

EXECUTIVE

Minutes of the meeting held on Wednesday 8 August 2012 at the Town Hall, Royal Leamington Spa at 6.00 pm.

PRESENT: Councillor Doody (Chairman) Councillors Caborn, Coker, Mrs Gallagher, Hammon, Mobbs, Shilton and Vincett.

ALSO PRESENT: Councillor Gifford (Chair of Overview & Scrutiny Committee), Councillor Mrs Knight (Chair of Finance & Audit Scrutiny Committee), Councillor Barrott (Labour Group Observer), Councillor Boad (Liberal Democrat Group Observer) and Councillor Williams.

Apologies for absence were received from Councillors Mrs Grainger.

40. **DECLARATIONS OF INTEREST**

Minute Number 48 – Item 10 – Consultation on Council Tax Support

Councillors Doody and Shilton declared personal interests because they were Warwickshire County Councillors.

41. **MINUTES**

The minutes of the meeting held on 11 July 2012 had been delayed in production and would be submitted to the next meeting.

PART 1

(Items on which a decision by Council is required)

42. **TECHNICAL REFORM OF COUNCIL TAX**

The Executive considered a report from Finance which advised Members that the Government had released its intentions in respect of the proposals set out in the consultation paper "Technical Reform of Council Tax".

The changes, due to take effect from 1 April 2012, would allow billing authorities greater discretion over the discounts from Council Tax available in respect of second homes and other empty properties in order to maximise revenue.

The report proposed reducing the level of discount on second homes from 10% to nil, gave details regarding exemption A which dealt with uninhabitable properties and exemption C which dealt with empty properties.

At present, billing authorities could award a discount in council tax for owners of second homes, of between 10% and 50% but the Government's intention was extend this discount to 0%. If the Council were minded to set a discount of 0%, this would mean the Council's approximate increase in revenue would be £6160.

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Exemption A dealt with uninhabitable properties which at present were entitled to a maximum of 12 months exemption from Council Tax. The Government's intention was to abolish the exemption and give authorities the discretion to award a discount of between 0% and 100% for a maximum of 12 months. The report detailed the increase in revenue for various percentages based on the number of uninhabitable properties within the District as of June 2012.

Exemption C was awarded to properties that had been empty for less than six months. The Government's intention was to abolish the exemption and allow authorities the discretion to award between 0% and 100%, although clarification was awaited to see if it was possible to vary the amount within the six month period. Officers felt that if this was possible, Members could choose to allow a maximum discount for one month followed by a nil discount for the following five months.

However, if it was not possible to vary the award, the recommendation was to apply a nil discount for the entire six month period.

An alternative option was to adopt a 100% discount for empty properties, keep 10% for second homes and not levy a premium which would result in the cumulative effect of leaving the existing situation unchanged. However, officers felt this would be a missed opportunity to raise additional revenue and could undermine the Council's aim to address the problem of empty properties.

The Finance and Audit Scrutiny Committee supported the recommendations in the report and Members agreed to continue to work with the Portfolio Holder and Head of Finance to ensure the most financially viable outcome for dealing with empty properties.

The Portfolio Holder for Finance, Councillor Mobbs, endorsed the report and encouraged Members to submit their views on the Exemption C issue to either himself or the Head of Finance, Mike Snow.

Having read the report, and having heard the comments from the Finance and Audit Scrutiny Committee, the Executive decided to agree the recommendations as written.

RECOMMENDED that

- (1) the Government intentions on the proposed technical reforms of council tax planned for 2013-14 onwards and the operational and financial issues likely to be involved, be noted;
- (2) Council supports the reduction in the level of discount in second homes from 10% to nil;
- (3) Council supports a 0% discount in place of the soon-to-be abolished exemption A (uninhabitable properties);

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- (4) responsibility be delegated to the Head of Finance, in consultation with the Portfolio Holder for Finance, to agree the discount to replace the soon-to-be abolished exemption C (empty properties);
- (5) Council supports the introduction of a council tax premium of 50% in respect of properties that have been empty in excess of 2 years.

(The Portfolio Holder for this item was Councillor Mobbs)

43. MARKETS POLICY

The Executive considered a report from Development Services which put forward a Markets Policy, attached as an appendix to the report. The report also stated that if the policy was adopted, it would be necessary to adopt Section 37 of The Local Government (Miscellaneous Provisions) Act 1982.

Markets had taken place in Warwick District for hundreds of years giving residents access to affordable fresh food and other commodities. The markets provided focal points for communities and made a significant contribution to the vitality and character of the District's town centres.

Markets also supported business enterprise by providing a low-cost, low-risk opportunity for new businesses to start up, innovate and grow. The Markets Policy had been created in response to the requirements to safeguard the future of our established markets and to encourage the sustainable growth of new markets.

The report also recommended the adoption of Section 37 of The Local Government (Miscellaneous Provisions) Act 1986, detailed in Appendix 2, to the report. This would need a statutory notice of adoption to be placed in the local press within 14 days of its adoption, and it was proposed that the Markets Policy would come into effect on 1 September 2012.

Alternative options were to continue without a clear Markets Policy, however, officers felt this could leave the Council vulnerable to multiple competing Markets within the District and would have no recourse to removing them.

The Council could choose to have a more onerous Markets Policy, in order to discourage or make financial gain from the various Markets that occur currently. However, the collection of such fees may be disproportionately onerous and more importantly, would also discourage an important area of economic activity and growth.

The Overview and Scrutiny Committee recommended that an appeal process handled by the Regulatory Committee should be written into the policy document.

In response, a revised Policy was distributed but the Executive felt that this was an issue that should be dealt with at officer level. In addition,

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Members felt that this was not a licence and would not therefore fall into the remit of the Regulatory Committee.

The Portfolio Holder for Development Services, Councillor Hammon, endorsed the report and reiterated the important role that markets held within the District and were often the focus of towns and local traders. In response to the comments from Overview and Scrutiny, Councillor Hammon explained that officers were not expecting many appeals to be made and hoped that regular liaison between the Portfolio Holder and officers would suffice.

Having read the report the Executive decided to agree the recommendations as set out in the report.

RECOMMENDED that

- (1) the proposed Policy attached as appendix 1 to the report, be agreed; and
- (2) the provisions of Section 37 of The Local Government (Miscellaneous Provisions) Act 1986, as detailed in appendix 2 to the report, shall apply to the District of Warwick.

(The Portfolio Holder for this item was Councillor Hammon)

44. BROADBAND UK

The Executive considered a report from the Chief Executive which explained that the Government had provided £530 million of funding to 2015 to support improved broadband and stimulate further private sector investment.

This initiative was called Broadband UK (BDUK) and the funding available from Government was predicated upon the development of a satisfactory Local Broadband Delivery Plan, which must set out how the Government's national broadband targets would be delivered.

Local Broadband Delivery Plans needed to have Executive level approval and demonstrate that appropriate local funding had been secured to release the allocated funds to match the £4.07 million awarded to the Coventry, Solihull and Warwickshire sub region, taking it to £8.14 million which would then attract additionally several millions of pounds of private sector investment.

The report requested the support of the delivery plan and that £175,000 match funding be approved as the Council's contribution. Officers also requested that authority be delegated to the Chief Executive in consultation with the relevant Portfolio Holder to work with the broadband partnership, enter into agreements and make any partnership or associated governance arrangements.

As a District with a high level of urban areas, officers and members alike were mindful that the speed of broadband was predominantly dependant

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on the distance of the property from the exchange and that there was a considerable difference between speeds in the towns and the surrounding areas.

This was an issue that carried high feeling amongst residents of the District and Councillors were often approached by their constituents who were experiencing difficulties with their telephone and broadband connections.

It was not felt that there were any alternative options available because the Council did not have the funds or the commercial leverage to increase broadband services without joining forces with other partners.

The Finance and Audit Scrutiny Committee supported the recommendations in the report but recognised that further clarity was needed on the proposals to ensure that the areas in need of better broadband connection in Warwick District, would be covered.

A number of Councillors raised concerns that residential areas would benefit as much, if not more, than the commercial areas and would have preferred some clarity as to the areas that would benefit. They were mindful that as working practices were evolving and more people tried to work from home, the improvement of broadband services was vital.

Having read the report the Executive decided to agree the recommendations as written.

RECOMMENDED that

- (1) the Local Broadband Delivery Plan for Coventry, Solihull and Warwickshire, be supported;
- (2) match funding of £175,000 be approved as a contribution, funded from the Capital Investment Reserve; and
- (3) authority be delegated to the Chief Executive, in consultation with the Portfolio Holder for Corporate and Community Services, to work with the Coventry, Solihull and Warwickshire broadband partnership to implement the local broadband plan, including procurement activities, the entering of agreements and to make any partnership and associated governance arrangements.

(The Portfolio Holder for this item was Councillor Mrs Grainger)
(Forward Plan reference 431)

45. AMENDMENTS TO THE SCHEME OF DELEGATION

The Executive considered a report from Civic and Committee Services which informed members of a number of amendments to the scheme of delegation.

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In February 2012 Heads of Service were asked to look at the Scheme of Delegation to identify inconsistencies and suggest changes which they felt were necessary following a number of structural changes within the Council. These were incorporated into the document, which was then returned to Heads of Service for further comment.

Amendments to the Scheme of Delegation were presented to the Executive and approved by Council on a regular basis. Amendments approved by Council before May 2012 had already been incorporated into the document and the only changes and comments which had been highlighted in the Appendix were those suggested by officers.

There were no alternative options considered because the amendments were considered necessary to enable the Council to work more effectively and had been based on advice from the Council's Legal Service.

Having read the report the Executive decided to agree the recommendations in the report.

RECOMMENDED that

- (1) Council approve the amendments to the Council's Constitution, Part 3, Section 4 (Scheme of Delegation) as set out in appendix 1 to the minutes; and
- (2) Council authorises any consequential amendments to the Constitution.

(The Portfolio Holder for this item was Councillor Doody)

PART 2

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

46. NOTICE OF MOTION

The Executive considered a Notice of Motion from Councillors Boad and Gifford relating to Student Landlords and readdressing the imbalance that they felt currently existed.

The motion requested that the Executive recognise that 'the provision of student accommodation in the District has progressively transformed into significant commercial businesses which currently make no financial contribution for the local Council services that they consume by their activities'.

The motion also expressed the feeling that it was 'unfair that hard pressed Council Tax payers should be making a direct subsidy to the profits made by landlords of student accommodation' and sought measures to readdress that imbalance.

The measures suggested were that the Executive could investigate:

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the possibility of treating the providers of student accommodation as a business entity with the view to introduce a scheme to levy an appropriate commercial refuse collection charge for each of the premises concerned from April 2013; and the potential for the reclassification of student accommodation from domestic to commercial premises, similar to hotels and hostels, and the consequent introduction of a business rates liability on to the landlords at the earliest opportunity. Councillors Boad and Gifford requested that a report detailing the findings be submitted to the December Executive for consideration.

Councillor Boad outlined the Motion and explained that it was about ensuring fairness when dealing with all landlords across the District. He felt that densely populated student areas, managed by landlords should be treated as businesses and charged for services in a similar manner. He proposed that this could be an opportunity for another income stream and queried if the 'businesses' could be charged using the business rates system. A number of Councillors had expressed their concerns that the Council should no longer be subsidising landlords and paying for Council services.

Councillor Gifford endorsed the comments and highlighted how student areas had the capacity to alter the economic benefit of an area.

In response, the Leader of the Council, Councillor Doody thanked Councillors Boad and Gifford for their input and felt that it would be beneficial to receive a report back on this subject. Although he accepted the statements made he did not agree with the full content.

The Portfolio Holder for Finance, Councillor Mobbs, agreed with the Leaders comments and felt that it would be possible to produce a report for December.

RESOLVED that a report be produced for the December Executive showing the variances between receiving the Revenue Support Grant versus charging student accommodation through the Council Tax process.

47. BUDGET REVIEW TO 30 JUNE 2012

The Executive considered a report from Finance which outlined the 2012-13 Budgetary position and showed the financial forecasts for the Medium Term. The report also sought approval for various changes to the budget.

Members received quarterly budget reports and this was the first of these reports in the existing financial year. The report detailed that the current General Fund service expenditure position was a projected underspend of £98,700 compared to the latest 2012-13 budgets and Section 7 of the report discussed the main reasons for the surplus in more depth. Further changes were detailed in Appendix A to the report.

A large number of areas were discussed in the report including salaries, revenue slippage and earmarked reserves, the contingency budget,

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training, final accounts, the progress on the budget review protocol and Fit for the Future.

In April, members received a report on Fit for the Future and the incorporation of the projected savings arising from Fit For the Future projects were approved to be built into budgets and the Medium Term Financial Strategy. The report explained that to date just over £300,000 of the savings targeted for this year had been achieved, leaving a further £140,000 to be found by March 2013. The projected deficit of £275,000 assumed that these, plus the £800,000 target for 2013-14 were achieved.

An alternative option was to not report to the Executive on a regular basis however, officers felt that it was imperative that budgets were reviewed, monitored and reported upon on a continuous basis. Previously the Council had deferred any budget changes to December when the new year budgets were considered but the Council had agreed that the new process be adopted whereby they were continually updated throughout the year.

Another alternative was to not slip the capital to the correct year in which it was intended to be spent. However, this would make the monitoring of projects difficult and Members would not have had relevant, up to date information from which they could make decisions about capital projects and funding.

The Finance and Audit Scrutiny Committee supported the recommendations in the report but had concerns that the balance on the Equipment Renewal Schedule remained over subscribed. They therefore requested assurance that this would be closely monitored by all Portfolio Holders to include removal of any non-essential costs.

The Portfolio Holder for Finance, Councillor Mobbs, thanked all members for the discussions at Finance and Audit Scrutiny Committee the previous evening and advised that the budget was on track. He stated that it was encouraging that officers and staff were working to within £100's on their individual budgets and discussions were continual with Service Heads regarding a five year plan. He assured members that he would continue to firmly nudge Managers and Heads of Service to ensure that the Council remained on track.

Having read the report the Executive decided that the recommendations be agreed as set out in the report and felt that Portfolio Holders should continue to monitor the Equipment Renewal Schedule closely.

RESOLVED that

- (1) the budget position for the current year for the General Fund, currently £98,700 surplus, be noted;
- (2) the returning of £87,700 to the Contingency Budget in respect of Warwick Castle and the allocation of £14,100 to Elections as well as noting the Contingency allocations already

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approved under the Head of Finance's delegated authority, be agreed;

- (3) the Budget Changes detailed in appendix A to the report, the most significant of which are discussed in this report, be agreed;
- (4) the latest position on the Capital Programme and HRA be noted, and the Budget Changes (Capital) in Appendix C, be approved;
- (5) the updated Financial Strategy and the forecast required recurrent savings of £275,000 to be achieved by 2016-17, and the latest progress towards meeting the Fit for the Future Targets, be noted;
- (6) the latest Equipment Renewal Schedule attached at appendix E to the report be, be approved, and despite the Reserve being replenished from part of the 2011-12 surplus, the balance on this remains over-subscribed; and
- (7) the latest position in respect of the Council's Reserves, be noted.

(The Portfolio Holder for this item was Councillor Mobbs)
(Forward Plan references 380, 399 & 422)

48. CONSULTATION ON COUNCIL TAX SUPPORT

The Executive considered a report from Finance which advised Members of the outcome of the consultation with the major precepting authorities in respect of the proposed Council Tax Support scheme.

It was a legislative requirement that Warwick District Council (WDC) consulted with its major precepting authorities in respect of the Council Tax Support scheme proposed by this Council to operate from April 2013. At the Executive meeting of 11 July, it was agreed that officers should consult with Warwickshire County Council (WCC) and Warwickshire Police Authority (WPA) and that their responses be considered prior to wider public consultation commencing.

The full responses had not been received at the time of publication of the report and were circulated separately. The Section 151 Officer met with both authorities and reported that they would like the Council to pass on the financial impact of the new arrangements for Council Tax Support to those who would not be "protected" under the new Regulations.

The report advised that whilst Officers fully understood the respective Councils' positions, it was felt to be premature to be passing on the adverse impact of the new arrangements. Proposals would be brought

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forward for a new scheme in time for April 2014 but it was not considered to be appropriate for April 2013.

Members were reminded that it was necessary to ensure all relevant stakeholders within the District were provided with the opportunity to comment and have their views taken into account prior to the Council's proposals becoming Policy. A wide consultation would ensure that the community's views were taken into consideration.

There were no alternative options detailed in the report because these had been dealt with in the July Executive report.

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

The Portfolio Holder for Finance, Councillor Mobbs, advised that the Council would be staying with the default position which would ensure that residents of the District continued with a 0% increase in Council Tax.

Having read the report the Executive decided to agree the recommendations as printed.

RESOLVED that

- (1) the responses to the consultation in respect of the Council's proposed Council Tax Support scheme from Warwickshire County Council (WCC) and Warwickshire Police Authority (WPA), be noted; and
- (2) officers undertake a wider consultation with the public based on the previously agreed Scheme principles and is conducted in accordance with the Council's Community Engagement Strategy.

(The Portfolio Holder for this item was Councillor Mobbs)

49. URBAN / RURAL INITIATIVES SCHEME

The Executive considered a report from Finance which provided details of Rural/Urban Capital Improvement applications by Baginton Parish Council and Warwick Sports Club.

Baginton Parish Council had requested a grant of £9,000 for the installation of car park heavy duty matting and a storage container for equipment. This sum equated to 50% of the cost and further details were contained in paragraph 7.1 and appendix 1 to the report. The Parish Council had £15,363 in reserves of which £4,00 would be used on this project and their last successful application was in July 2007.

Warwick Sports Club had requested a grant of £10,000 to help them with foundations work after problems were found after work had started. This followed a previous grant they were awarded in November 2011 and equated to 50% of the costs. Further details were contained within

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paragraph 7.2 and appendix 2 of the report. The Sports Club had £13,098 in reserves and their last successful application was in November 2011.

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

The Portfolio Holder for Finance, Councillor Mobbs, endorsed the report.

Having read the report the Executive decided to agree the recommendations as printed.

RESOLVED that

- (1) a Rural/Urban Capital Improvement Grant of £9,000, be approved, to Baginton Parish Council for the installation of heavy duty car park matting and storage container which equates to 50% of the cost as detailed in paragraph 7.1 and supported by appendix 1, to the report; and
- (2) a Rural/Urban Capital Improvement Grant of £10,000, be approved, to Warwick Sports Club for the laying of foundations that were required for the main project work to start, which equates to 50% of the cost as detailed in paragraph 7.2 and supported by appendix 2, to the report.

(The Portfolio Holder for this item was Councillor Mobbs)

50. CHASE MEADOW COMMUNITY CENTRE – LAND ACQUISITION

The Executive considered a report from the Deputy Chief Executive (AJ) which proposed that the Council purchases land for £30,000 to help develop the Community Centre at Chase Meadow, Warwick.

At its meeting in March 2012, the Executive agreed to commit up to a further £180,000 to help provide a Community Centre for the residents of Chase Meadow. The site for the Community Centre comprised two contiguous plots of land currently in the ownership of developers (Hawkstone) but under a Section 106 agreement the plots were to transfer separately to Warwick District Council (WDC) and the Parochial Church Council (PCC).

It had been agreed between WDC and the PCC that the PCC would use part of the proposed Community Centre building as a 'Place of Worship' and therefore no longer wanted to acquire the plot for its own purposes. The PCC therefore agreed that it would be more efficient and appropriate

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for the District Council to acquire the plot of land direct from the developer, rather than the PCC subsequently transferring the title of its land to WDC immediately following its acquisition.

Legal agreements would be entered into by WDC, the PCC and the Community Association and would ensure that the respective interests of the parties were properly protected with regard to the future use of the proposed Community Centre building.

An alternative option was that the PCC could continue with its separate acquisition of the land but officers felt this would be a less efficient way of completing the necessary land transfers.

The Deputy Chief Executive, Andy Jones, endorsed the report and explained the overall change to the cost of the Chase Meadow development and the subsequent deficit of £200k from the initial project costs. He advised that he was working closely with the Portfolio Holder for Corporate and Community Services, Councillor Mrs Grainger, to bridge the gap but if work wasn't started by a certain date, moneys could be lost from Sporting England. It was proposed that authority be delegated to the Chief Executive in consultation with Group Leaders to enable decisions to be made within the timelines dictated.

Having read the report the Executive decided to agree the recommendation with an additional recommendation regarding delegated authority.

RESOLVED that

- (1) the purchase by the District Council of the land shown on the plan as Appendix 1 for £30,000.00, be approved, subject to the construction of the proposed Chase Meadow Community Centre being achievable within the agreed budget as agreed with the Section 151 Officer; and
- (2) the Chief Executive and Leader, in consultation with the Group Leaders, be allowed to execute his G4 powers of the Constitution to permit additional funds to be used up to a maximum of £200,000, if it was found to be necessary due to the tight timescales involved.

(The Portfolio Holder for this item was Councillor Mrs Grainger)

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51. PUBLIC AND PRESS

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

Minute No.	Para Nos.	Reason
52	1 & 2	Information relating to the financial or business affairs of any particular person (including the authority holding that information)
53 & 54	3	

The full minutes of Minutes 52 to 54 were contained within a confidential minute which would be made available to the public following the implementation of the relevant decisions. However, a summary of the decisions was as follows:

52. CULTURAL SERVICES INTERVENTION - REDUNDANCY

The recommendations as set out in the report were agreed.

(The Portfolio Holder for this item was Councillor Mrs Gallagher)
(Forward Plan reference 429)

53. LEEK WOOTTON COMMUNITY WOODLAND

The recommendations as set out in the report were agreed.

(The Portfolio Holders for this item were Councillors Hammon, Mrs Gallagher and Mobbs)
(Forward Plan reference 407)

54. WORKING WITH BOWLS ENGLAND

The recommendations as set out in the report were agreed with an amendment to the wording of recommendation 2.4, in line with the request from Finance and Audit Scrutiny Committee.

(The Portfolio Holder for this item was Councillor Mrs Gallagher)
(Forward Plan reference 417)

55. COUNCILLOR MRS GALLAGHER

At the close of the meeting, the Leader, Councillor Doody, announced that Councillor Mrs Gallagher was stepping down as Portfolio Holder for Cultural Services and that her replacement had not yet been agreed.

He reminded members and officers of the tremendous work that she, the Head of Cultural Services, Rose Winship, officers and staff had contributed

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towards the Olympic Torch Relay in July 2012. Councillor Mobbs gave a brief summary of her achievements as Portfolio Holder, including the transformation of the Spa Centre, the regeneration of Leisure Centres and her dedication to help bring the Men's Bowls Championships to Leamington Spa.

All members wished Councillor Mrs Gallagher all the best as a 'back bencher' and stated that she would be missed on the Executive.

(The meeting ended at 7.10 pm)