooms by third party organisations such as Kudos (which operates the café, annex and Assembly Rooms), Warwickshire County Council (the library service 'hub') and Warwick Town Council (the VIC). These organisations are classed as 'joint operators', who have a high degree of autonomy within their own areas of the building and are also theoretically jointly responsible for the management of shared public areas. However, in practice the AG&M team, as the on-site representatives of Warwick District Council, are heavily relied upon to support the day-to-day operation of the building. The reception within the Art Gallery & Museum is therefore commonly considered to be the

reception for the building as a whole. It was felt by the team that the challenges this presents have never been fully addressed to the satisfaction of the AG&M team or the joint operators.

- e) It is necessary for the staff that work at the reception desk within the AG&M to be knowledgeable about the local area and familiar with the history of the Royal Pump Rooms. They receive a high amount of enquiries from visitors who seek information about the building and the local area.
- f) The AG&M and VIC both have modest retail ventures which offer a comparable range of high quality merchandise. It was felt by the team that there is an element of duplication as the merchandise is of a similar type - being primarily focused on the Pump Rooms itself or heritage of Royal Leamington Spa. During the 2015/16 financial year the AG&M gift shop generated approximately £6,000 of net income and the VIC shop achieved £22,500 (with approximately 50% of that income being profit after the cost of sales is deducted).

1.4. The working group also received comments regarding the VIC and associated issues from the Royal Spa Centre & Town Hall team during the review:

- a) There has been a long held concern regarding the current location of the Royal Spa Centre box office at the Town Hall and its potentially adverse impact on ticket sales. Footfall through that building is comparatively low, making impulsive purchases by passers-by unlikely. Despite being situated on the main Parade in the centre of Leamington Spa, the Town Hall is not perceived by audiences as an accessible, convenient or obvious location.
- b) The team are aware that the disposal of the Town Hall has been flagged as a corporate project within the next stage of *Fit for the Future* and that the future of the building is uncertain from 2018 onwards. The team were concerned what the potential consequences of this might be for the box office function.
- c) The VIC area was repeatedly suggested by the team as a feasible and appealing alternative location for the daytime box office - due to its prominent position and high levels of footfall.
- d) Being located within the Town Hall, a building that continues to be perceived as a 'civic hub' by a number of local residents, the box office receives a wide range of general enquiries from the public about the Council, the town and the building itself. First time visitors to the area also naturally gravitate towards the building as its architecture is so distinctive. Royal Leamington Spa Town Council and a Warwick University Learning Hub are also based in the building and the box office also partially acts as a reception service. As a result it has been necessary for the Box Office Assistants to broaden their knowledge about the area and their understanding of the Council in order to serve this wide range of customers. Many of the team see the amalgamation with the VIC service as the next logical, natural step.
- e) The box office opening hours are currently not aligned with the needs of customers. Ideally the service would be available during working hours.

1.5 The provision of the VIC falls under the scope of Warwick District Council's Economic Development team, which has an agreement with Warwick Town Council in place to operate the service. This agreement is due to expire at the end of March 2017 and so it seems a logical time to reassess the Council's options for

delivery. The recent restructure of the arts team provides a unique opportunity for Warwick District Council to make improved use of its assets to enhance service delivery.

2. DETAILS OF THE PROPOSAL

- 2.1. The key principle of this proposal is to pool the Council's resources by relocating both the box office function from Town Hall and the reception desk from within the AG&M to the entrance of the Royal Pump Rooms and to combine it with the current visitor information service. In order to deliver all of those services successfully it would be necessary to combine the resources of the teams and create new roles.
- 2.2. This is a commonplace model and visitor information services are often integrated into public buildings such as museums, art galleries or other local attractions that tourists are naturally drawn to. It is also increasingly common for those services to be delivered by one team – selling gifts, merchandise and tickets for entry as well as acting as a reception for the venue and providing face-to-face information and advice to visitors to the area- from a single point.
- 2.3. The intention would be to merge the current roles of Senior Gallery Assistant, Box Office Assistant and VIC Assistant into a single role and to form a cross-trained team from the existing members who would then be able to deliver all aspects of the services.
- 2.4. It would remain necessary to maintain a back office box office function in order to continue telephone bookings. This could also feasibly be relocated to that area and staffed by the same team. As well as answering telephone calls and selling tickets the frontline staff could process retail sales and respond to face-to-face enquiries. It is the intention that there would also be a supervisory, 'team leader' role based at the desk that could be mobile around the building and act as a first point of contact for the joint operators, staff and visitors.
- 2.5. It would also be the intention to make a one-off investment in the VIC area and update the current offering. It is suggested that this could potentially funded by the release of the annual administration grant currently allocated to Warwick Town Council.
- 2.6. The specific objectives of this project would be:
 - a) To extend both the VIC and box office opening hours and align them with visitor expectation and demand - at no additional cost to WDC
 - b) To maximise income generation for WDC through greater volume of ticket and retail sales - with the continuing aim of lowering the cost of the service overall
 - c) To increase the footfall through the AG&M and the Royal Pump Rooms building. To encourage visitors and residents to use the building more widely - attracting different users
 - d) To create a more collaborative approach between service areas, with Cultural Services working closely with Development Services to ensure that the operation reflects the priorities of the Destination Management Plan
 - e) To create an improved, convenient and coherent offering for service users - following the one-stop shop model. Visitors should be provided with

accurate information and advice about the local area, signposted to events occurring within the building and wider District and also be able purchase tickets for those events at the same time.

- f) To refresh the offering at the front of the building and to make the design more appealing. To review the concourse area and create a more pleasurable and coherent experience for visitors which clearly signposts them to the various services. Perhaps utilising technology and the work of the AG&M to increase engagement.
- g) To reframe the area as a reception for the wider building allowing the Council to take greater operational control and increase supervision of the shared areas.

2.7 If this proposal was considered viable it would be necessary for a service review to commence immediately, with an aim to take a report to Employment Committee on 22nd March. It would not be possible to run the box office service alongside the current VIC model until the teams were combined, because of the complications surrounding ICT requirements, training and cash handling. The scope of the review is relatively simple and so the timetable is achievable. However, it may be necessary to either extend the agreement with Warwick Town Council on an ad-hoc basis or to transfer the VIC staff over to the employ of Warwick District Council and to operate as currently until such time as the review can be completed.

2.8 Extended Opening Hours

2.8.1 The current opening hours for the various services involved are:

	CURRENT OPENING HOURS*		Per Day	Per Week
Visitor Information Centre	Monday	CLOSED	0	30 hrs
	Tuesday - Friday	11:00 – 16:00	5 hrs	
	Saturday	10:00 – 16:00	6 hrs	
	Sunday	11:00 – 15:00	4 hrs	
Art Gallery & Museum	Monday	CLOSED	0	36 hrs, 15 mins
	Tuesday - Saturday	10:45 – 17:00	6 hrs, 15 mins	
	Sunday	11.00 – 16.00	5	
RSC&TH Box Office	Monday	10:00 – 17:00	7 hrs	27 hrs
	Tuesday – Saturday	10:00 – 14:00	4 hrs	
	Sunday	CLOSED	0	

2.8.2 The VIC opening hours fluctuate seasonally, opening on Sundays during the summer months (April – October), 11:00 – 15:00. During the autumn/ winter season the VIC is closed on Sundays. The AG&M also opens on public holidays under Sunday opening hours. The RSC&TH box office closes on public bank holidays.

2.8.3 It is assumed, for the purposes of this report, that the ideal opening hours that the project would attempt to deliver through the combined function would be:

10:00 – 17:00 Monday to Saturday (42 hours per week)
10:00 – 16:00 on Sundays (6 hours)

This would total 48 hours per week and would represent an increase of 21 hours for the current box office service and 18 for the VIC. The eventual confirmed opening hours would depend on the number of posts and working hours available and the staffing costs involved – which could only be calculated after a more thorough service review which would also explore operational feasibility and visitor demand. However, given the resources that the Council already has, the above opening hours are thought to be achievable at this stage.

- 2.8.4 In order to extend the opening hours in this way it would be necessary to amalgamate staffing hours. For the improved service to be delivered at no additional cost to the Council it is proposed that the current roles and functions of Senior Gallery Assistant, VIC Assistant and Box Office Assistant be combined into a new single role. It is believed that the similarities of tasks and responsibilities between the various roles and the comparable skills required would make this amalgamation realistic and achievable, although training would be required.
- 2.8.5 It would be necessary to carry out a review of visitor demand in order to fully establish the opening hours and service requirements. It would also be necessary to follow WDC's formal service review process and consult with the staff concerned. New posts would be created and it is highly likely that current working patterns would have to be changed. As the current VIC staff are employed by Warwick Town Council there may also be an obligation to transfer the employment of those individuals to Warwick District Council under TUPE regulations. The timeline for this could only be confirmed once Warwick District Council's HR department had begun the official review process.
- 2.8.6 Currently, the Visitor Information Assistants work in pairs, as the VIC is effectively a satellite site, remote from Warwick Visitor Information Centre and so lone-working becomes problematic. It would become more feasible to stagger the amount of staff present during a shift if they became part of the wider arts team, with colleagues based in the same building and with a supervisor on site. It may be possible to reallocate staffing resources to the periods when demand is highest, improving the standard of service to the public.
- 2.8.7 At this stage it is not possible to accurately describe the details of this proposed new role or the working patterns of the operation. The staff concerned have not yet been consulted with. However, it is probable that this team would be included as part of the newly created Programming & Marketing team within the arts section. That team's focus would be the promotion of events and exhibitions (both ticketed and free of charge) across the arts section and also currently includes the box office function. This team's responsibilities also include the programming/booking of spaces and it will have an overview of the District's cultural events, so there is an obvious alignment of priorities with the information service provided by the VIC. It is also likely that the existing Box Office Supervisor role could be adapted so that the team would have a dedicated supervisor located at the Royal Pump Rooms, to support staff on a day to day basis, which is not the case currently.

2.9 Income Generation

- 2.9.1 During the 2015/16 financial year the Royal Spa Centre & Town Hall box office

took £923,265 of income from ticket sales. The level of income through the box office has steadily increased over the last three years, as the venue's offering has improved, and sales remain on an upward trajectory. The average annual footfall through the Town Hall and box office is currently only 55,000. The Royal Pump Rooms has a much greater annual footfall of approximately 500,000. It is anticipated that the combination of extended opening hours, joined up promotion and the increased footfall through the physical box office would result in an added increase in ticket sales. The additional staffing would also ensure that demand was met at peak times and that potential transactions were not lost.

2.9.2 The Royal Spa Centre & Town Hall already acts as a ticketing agent for many local community organisations and events, for which it receives additional income through commission. During financial year 2015/16 the box office sold £58,490 of tickets for events at other sites on behalf of community organisations. Those companies benefitted greatly from being included within the Royal Spa Centre & Town Hall listings as it brought those smaller events to the attention of new audiences that event organisers might otherwise not have the resources to reach. The Royal Spa Centre & Town Hall also benefits in the same way, as many of the audiences for those agency events may not have attended the theatre or seen its programme of events before.

2.9.3 There is a strong supporting business case for WDC to expand its box office agency function by becoming a ticketing agency for larger events in the District. The business model would be strengthened if the primary daytime box office were to be located in a prominent building with high levels of footfall. This would be highly appealing for those organisations who are not capable of running their own ticketing operation. The advantages of this would not solely be financial. With more audiences looking to the same place for information about events it would ensure greater awareness and exposure for all concerned and grow audiences which is ultimately mutually beneficial for all.

2.10 Increased Footfall

2.10.1 This proposal also offers the opportunity to review the flow of visitors through the concourse area. It would also be possible to integrate publicity for the AG&M and even use that space to bring exhibitions and objects out into the concourse and make AG&M a more integral part of the building's identity.

2.11 Collaboration

2.11.1 One of the key recommendations made by the recent arts service review was that the new post of Arts Manager be created in order to work more closely with WDC colleagues to deliver the strategic objectives of the arts section. It is anticipated that this role would work closely with colleagues in Development Services to ensure the objectives of the tourism agenda were met. If WDC staff were utilised to operate the combined operation it would ensure that those priorities of the Council were implemented.

2.12 Service Improvement

2.12.1 It is anticipated that the combined function would be of added benefit to service users. The shared knowledge and experience of the team would mean that service users would be offered a more rounded service. The team could continue

to build upon the excellent standard of service currently on offer and provide customers with information on the local area (with a focus on Royal Leamington Spa, but also the wider district), in-depth knowledge of events and venues, information about partner organisations and signpost potential visitors to the Art Gallery & Museum. It is hoped that the added box office function would also encourage new users to experience the information service for the first time.

2.13 Refurbishment

- 2.13.1 By reallocating the grant funding currently provided to Warwick Town Council to operate the Leamington Spa VIC there is an opportunity to refurbish the area. It is suggested that the retail offering within the AG&M and VIC could be combined. With relatively low levels of investment it may be possible to bring the high standard of exhibitions and displays of the AG&M into foyer space and make the whole area more integrated and vibrant. As one of the district's most valuable heritage assets it is important that the concourse area reflects its identity as a cultural space. It is also important to reflect the investment that will shortly be made into the Pump Room Gardens and ensure that there is an improved link between the two areas. The relocation of the AG&M reception would also free up much needed gallery space.

2.14 Operational Control

- 2.14.1 Currently, it is extremely challenging for the Council to have sufficient operational control over the wider Royal Pump Rooms building, as its representatives are located in the Arts Gallery & Museum space. There is extremely comprehensive CCTV coverage of the building, but this is located at the AG&M desk. It is suggested that by relocating that desk to the concourse it will be possible for the Council to have greater control over the shared public area.

3. BACKGROUND

3.1 The Art Gallery & Museum

- 3.1.1 The use of the AG&M is highest at weekends, when it is very well attended. A broad programme of engaging, high quality exhibitions and events is available throughout the year. The annual footfall is approximately 115,000 which is 23% of the total footfall through the Royal Pump Rooms. The primary footfall generator is the library, located next to the AG&M.
- 3.1.2 The AG&M is now closed on Mondays and is open a total of 36 hours, 15 minutes a week. Opening hours were previously reduced as part of the Fit for the Future savings.
- 3.1.3 On weekdays when the AG&M is open it is usual to have at least two Gallery Assistants on duty alongside a Senior Gallery Assistant. The gallery areas of the AG&M must be monitored at all times in order to prevent theft or damage to the exhibits / art works on display. These areas are manned on a rotation pattern with

one role supervising the temporary gallery space, one role roaming between museum and art gallery and one role situated at the reception desk.

- 3.1.4 The member of staff allocated to the reception desk answers telephone calls, monitors the internal and external CCTV cameras, processes shop sales, greets visitors and answers enquires. The AG&M reception desk is also the first point of contact for the joint operators if there is an issue in their area.
- 3.1.5 The Senior Gallery Assistant also has a wider responsibility - supervising the Gallery Assistants, carrying out perimeter checks and dealing with enquiries and emergencies. The most common issues that the Senior Gallery Assistant deals with are complaints about the public toilets or anti-social behaviour within the concourse or the external perimeter of the building. Other examples of issues include general enquiries, welcoming visitors, dealing with deliveries and managing parking.
- 3.16 The Senior Gallery Assistants are able to secure the building and operate fire/ intruder alarms. Although the joint operators are responsible for evacuating their own customers during an emergency, the Senior Gallery Assistant is the member of staff who would coordinate and liaise with the emergency services. There is a tension within the role as a balance must always be struck between being part of the gallery rotation and being available to respond to any situations that may arise.

3.2 The Royal Leamington Spa Visitor Information Centre

- 3.2.1 The Visitor Information Centre in Royal Leamington Spa provides residents and visitors with general information about the area, ensures that promotional materials of interest are effectively displayed and kept up to date and sells merchandise from the shop. The staff offer friendly, helpful guidance and advice on things to see and do in the area, with a Royal Leamington Spa focus.
- 3.2.2 The District's towns are renowned for having very few areas in which to display promotional materials or advertising. Opportunities to purchase advertising space are scarce and the few that there are can often be prohibitively expensive for smaller organisations. The District has a wealth of community activity that residents can attend / participate in and many attractions that are of interest to visitors to the region. The Royal Pump Rooms is an iconic building within the town and many first time visitors gravitate towards it – many visiting the café. Therefore, the VIC's has become an extremely important focus for event organisers who wish to promote their event.

3.3 The Royal Spa Centre & Town Hall Box Office Service

- 3.3.1 It became necessary to relocate the Royal Spa Centre box office from its previous location at the front of the theatre when the venue's auditorium seating was replaced and the foyers were refurbished in 2011. In order for the improved, raked, bleacher / retractable seating to be installed in the stalls area it meant that the auditorium entrances sited at the back of the hall had to be relocated to one side. To allow for the access route into the auditorium, the back office and box office areas were removed.

- 3.3.2 A much reduced, smaller box office was added the end of the stalls bar in the ground floor foyer area for temporary use before and during performances. The main, daytime box office was relocated to the reception area of the Town Hall as a temporary measure while an alternative box office software could be sourced. It was thought at the time that the new ticketing software would allow the Council to sell tickets from any area with a broadband connection. It was planned that multiple points of sale would be created across the District - following the one stop shop approach. However this proved to be impractical at an operational level, as the staff using the system would not have had a working knowledge of the venues. There were also complications around data protection and cash handling that could not be solved at the time. Therefore, due to a lack of more viable alternatives, the daytime box office has remained at the Town Hall.
- 3.3.3 Following a service review in 2013 which combined the teams that operated the Royal Spa Centre and Town Hall the opening hours of the box office were reduced from 10am - 5pm Monday to Friday, 10am - 2pm Saturdays to 10am - 5pm Monday and 10am - 2pm Tuesday – Saturday, a reduction of 12 hours. The amount of box office staff on duty during those shifts was also reduced. This was done after an analysis of the box office sales patterns highlighted the hours that 80% of transactions were made.
- 3.3.4 Currently, one full time member of staff delivers the box office service, selling tickets, assisting with enquiries and acting as first point of contact for the Town Hall. At peak times casual staff are brought into assist. In 2015/6 a total of 1,747 staff hours were allocated to the box office.
- 3.3.5 Over 68,000 tickets were sold through the Royal Spa Centre and Town Hall box office in 2015/16 and 50% of those sales were made either over the counter or telephone.

Leamington Visitor Centre -Staffing Model – Warwick Town Council

LVIC current opening hours to be reviewed

- Mon – Fri 11.00 hours – 16.00 hours, Sat 10.00-16.00 hours and Sunday 11.00 - 14.00 hours.
- The Visitor Centre closes on Sundays 31st October until Easter Sunday.

Staff

- A team of two staff man the VIC during these hours with one team member arriving 15 minutes before opening up and one leaving 15 minutes after the VIC has closed. This gives time for the opening and closing procedures.
- The team at present consists of a staff of four with occasional cover from WVIC
- The team members at present are on a 0 hours' contract, this is a perfectly amicable agreement and all existing team members have indicated that they are happy to continue with this.
- All staff at LVIC are recruited, trained and managed by WVIC. Absences, disciplinary procedures and decisions are all actioned by WVIC/WTC.

The tables take in to account two members on duty each day with one member working at extra 15 minutes at the beginning and end of each day.

Easter to end of October

Sun	6.5
Mon	Closed
Tues	10.5
Wed	10.5
Thurs	10.5
Fri	10.5
Sat	12.5
Total	61

November to Easter

Sun	Closed
Mon	Closed
Tues	10.5
Wed	10.5
Thurs	10.5

Fri	10.5
Sat	12.5
Total	54.5

Museum and Art Gallery

- Tuesday to Saturday 10.45 – 17.00 Sunday & Bank Holidays 11.00 – 16.00 Monday closed

New Vic hours to mirror the art gallery taking in to account two team members on duty and an additional half hour per day to open and close

Sun	10.5
Mon	Closed
Tues	13
Wed	13
Thurs	13
Fri	13
Sat	13
Total	75.5

Leamington VIC to mirror the Art Gallery opening times would therefore need to man the VIC for an additional 14.5 hours in the Summer months and 21 hours in the Winter months.

Please note the above does not take in to account the weeks when there is a Monday Bank Holiday when the VIC would open. Staff would also be working more than 6 hours so would legally require a 20-minute unpaid break.

How to achieve this working in partnership with Warwick Visitor Centre (WVIC)

- In 2016 WVIC has successfully worked alongside a team of volunteers.
- WVIC has worked closely with Warwickshire College students
- WVIC also offers a placement one day per week to a local student
- Manager to spend two days per week at LVIC
- To share resources between the two VICs
- To introduce a small team of volunteers to LVIC

The volunteer pool at Warwick VIC has increased in 2016 and is continuing to grow, this frees up resources to cover the additional hours at LVIC with no extra cost to both VICs. This takes a while to establish but over time volunteers could also be introduced to Leamington VIC but initially Warwick paid staff would cover shifts at LVIC and the Warwick pool of volunteers work experience would cover those shifts at WVIC.

This would prevent the negativity of LVIC being closed during critical hours and also provide an excellent service level to both locals and visitors to the town and also the building as a

whole as at present LVICs opening hours are inadequate to suit the needs of the public. Using WVVIC's resources would achieve the additional opening hours.

Recommendations

- At present WTC pay LVICS staff wages and then invoices WDC. This amount is estimated annually to fall between £27,000-£30,000. A one of payment to WTC would avoid this as every month we have to invoice WDC which is as discussed with DB an unsatisfactory arrangement.
- An annual budget to be set as some weeks would require more cover than others and be subject to bank staff and volunteer availability, this would then balance out over the year but would fall within the amount set.
- WVVIC buys most of the stock at cost price using existing suppliers and then invoices LVIC. At present LVIC bank the takings with WDC so all profit made from the goods goes to WDC. WVVIC would take this over in its entirety, we would order the stock and bank the revenue through our banking system.
- A 3-year agreement would be ideal to create confidence in the general public, the local economy and the team of employees.
- Rent and Rates – this is paid by WDC, to be discussed.
- Running costs – IT support is paid by WTC initially who then invoice WDC. We would need to look at any other minor costs.

As the VIC is open 7 days a week the above is expected to cover weekend working where a day off in lieu is granted.

The team also includes 2 bank staff on 0 hours' contracts also available for cover at LVIC and a work experience student from Aylesford School one day per week during term time is also accommodated at WVVIC.

We have a team of 5 volunteers who cover ½ day shifts when the need arises, the volunteers offer cover for Warwick only. A separate team of volunteers would be necessary for LVIC.

Various work experience placements are also offered to students from Warwickshire College and other local schools throughout the year. This would also be introduced to LVIC which would provide further assistance with the additional opening hours required.

Kenilworth Action Plan

Following the audits and workshop below are the suggested actions, Kenilworth consider undertaking within the next 18 months - 2 years. These are not designed to be "set in stone" and should be flexible as time and needs move on. Deadlines and responsibilities have been purposefully left blank to allow flexibility.

All actions listed here are important and desired by stakeholders in Kenilworth, however there is always a competition for resources and time. Therefore each action is given a priority rating to help assess which are vital if resources become stretched. *** denotes the highest priority.

A few specific notes on delivery of specific actions are included at the end of the document

Priority 1 - Developing a clear understanding and identity for the destination

Project	Description	Priority	Deadline	Cost	Responsibility
1.1	Understanding Kenilworth				
1.1.1	Compile a product audit of the destination's assets, so that everyone knows what Kenilworth has to offer Section 4 pages 5-8 of COOL toolkit has tips	***		Low	
1.1.2	Alongside the audit build full tourism contacts database. Encourage opt in so this data can be shared amongst stakeholders	***		Low	
1.1.3	Compile an audit of destination marketing materials within the destination catchment area (websites & leaflets etc) - who publishes / what they say etc	***		Low	
1.2	Understand the Audience				
1.2.1	Collate data and insight from Kenilworth Stakeholders to build a more solid picture of who the key visitor groups are and their behaviours	***		Low	
1.2.2	Consider simple focus groups/qualitative surveys with key audience segments to ascertain needs, motivations and awareness of Kenilworth	**		Low-Med	
1.2.3	Using the data look through Section1 page 19-25 of COOL toolkit to profile the audiences and complete an audience map elaborating on the needs and the values and messages Kenilworth should be communicating to each	***		Low	

1.3	Develop a clear identity				
1.3.1	Agree and develop a clear identity for the destination using the current visuals. Include core ethos, values and features (the message behind the orange "K") see Section 1 page 25-28 and section 4 pages 9-10 of COOL toolkit for pointers BUT make it as simple as possible!	***		Low	
1.3.2	Create a brand toolkit for others to use. Include sample copy (various uses), image library, visual style guide, tone of voice and experience examples, notes on audiences etc	***		Med	
1.3.3	Develop tools to support roll-out of brand (web buttons, social media skins, various sizes of logo etc)	**		Low-Med	
1.3.4	Apply the brand identity consistently to all Kenilworth channels (web, social media and print as reprints due) visually and in the content of the messages	***		Low	
1.3.5	Review business take-up of the brand identity -if low then ask if further support etc required	***		Low	
1.3.6	Visitor focus groups to assess recognition and response to brand identity	**		Med	

Priority 2 - Effective Promotion

Project	Description	Priority	Deadline	Cost	Responsibility
2.1	Website Improvements				
2.1.1	Using info gained in priority 1 above, plan visitor journeys through the website - entry points, vital information, useful information, calls to action etc Section 2 pages 13-15 of COOL toolkit can help	***		Low	
2.1.2	Review current web presence and especially analytics to inform the above and ensure retention of useful/essential content. Note all inbound links prior to changing the website and ensure they match up with page names, or put in place 301 redirects	***		Low	
2.1.3	Appoint professional developer to create a new Kenilworth website based on brand and visitor journey work. Ensure development includes an accessible	***		Med-High	

	CMS, responsive design and training provision for minimum 5 people on updating and maintaining				
2.1.4	Consider negotiating an ongoing maintenance contract with the developer, to ensure bug fixes, technical maintenance and support is consistently available (including content backup)	***		Med	
2.1.5	Re-work current content to match visitor journey and to appeal to key audiences. Include SEO at this stage.	***		Med	
2.1.6	Collect pdfs of all the leaflets and publications available on Kenilworth attractions and make them available on the website. Make it an information hub for the town.	***		Low	
2.1.7	Check all links in Kenilworth leaflet and ensure web pages function/exist. If not use 301 redirects to ensure information can be found. Rinse and repeat for all town marketing collateral.	***		Low	
2.1.8	Review and prioritise SEO based on the audience you desire and new content being written/reviewed for a new website. Section 2 pages 17-18 of COOL Toolkit has some good pointers	***		Med	
2.1.9	Test keyword searches and ensure popular landing pages are optimised as potential front doors (check analytics to see visitor flows and dropoffs)	**		Low	
2.2	Links and referrals				
2.2.1	Research and review Kenilworth content on key 3rd party marketing channels (e.g. Shakespeare's England, VisitEngland, Daysoutwiththekids, VirtualTourist, Visit Coventry & Warwickshire etc etc). Offer new content and images etc to improve and make a focus on experiences.	***		Low	
2.2.2	Continue to monitor 3rd party details going forward, updating as needed and continuing to seek out new avenues to promote the destination	***		Low	
2.2.3	Use brand tools (above) to help encourage all businesses to provide visible reciprocal links to the website and if relevant hold .pdf of Kenilworth leaflet	***		Low	
2.3	Social media				
2.3.1	Review current social media accounts and decide who they are for (B2B or B2C? Shoppers or other audience groups?) Then plan an outline of what that account is trying to achieve. Section 2 page 19 of Cool Toolkit has the	***		Low	

	pertinent questions. This helps provide clarity and direction for the accounts (all to easily forgotten)				
2.3.2	Plan a yearly social media content calendar in advance so you have a basic raft of content and things to talk about (stops the sporadic posting)	***		Low	
2.3.3	Work with stakeholders to encourage guest posting on social media showcasing the best experiences for visitors and giving them a "behind-the-scenes" peak at the attractions and events (bringing human interest).	**		Low	
2.3.4	Encourage more interaction over social media, competitions / open ended content / user generated content etc	**		Low	
2.3.5	Research and seek out "influencers" in specific fields who can help you reach your core audiences. Target these people proactively to gain their support	**		Low-Med	
2.3.6	Set up a visual destination social media account (Flickr or Instagram most useful). Allow wide access amongst stakeholders and encourage all to upload or tag images there	**		Low	
2.3.7	Make Youtube a core part of the social media plan, upload experience showcase videos (ones that point the camera at the potential customers point of view rather than documentary style - a visit to the Castle from a child's point of view, exploring the Abbey ruins, eating out, taking on the millennium walk, sunset drinks outside a picturesque venue etc...	**		Med	
2.4	Other				
2.4.1	Create a B2C newsletter signup form and promote through website and social media activity (as well as in situ) to develop a contacts database. Send seasonal (4 x annually) B2C e-newsletters to contacts database	**		Low	
2.4.2	Repeat assessment of external marketing annually	***		Low	

Priority 3 - Joining up the destination

Project	Description	Priority	Deadline	Cost	Responsibility
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3.1	Coordination of activity				
3.1.1	Make an initial approach to all stakeholders in Kenilworth and surrounding area, informing them of the completion of the audits/identity and new plans for activity	***		Low	
3.1.2	Use email newsletter to send a quarterly update on activity and show results/impacts	***		Low	
3.1.3	Draw up a code of conduct/charter for all key stakeholders, outlining the expectations and obligations of being involved (simple and straightforward is best - e.g. attached)	***		Low	
3.1.4	Consider usage of social media to enable deeper B2B stakeholder interaction (Twitter or LinkedIn groups are suggested).	**		Low	
3.1.5	Develop twice yearly networking events for wider stakeholders to network and interact face-to-face.	**		Low-Med	
3.1.6	Encourage familiarisation trips between businesses to improve local knowledge and interaction	**		Low-Med	
3.1.7	Develop local awards for stakeholders; in particular consider customer service and quality of welcome as well as community involvement and environmental preservation.	*		Low-Med	
3.2	Itineraries & trails				
3.2.1	Plan a range of themed itineraries interpreting differing facets of Kenilworth for the visitor. Section 4 pages 19-23 of COOL Toolkit has a step by step guide - do this in a workshop setting with businesses and other local experts. Produce an initial series of 4 - consider families, heritage, great outdoors and romantic as the themes. Create as online pdfs and provide to businesses for self printing (especially consider a heritage trail that takes in Castle/church/Abbey)	***		Low	
3.2.2	Research any existing walking trails or self guided experiences and bring together on the website or if possible encourage reprinting in hard copy	**		Low-Med	
3.2.3	Develop a children's treasure trail for Kenilworth - make available online and in self-print hard copy	**		Low	

3.2.4	Look into potential of using Geocaching as an experience vehicle (dedicated Kenilworth caches, incl. offers, prizes and clues etc).	*		Low-Med	
3.3	Offers & Incentives				
3.3.1	Investigate possibility of transferrable car park tickets within the main Kenilworth car parks (especially including the Castle)	***		Low-Med	
3.3.2	Work with businesses to generate targeted offers (vouchers/discounts) designed to encourage visits to two or more venues on any visit - promote through web & social media . Especially focussing on pairing Old Town with Warwick road and Castle with others	***		Med	
3.3.3	Encourage specific incentives from businesses around large events e.g. Warwick University Graduation (packages, offers etc)	**		Low	
3.3.4	Evaluate options for a formal loyalty scheme for retail, attractions and catering across the town	*		High	
3.4	Signage & Wayfinding				
3.4.1	Review inbound signage and ensure town centre and parking are mentioned on inbound especially at bottom of Warwick Rd and near Castle	**		High	
3.4.2	Improve pedestrian signage/routes into and out of the Castle. <ul style="list-style-type: none"> — Ideally allow gate opposite Castle Green to be used as an exit — Sign the footpath that skirts the Castle boundary to the Old Town — Consider a pedestrian crossing somewhere on castle Road — Sign Castle clearly from Abbey Fields exit 	***		Med-High	
3.4.3	Improve onward signage from car parks for pedestrians (alleys at square west, exit to abbey end in Abbey End, anything at all at Sainsbury's/Waitrose).	***		Med	
3.4.4	Check fingerposts as several need repair or reorienting (toilets at roundabout, abbey ruins at top of abbey end, church in old town etc).	***		Med	
3.4.5	Revisit routes suggested for walking - (town centre to castle and vice versa via Abbey Fields as opposed to Castle Road)	***		Low	

3.4.6	Improve signage within abbey fields: <ul style="list-style-type: none"> — Fingerposts at all entrances/exits — Fingerpost at swimming pool — Fingerpost outside St. Nicholas Church 	***		Med-High	
3.4.7	Consider way marking specific walking routes around the town with small marker discs or other physical elements	**		Med	

Priority 4 - Optimising the Experience

Project	Description	Priority	Deadline	Cost	Responsibility
4.1	Ongoing Measurement				
4.1.1	Repeat mystery visit/marketing assessments on a regular basis (say annual intervals).	***		Low	
4.1.2	Consider a 200 sample visitor survey to gain solid firsthand data on perceptions and behaviour within the destination	*		Med	
4.1.3	Develop a standard form for use by local businesses and event organisers to encourage visitor feedback	**		Low	
4.1.4	Set up a method to collate and share ongoing occupancy, visitor numbers, visitor demographics results from businesses	**		Low	
4.1.5	Undertake business surveys to benchmark performance/measure success	**		Low-Med	
4.2	Information Provision				
4.2.1	Provide information and destination maps at all arrival points (in addition to main car parks): <ul style="list-style-type: none"> — Supermarket car parks — Bus stops — Station 	***		Med	
4.2.2	Consider complementing current car park maps with interpretational	**		Med	

	information (what to see and do)				
4.2.3	Move interpretation panel at library to more visible spot (e.g. adj Clocktower where wooden frame sits)	***		Med	
4.2.4	Consider additional interpretation panels in key locations: <ul style="list-style-type: none"> — Talisman Square — Castle Entrance 	**		Med	
4.2.5	Audit current information provision across the town, identify venues that currently stock publications and others with potential to.	***		Low	
4.2.6	Centralise coordination of publication distribution with TCP (make businesses responsible for supplying stocks however) and/or arrange regular leaflet drops/exchanges	***		Low	
4.2.7	Cost options of providing out-of-hours information at TiC via screen in window	**		Med	
4.2.8	Look into options for creating tear-off map pads or other counter-top/Point of sale information which can be held throughout the destination	**		Med	
4.2.9	Create a dedicated Kenilworth information point at the Castle, showcasing the wider town, stocking publications (especially with heritage interest)	***		Med	
4.3	Physical Appearance				
4.3.1	Implement the Kenilworth brand physically within town	***		Med	
4.3.2	Litter pick car parks & persuade traders to limit waste being piled up at rear of businesses in Abbey End and Square West	**		Low	
4.3.3	Clean graffiti by clock tower more effectively and utilise the wooden hoardings or remove (perfect spot for interpretation board)	***		Low	
4.3.4	Maintain and inspect public toilets frequently to ensure higher standards	***		Low	
4.4	Improving the offer				
4.4.1	Discuss with Friends of Abbey Fields options to enable Abbey Ruins Barn Museum to be open longer/more frequently	***		Low	
4.4.2	When planning events and festivities consider focussing activities in	***		Med	

Notes

Action 1.3.1 - Developing a clear identity

The key thrust of this action is to build a consistent, identifiable and easily used brand for Kenilworth. This must be done in light of the following restrictions:

- a. lack of time - the brand needs to be implemented ASAP as all other elements depend on it
- b. lack of budget - we do not have the luxury of a large budget, therefore this element really needs to be developed using current resource
- c. No need for reinvention - The "Orange K" exists, works and seems to be generally accepted, therefore there is little need to rework the visual language, unless something radically changes. What is needed is clarity as to what the "Orange K" stands for/represents.

With these key criteria in mind we would advocate the following steps:

1. Bring together a short meeting with a small focussed group to take some key decisions. This should include TCP, WDC but also a few (2 or 3) external interests and businesses.
2. At this meeting:
 - a. Plot a list of the key assets (tangible and intangible) Kenilworth has, keeping in mind the different audiences involved .
 - b. Group the assets together into a handful of thematic headings e.g. wealth of attractions, access to great countryside etc. These provide the core building blocks the Kenilworth brand is based on.
 - c. For each then compile the list of detail that supports each e.g. xx miles of walking routes etc.
 - d. Then finally highlight some specifics, individual businesses, activities and experiences that embody the themes. These are the points that translate concepts and thematic ideas into actual things people can do. You don't need loads just a few that really showcase things.
 - e. Write that all up into a single table (see [COOL toolkit section 4 - page 9 & 10](#) for an example). This is the core of the Kenilworth brand.
3. Once complete use this information and the rest of the meeting to decide:
 - a. A few key values for the brand, underpinning ideals it should reflect and hold to. We would suggest including:
 - i. something to reflect the joined up nature of the destination, that it is more than a single experience
 - ii. something to reflect the idea that there is lots to uncover if you are willing to explore (more than you expect)

- iii. something to reflect the easy going nature and sense of relaxation (its compact and stress free day out)
 - b. Add in a few personality traits for the destination as a whole. e.g. are we; open, welcoming, knowledgeable, exclusive, vibrant etc. Don't over think this, rather just consider if Kenilworth was a person, what would they be like in an ideal world?
- 4. Write this all up in as short a space as physically possible (2-3 sides of A4 maximum) and present as:
 - a. Key themes (2b above)
 - b. Detail (2c & d above)
 - c. Values (3a above)
 - d. Personality (3b above)
- 5. Share with the meeting attendees and a few selected people from a wider circle and ask the question "is this Kenilworth?". Take their feedback and tweak but do bear in mind this has to make sense for the place as a whole so cannot encompass individual desires or pet passions, nor does it have to include every single thing. It should however convey a real feel of the essence and core of the destination.

Action 1.3.2 - Developing a brand toolkit

The information and ideas created in Action 1.3.1 essentially cover the basics of what the brand is and help any stakeholder or business to pick it up and use it, however to really encourage them to use as part of their own marketing activities we should consider adding a few other simple tools and resources to make life easier for them by following these steps:

1. Write up the brand from 1.3.1 using as plain and simple a language as possible (jargon and being overly wordy will put people off) and create as a 2 page pdf file. Include a short introduction explaining what it is, who it is for and how it should be used (an encapsulation of the destination, to be used by all businesses and to provide context and background to their marketing in a consistent manner).
2. Compile a small image library that reflects the key themes and elements of the brand (at both web and print quality) and make them available for stakeholders to use.
3. Provide the visual identity to make it simple for others to use. Include:
 - a. The logo in web quality formats (jpeg, png etc), including greyscale, colour reversed, with transparent background options at varying sizes (e.g. 200px wide, 500px wide, 1000px wide)
 - b. The logo in print quality formats (jpeg, tiff, eps etc), including greyscale, colour reversed, with transparent background options all at 300dpi in CMYK

- c. Outline the fonts and typefaces used and how they should be used (which for headings and which for body text)
 - d. Outline the colour palette with RGB, CMYK and Hex data so others can use the exact colours
 - e. Create a few simple rules about usage e.g. amount of space around the identity, minimum size etc
- 4. Use the notes from 1.3.1 to draft a few sample introductory pieces of copy for Kenilworth:
 - a. A longer piece (4 paragraphs maximum) that introduces, explains and describes the place as a whole
 - b. A shorter (1 paragraph long) piece that serves as a quick introduction or elevator pitch
- 5. Create a few guidelines on how the brand should be implemented:
 - a. Using the notes on values and personality write 3-4 bullet points around tone of voice (how we should talk about Kenilworth - e.g. friendly, knowledgeable, authoritative?)
 - b. Make suggestions for types of image/video to be used (emphasise quality above all)
 - c. Encourage usage of the web address wherever possible
- 6. Provide some specific detail and pointers on the key audiences and how the brand could be tailored and refined to appeal specifically to each. To do so, set up an audience map (see [COOL toolkit section 1 pages 23 & 24](#)). Again don't over think this, it's just a tool to help make the whole brand relevant to the specific people and just requires you to put yourself in their shoes and ask;
 - a. Who are they - their characteristics and behaviours
 - b. What they want - the things that motivate them
 - c. What we have that will specifically appeal to them
 - d. What they will get from us - then benefits and "whats in it for them"
 - e. A few key messages for each (1-2 sentences) that can be used to appeal directly to them and encapsulate the thinking in points a-d
- 7. Place all this information together somewhere visible and then share with key stakeholders.

Action 2.4.2 - Marketing audits

The marketing audit is a dedicated tool designed to critically look at and understand how a destination as a whole is presenting itself to the outside world. Repeating the audit on a regular basis is useful for both assessing change and improvements but also in looking holistically at the place from a visitors perspective. We would recommend completing these annually and the attached proforma outlines the criteria and questions you should look for and attempt to answer.

For scoring we apply the following; A=10 B=6 C=3 D=0, the mark can then be taken up or down at reviewers discretion based on the situation. For example the website fulfils all the key criteria but has some other glaring errors outside the scope of the criteria, it would then be marked down from 10 to say 7, reflecting that it meets the basic points but needs further work.

Action 4.1.1 - Mystery Visits

The mystery visit tool is a widely used snapshot tool to assess en-situ experience for a destination and to audit the details and specifics that make the difference between a great visit and a distinctly average one. Again we would recommend repeating this on an annual basis in multiple locations throughout the destination, and is particularly effective if conducted by someone without thorough knowledge of the place (find some willing volunteers or tourism students to help!). The attached proforma again outlines the criteria and questions you should look for and attempt to answer.

For scoring we apply the following; A=10 B=6 C=3 D=0, the mark can then be taken up or down at reviewers discretion based on the situation. For example the toilets are very clean and all facilities working however signage to them is very poor, it would then be marked down from 10 to say 8, reflecting that it meets the basic points but needs further work.