

A meeting of the Executive will be held in the Town Hall, Royal Leamington Spa on Wednesday 12 February 2020, at 6.00pm.

Membership:

Councillor A Day (Chairman)

Councillor J Cooke

Councillor J Matecki

Councillor J Falp

Councillor D Norris

Councillor M-A Grainger

Councillor A Rhead

Councillor R Hales

Also attending (but not members of the Executive):

Chair of the Finance & Audit Scrutiny Committee

Councillor J Nicholls

Chair of the Overview & Scrutiny Committee and Green

Councillor I Davison

Group Observer

Liberal Democrat Group Observer

Councillor A Boad

Labour Group Observer

Councillor G Cullinan

Emergency Procedure

At the commencement of the meeting, the emergency procedure for the Town Hall will be announced.

Agenda

1. **Declarations of Interest**

Members to declare the existence and nature of interests in items on the agenda in accordance with the adopted Code of Conduct.

Declarations should be entered on the form to be circulated with the attendance sheet and declared during this item. However, the existence and nature of any interest that subsequently becomes apparent during the course of the meeting must be disclosed immediately. If the interest is not registered, Members must notify the Monitoring Officer of the interest within 28 days.

Members are also reminded of the need to declare predetermination on any matter.

If Members are unsure about whether or not they have an interest, or about its nature, they are strongly advised to seek advice from officers prior to the meeting.

2. **Minutes**

To confirm the minutes of the meeting held on 18 December 2019

(Pages 1 to 40)

Part 1

(Items upon which a decision by Council is required)

3. **Business Strategy 2020-2023**

To consider a report from the Deputy Chief Executive (AJ) **(Pages 1 to 20)**

4. **2020/21 General Fund Budget and Council Tax**

To consider a report from Finance
(Pages 1 to 26 & Appendices 1-12 and A&B)

5. **Housing Revenue Account (HRA) Budget 2020/21 and Housing Rents**

To consider a report from Housing **(Pages 1 to 26)**

6. **Warwick District Climate Emergency Action Programme**

To consider a report from the Chief Executive **(Pages 1 to 155)**

7. **Community Infrastructure Levy (CIL) Fines & Surcharges**

To consider a report from Development Services **(Pages 1 to 5)**

8. **Information Governance Framework**

To consider a report from Democratic Services
(Pages 1 to 4 & Appendices 1 - 5)

Part 2

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

9. **Review of Position in respect of the West Midlands Combined Authority**

To consider a report from the Chief Executive **(Pages 1 to 11)**

10. **Adopting a Definition of Anti-Semitism**

To consider a report from the Chief Executive **(Pages 1 to 5)**

11. **Warwick District Creative Framework 2020- 2025**

To consider a report from Cultural Services
(Pages 1 to 9 & Appendices A & B)

12. **Future funding for Warwick Tourist Information Centre**

To consider a report from Development Services **(Pages 1 to 32)**

13. **Discretionary business rates relief as a tool for business growth and inward investment**

To consider a report from Development Services
(Pages 1 to 9 & Appendices 1-4)

14. **Regulation of Investigatory Powers Act (RIPA) Policy**
To consider a report from Finance **(Pages 1 to 13)**
15. **Warwick Castle Masterplan**
To consider a report from Development Services **(Pages 1 to 74)**
16. **Racing Club Warwick- Lease Extension**
To consider a report from Cultural Services **(Pages 1 to 5)**
17. **General Reports**
To consider two reports from Finance
- (a) **Rural / Urban Capital Improvement Scheme (RUCIS) Application**
(Pages 1 to 16)
- (b) **Significant Business Risk Register** **(Pages 1 to 21)**
18. **Public and Press**
To consider resolving that under Section 100A of the Local Government Act 1972 that the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within the paragraphs of Schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006, as set out below.

Item Nos.	Para Nos.	Reason
20	1	Information relating to an individual
20	2	Information which is likely to reveal the identity of an individual
19, 20, 21	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Part 1

(Items upon which a decision by Council is required)

19. **Purchase of Land for Affordable Housing - Europa Way, Warwick**
To consider a confidential report from Housing Services **(To follow)**
(Not for publication)

Part 2

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

20. **Urgent Decision made under Delegation CE(16)i & C3(4)**
To consider a confidential report from Human Resources **(Pages 1 to 5)**
(Not for publication)

21. **Minutes**

To confirm the confidential minutes of the meeting held on 18 December 2019

(Pages 1 to 17)
(Not for publication)

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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

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Executive

Minutes of the meeting held on Wednesday 18 December 2019 at the Town Hall, Royal Leamington Spa, at 6.00pm.

Present: Councillors Cooke, Falp, Grainger, Hales, Matecki, Norris and Rhead.

Also present: Councillors: Nicholls (Chair of the Finance & Audit Scrutiny Committee); Davison (Chair of the Overview & Scrutiny Committee) and Boad (Liberal Democrat Group Observer).

88. **Declarations of Interest**

Minute Number 94 – Relocation of Kenilworth School – playing pitch strategy and land purchase

Councillor Hales declared an interest because he was the Vice-Chairman of Kenilworth School Board of Trustees and left the room whilst the item was discussed.

Minute Number 99 – Neighbourhood Services Programme Team

At the time of discussing this item, Councillor Falp declared a personal interest because a close family member worked in the department.

89. **Minutes**

The minutes of the meeting held on 13 November 2019 were taken as read and signed by the Chairman as a correct record.

Part 1

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

90. **Council Loans Policy**

The Executive considered a report from the Deputy Chief Executive (AJ) seeking **Members' recommendation to Council for the** approval of a Loans Policy against which applications from external bodies for financial resources could be judged.

Over the course of the last 24 months, Members had agreed a number of financial loans to various organisations on a case-by-case basis. Following **an assignment in relation to this matter by the Council's Internal Audit** service, the following recommendation was produced:

RECOMMENDATION	INITIAL MANAGEMENT RESPONSE incl. PLANNED IMPLEMENTATION DATE (PID)	CURRENT STATE OF IMPLEMENTATION PER MANAGER
Loans to External Organisations – 6 June 2019		
To prevent loans being allocated to selected applicants, an application process should be formed. This would allow a fair and equal opportunity for a wider audience to apply.	<p><i>Corporate Management Team:</i></p> <p><i>We do not consider that a Loans Policy and application process should be developed. The Localism Act gives a broad remit for Councils to use what powers (tools) they consider necessary to deliver a specific objective. A loan may be the right solution for a specific case but we do not believe that in effect "a loan application scheme" should be established. We accept that a checklist should be established so that there is a consistency around process and procedure.</i></p> <p><i>PID: The checklist will be developed when we next consider that a loan is the appropriate tool to use.</i></p>	<p><u>Update 1</u></p> <p>Having since consulted with the Chair of the Finance & Audit Scrutiny on this matter, it was now felt that a Loans Policy and application process would aid governance and therefore should be developed.</p> <p><u>Update 2</u></p> <p>A fair amount of progress was being made in producing these items but had stalled of late due to other priorities. It was intended that the matter would be concluded by the end of November and that a report would be issued to Executive in December.</p>

Members were reminded that initially, the Corporate Management Team (CMT) considered that a Loans Policy approach was not necessary, however, following receipt of a subsequent loan enquiry and consequent discussions with Group Leaders, and specifically the Chair of Finance & Audit Committee, CMT accepted that in the interests of transparency, objectivity and equity, the Council should develop a written policy position on its approach to financial loans.

Members were therefore asked to consider the Loans Policy attached at Appendix A to the report and subject to any amendments it wished to make, recognising that these amendments needed to be legally compliant, to recommend the Policy to Council for adoption.

The Policy made reference to two management documents necessary for proper consideration of a loan application. These were an application form and a business plan template. It was recommended that the S151 Officer

should be given delegated authority to produce these documents, should the Policy be adopted.

No alternative options were considered as following further consideration **of Internal Audit's recommendation and the views of the Group Leaders** and Chair of the Finance & Audit Scrutiny Committee, the development of a policy was considered the most prudent approach.

The Finance & Audit Scrutiny Committee suggested to the Executive that (1) it should amend the Policy so that Officers could refuse loan requests that did not meet the criteria; (2) the policy clearly stated it was for capital schemes only; and (3) there were some minor wording amendments that the Deputy Chief Executive would feedback to the Executive.

Councillor Hales, the Portfolio Holder for Finance, accepted the suggestions from the Finance and Audit Scrutiny Committee and asked officers to include these changes in the final draft of the proposal. He thanked Councillor Nicholls, Councillor Syson and officers for all their work on this project and proposed a report as laid out.

Recommended to Council that a Council Loans Policy as drafted at Appendix A to the report and minutes, be adopted, subject to the three amendments suggested by the Finance & Audit Scrutiny Committee: (1) the Policy be amended so that Officers can refuse loan requests that do not meet the criteria; (2) the policy clearly states it is for capital schemes only; and (3) there were some minor wording amendments to be made by officers in the final draft of the proposal that would be considered by Council; and

Resolved that authority be delegated to the S151 Officer to produce the application form and business plan documents necessary for a loan application to be made.

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,081

91. **General Fund Base Budgets 2020/21**

The Executive considered a report from Finance setting out the latest projections for the General Fund revenue budgets in respect of 2019/20 and 2020/21 based on the current levels of service and previous decisions. There were further matters that would need to be reviewed in order to finalise the base position as part of the 2020/21 budget setting process as set out in paragraph 8.3 of the report. The 2019/20 latest budgets showed a forecast surplus of £469,400, and the proposed 2020/21 Base Budget forecasted a deficit of £460,600.

The February 2020 budget report would include proposed items of growth to be added to the budgets within the report. The Council would then be in **a position to confirm the final Budget for 2020/21 and the Council's** element of the Council Tax. The Council was required to determine its budget requirements in order to set the Council Tax for 2020/21.

The Council was required to determine its budget requirements in order to set the Council Tax for 2020/21.

The proposed Base Budgets for 2012/21 and the Latest Budgets for 2019/20 were shown below. The figures included all financing charges, which were dealt with in paragraph 3.5 of the report. Paragraph 3.3 of the report considered the 2020/21 Base Budget, and paragraph 3.4 of the report looked at the latest 2019/20 budget figures.

	Base Budget 2019/20 £000	Latest Budget 2019/20 £000	Base Budget 2020/21 £000
Net Expenditure for District Purposes	18,059	19,241	14,631

The above figures fluctuated year on year, mainly to reflect changes to the use of reserves (often due to project slippage), and changes in external support, notably retained Business Rates and New Homes Bonus (£3.3m NHB included in 2019/20, not included in 2020/21).

In preparing the 2020/21 Base Budget, the over-riding principle was to budget for the continuation of services at the existing level. The following adjustments needed to be made to the 2019/20 Original Budget:

- removal of any one-off and temporary items;
- addition of inflation;
- addition of previously agreed Growth items;
- addition of unavoidable Growth items; and
- inclusion of any identified savings.

The table below summarised how the 2020/21 base budget had been calculated, supported by Appendix A to the report.

	£	£	£
NET EXPENDITURE FOR DISTRICT PURPOSES 2019/20 ORIGINAL			18,058,607
Less Inflation			(77,800)
Staffing			(227,100)
Plus Committed Growth:			
- Increases in expenditure	571,500		
- Reduced income	230,300	801,800	
Less Savings:			
- Reduced expenditure	(1,066,200)		
- Increases in income	(937,700)	(2,003,900)	
CHANGES IN SERVICE INCOME and EXPENDITURE			(1,202,100)
Changes in Interest			(272,800)
Changes in Capital financing charges			1,750,300
Changes in Revenue contributions to Capital			(2,028,700)
Changes in non-service specific contributions to reserves			(915,597)
Changes in IAS19 adjustments reversed			(655,000)
Changes in Contributions to / from General Fund			201,393
NET EXPENDITURE FOR DISTRICT PURPOSES 2020/21 ORIGINAL			14,631,203

Inflation of 2% had been applied to general budgets, of which 1.6% had been used for most major contracts, with the exception of the cleaning contract (2.6%). 2.4% had been used for Business Rates.

Staff costs would increase in 2020/21. The main changes to funding were:

- agreed 2% pay award (+£300,900);
- Spa Centre / Pump Rooms casual staff funded from increased income (+£40,000); and
- auto enrolment (+£31,900).

Only previously committed growth and unavoidable changes were included in the Base Budget. This totalled £801,800, of which £571,500 related to increased expenditure and £230,300 related to reduced income. Appendix A to the report listed the main items, the largest of which were:

- increase in contract cleaning costs (+£219,300);
- Car Park costs funded by additional income (+£100,000);
- waste collection contract increases (+£59,000); and
- waste management – new properties (+£44,000).

Various savings and increased income were allowed for within the Budget. These totalled £2,003,900, which comprised of £1,006,200 reductions in expenditure and £937,700 increases in income. Appendix A to the report listed the main items, the largest of which were:

- leisure concession fees from contractor (-£287,100);
- removal of contingency budget (-£237,000);

- increase in recharges (-£135,700);
- additional car parking income (-£132,300); and
- increased Crematorium income (-£108,800).

Taking the above figures into account, there was a forecast reduction of £1,202,100 in net service expenditure, which was mainly the falling out of one-off and reserve funded items. There was no overall change in the level of service provision budgeted for, other than any previously agreed changes.

There were various general financing adjustments required to arrive at the demand for Council Tax. Taking all these items into account produced a forecast deficit of £460,600.

However, as outlined in section 8 of the report, the final Government Finance Settlement and other unforeseen events meant the final position would not be confirmed until early 2020.

The budget report considered by the Executive at its 21 August 2019 meeting reported a forecast deficit for 2020/21 of £309,000. The difference between this figure and the deficit shown in Section 3.3.8 of the report was mainly due to the anticipated increase in the cost of the cleaning contract (£218,000) and revenue savings from the new CCTV investment (£51,000).

Appendix B to the report was broken down into two parts – Appendix B1 and Appendix B2. Both appendices provided details of service expenditure and income in portfolio order. Appendix B1 to the report was a summarised version of Appendix B2. The analysis in Appendix B2 was divided into two sections – expenditure and income under the direct control of the budget manager, such as salaries, fees and charges income, and those items for which they had little or no control over, such as support service allocations and capital financing charges. Explanations were provided where significant variations had been identified. Appendix B2 to the report was solely provided electronically.

Under the current Budget Review process, amendments to budgets were presented to Members for approval on a regular basis. Consequently, many changes had already been reported and approved by Members. The report continued that process and provided details of the latest budgets for the current year. Appendices B1 and B2 to the report provided detailed analysis of net expenditure by service in Portfolio groupings.

The Latest Budgets totalled £19,241,190, which was an increase of £1,182,583 compared with the originally approved budget for 2019/20 of £18,058,607.

The main reasons responsible for the decrease in service income and expenditure were included within Appendix B, which was summarised as follows:

	£	£	£
NET EXPENDITURE FOR DISTRICT PURPOSES 2019/20 ORIGINAL			18,058,607
Staffing			549,300
Plus Committed Growth:			
- Increases in expenditure	14,230,300		
- Reduced income	534,100	14,764,400	
Less Savings:			
- Reduced expenditure	(2,028,500)		
- Increases in income	(764,600)	(2,793,100)	
CHANGES IN SERVICE INCOME and EXPENDITURE			11,971,300
Changes in Interest			(439,800)
Changes in Capital financing charges			(9,216,900)
Changes in Revenue contributions to Capital			(344,000)
Changes in non-service specific contributions to reserves			(523,917)
Changes in IAS19 adjustments reversed			(641,000)
Changes in Contributions to / from General Fund			(172,400)
NET EXPENDITURE FOR DISTRICT PURPOSES 2019/20 LATEST			19,241,190

The first part of the table above showed that the total net expenditure on services had increased by £11,971,300. This was mostly due to increases in capital charges in respect of the HIF Grant for Kenilworth School. The swing from the Original Net Expenditure of £18.1m to £19.2m also reflected the increased contribution to the Business Rates Retention Volatility Reserve of £1.6m, as the level of rates expected to be received this year had increased as detailed in paragraph 3.6.3 of the report.

The 2019/20 budget was reviewed in order to set the 2020/21 base budget. This was to be reviewed again in February.

The Quarter 2 budget review to the Executive on 13 November 2019 reported a budget surplus of £163,700. Following this review, the net amount of interest received was recalculated and was expected to be £142,300 higher. Salary reductions of £45,000, a £33,800 grant and further expenditure reductions of £84,600 had resulted in the revised surplus of £469,400. This surplus could be seen within the General Fund Summary in Appendix B1 to the report.

The comments made above concerning the content of Appendix B were equally applicable to the information provided in respect of the Latest Budgets for 2019/20.

As part of the earmarked reserve process at the year end, £44,100 was transferred to revenue for the Kenilworth leisure project. It was decided that this work was of a capital nature, and subsequently, £44,100 was added to the capital budget. This would now be shown as a contribution to capital in the revenue accounts.

In order to arrive at the position for the Council's overall net expenditure, it was **necessary to take account of the effects of the Council's capital** financing arrangements and any transfers to and from reserves. These were summarised in Section 3.5.1 in the report and further details were included within Appendix C to the report.

Most of the changes to the Capital Financing and Reserves figures reflected changes in specific items within the cost of General Fund service expenditure, whereby many increases in service expenditure were met by a contribution from a specific reserve which were included here.

These figures were still being updated to reflect the latest Capital Programme and use of reserves. Any further changes were to be detailed in the February 2020 Budget report.

In terms of depreciation, intangible assets and capital financing charges in Service Budget, these were non-cash charges to services that did not **impact on the Council's overall external** funding requirement (primarily council tax, retained business rates and Government grant). By including these charges, the full cost of the respective services provision was apparent. Variations between years occurred, which reflected new schemes and slippage between years of schemes as reflected within the **Council's capital programmes**.

There was a decrease in 2019/20 of £242,300 to do with loan repayments, revenue contributions and interest paid. This was due to a decrease in interest payments of £203,700, and the Minimum Revenue Provision (MRP) was reduced by £38,600. There was a decrease in 2020/21 of £137,000. Interest payments were reduced by £104,300 and the MRP by £32,700.

Concerning the revenue contributions to Capital, there was a reduction to the budget of £344,000 for 2019/20. The budget for 2020/21 was reduced by £2,029,000. This was because no schemes funded by the New Homes Bonus were included in 2020/21 budgets as this had not been confirmed.

There was a reduction in contributions to and from reserves of £916,000 when compared to the 2019/20 original budget. The 2019/20 latest budget showed a decrease in contributions to and from reserves of £524,000. The changes were categorised as follows:

	Base Budget 2019/20 £000	Latest Budget 2019/20 £000	Base Budget 2020/21 £000
<u>Contributions to / (from) reserves:</u>			
Contribution to / (from) Business Rates			
Retention Volability Reserve	736	2,358	587
Use of New Homes Bonus	2,301	2,301	(150)
Homelessness Prevention Grant	-	-	-
Use of Community Projects Reserve	365	516	(70)
Use of Leisure Options Reserve	-	(23)	-
Services, etc.	(1,699)	(3,973)	420
Contributions to / (from) reserves	1,703	1,179	787

Change:

Contribution to / (from) Business Rates		
Retention Volability Reserve	1,622	(149)
Use of New Homes Bonus	-	(2,451)
Homelessness Prevention Grant	-	-
Use of Community Projects Reserve	151	(435)
Use of Leisure Options Reserve	(23)	-
Services, etc.	(2,274)	2,119
Contributions to / (from) reserves	(524)	(916)

The revised net budget for 2019/20 showed an increase of £198,000 and £136,000 for 2020/21. These figures were to be updated in the February Budget Setting report.

	Base Budget 2019/20 £000	Latest Budget 2019/20 £000	Base Budget 2020/21 £000
Interest receivable	(1,075)	(1,071)	(1,027)
Deferred capital receipt	(21)	(21)	(18)
HRA Share	624	422	437
Total GF Interest Receivable	(472)	(670)	(608)

Change:

Interest receivable	4	48
Deferred capital receipt	-	3
HRA Share	(202)	(187)
Change in GF Interest Receivable	(198)	(136)

The Housing Revenue Account balances formed **part of the Council's** investment portfolio and as a result of the factors described above, the investment interest to be credited to the Housing Revenue Account was expected to decrease in 2019/20 by £202,000 and by £187,000 in 2020/21.

IAS 19 required an authority to recognise the cost of retirement benefits in the net cost of services when they were earned by employees, rather than when the benefits were eventually paid as pensions. However, the charge that was required to be made against council tax was based on the cash payable in the year, so the real cost of retirement benefits was reversed out. The figures included in the budgets were based on the latest figures from the Pension Fund actuary.

In line with the decisions made at the February 2019 Executive meeting, as part of the 2019/20 Council Tax Setting, £201,400 was transferred from 2018/19 to 2019/20 via the General Fund balance. The latest budget showed an increase to this of £172,400, more details of which were provided in Appendix C to the report.

In order to complete the picture, the general grants position also needed to be considered.

The Revenue Support Grant reduced to zero for 2019/20, based upon the four-year settlement confirmed in January 2016.

Gross Business Rates income figures showed an increase of £1.65m in 2019/20, and was estimated to reduce by £0.75m in 2020/21 from 2019/20. The income for 2019/20 was higher, due to primarily one-off adjustments in respect of the appeals provision. This movement in Business Rates income was to be matched by changed contributions to the Volatility Reserve in order to smooth the net income to the General Fund. Movements in business rates were as follows:

	Actual 2018/19 £000	Original 2019/20 £000	Latest 2019/20 £000	Original 2020/21 £000
Gross Business Rates Income	7,781	5,268	6,920	4,522
Contribution from (to) Business Rate Retention Volatility Reserve	(3,646)	(736)	(2,358)	(587)
Net Business Rate Income credited to General Fund	4,135	4,532	4,562	3,935

At this stage, no New Homes Bonus had been included in respect of 2020/21. However, £150,000 had been included (by way of expenditure and anticipated New Homes Bonus) in respect of the Commonwealth Games.

The Council Tax element of the Collection Fund was to be calculated in January 2020, with the Major Preceptors being notified of their share of

any surplus or deficit, and was to be included within the February 2020 Budget report with any balance to be distributed / recovered in 2020/21.

The Council Tax Base for 2020/21 was calculated to increase by 274.20 from 55,577.17 to 55,851.37. This change resulted in an increased Council Tax yield of £45,700. Increasing the Council Tax Band D charge by the previously agreed £5 produced a further yield of £279,000.

The net result of all these movements was shown below:

	BASE BUDGET 2019/20 £'000	LATEST BUDGET 2019/20 £'000	BASE BUDGET 2020/21 £'000
TOTAL ESTIMATED NET EXPENDITURE	18,059	19,241	14,631
Less: Revenue Support Grant	-	-	-
Less: Business Rates Income	(5,267)	(6,919)	(4,521)
Less: General Grants:			
- New Homes Bonus	(3,359)	(3,359)	(150)
- New Homes Bonus Returned Funding	-	-	-
- Homelessness Prevention Grant	-	-	-
- Self & Custom Build New Burdens Grant	(15)	(15)	-
Collection Fund (Surplus) / Deficit	(143)	(143)	100
Council Tax	(9,274)	(9,274)	(9,599)
	<u> </u>	<u> </u>	<u> </u>
(Surplus) / Deficit	1	(469)	461
	<u> </u>	<u> </u>	<u> </u>

This showed that there was a forecast surplus of £469,417 in 2019/20 and a deficit of £460,587 in 2020/21.

The latest Housing Investment Programme (HIP) was shown at Appendix E to the report.

In prior years, the Housing Investment Programme was included in the February Budget Setting Report, but the 2020/21 programme was brought forward to be considered in the December budget report, in order to facilitate a greater time period for the procurement of contractors to enable works to commence early in the new financial year.

Similarly, a revised HIP would be presented to Members as part of the February Budget Report where any variations from the 2019/20 programme were included. This also included any new schemes approved during 2019/20, changes to the current schemes and slippage from 2019/20 into 2020/21.

A Housing Restructure, which was pending approval from Employment Committee in December, had been excluded as it had not yet been approved; the HIP was to be revised to factor in the impact of this change on the HRA Capital Investment Reserve included within the estimated HIP Resources at Appendix F to the report. The HRA 2020/21 Estimates also

needed to be updated as part of the Rent Setting Report considered in February 2020.

Appendix F to the report showed the funding of the HIP and the forecast balances at year end until 31 March 2024 after the HIP had been financed. The capital receipts primarily related to Right to Buy sales. The Council had freedom on how the Right to Buy any purpose receipts were utilised, and was able to fund General Fund and Housing capital schemes.

1-4-1 RTB receipts had to be utilised in replacing housing stock that had been purchased from the Council by existing tenants through the RTB scheme. This could be through new build properties (such as Sayer Court), the purchase of existing properties (such as Cloister Way) or buy back of existing Council properties previously sold through RTB. However, they could only be used to fund up to 30% of the replacement cost as per RTB regulations. If the funding was not used within a three-year period from the date of receipt, the funding would be repayable to the Government, along with interest. It was envisaged that there was no requirement to repay any 1-4-1 receipts to the Government as they would be utilised to finance current or potential schemes within the Housing Investment Programme. Within the current Housing Investment Programme, there were schemes for the acquisition of properties during 2020/21, as agreed by Members. This fully utilised the 1-4-1 funding that the Council currently held and would receive in 2020/21, and it was projected to have a zero 1-4-1 balance as it did at 31 March 2020. The projections after this date showed the balance beginning to increase again, starting with approximately £1.4m generated in 2021/22, which would be available thereafter for further schemes, with this funding having to be used within the three-year timescale.

The HRA Capital Investment Reserve was funded by the surpluses generated on the Housing Revenue Account. The HRA Business Plan assumed that this funding was used for the provision of new HRA stock, and to allow debt repayments on the £136.2m loan taken out to purchase the HRA housing stock to commence from 2052/53.

The Major Repairs Reserve was used to fund capital repairs of the HRA stock. The contributions to this reserve were based on depreciation calculations.

Section 106 were payments received from developers in lieu of them providing new on site affordable homes, enabling the Council to increase the HRA stock or assisting housing associations to provide new dwellings. These S106 payments usually had a time limit attached to them, by which time they needed to be utilised or they may have needed to be repaid to the developers.

The Right to Buy Capital Receipts were shown within the sources of housing Investment Programme funding. As considered previously by Members, these capital receipts were not ring-fenced and could be used for any capital projects. The Prudential Indicators for 2019/20 were presented to the Executive on 6 February 2019 and ratified by the Council

on 20 February 2019. This was a statutory duty under Section 3 of the Local Government Act 2003 and supporting regulations, for the Council to determine and keep under review how much it could afford to borrow each financial year.

In order to provide sufficient flexibility to the Council's future long-term borrowing and future-proof the Council's Prudential Indicators against any change in practice relating to internal borrowing, it was recommended that the indicator below should be revised, increasing the limit for longer-terms loan (i.e. 10 years and above) to 100%:

Period	Upper		Lower
	Current	Revised	Current
Under 12 months	4%	20%	0%
12 months and within 24 months	20%	20%	0%
24 months and within 5 years	20%	20%	0%
5 years and within 10 years	20%	20%	0%
10 years and above	96%	100%	0%

This would enable any future loans, in addition to the £136 million HRA loans from 2011/12 and the £12 million taken in September 2019 for the General Fund, to take advantage of an interest rate yield curve that might have favoured longer-term loans, which matched the pool of underlying new assets.

Increasing the 'Under 12 months' limit to 20% would allow for circa £32 million of internal borrowing. Although the Prudential Code did not specifically identify internal borrowing, it was considered good practice to **allow for this position in the Council's indicators**, in order to reflect this element of borrowing.

This proposed change was supported by Finance and Audit Scrutiny Committee on 12 November 2019 as part of its consideration of the Treasury Management half year report.

One of the projects forming part of **the St Mary's Lands Scheme** was the implementation of a Multi-Use Games Area (MUGA). This had been funded by way of a grant and a loan to Racing Club Warwick who operated the facility. The project was completed but two issues arose that required resolution. Firstly, the flood lights installation required additional works above and beyond what had been provided for, as a consequence of planning requirements. This extra cost amounted to £9,400. Additionally, the ground works for the MUGA required further strengthening to provide extra endurance at an additional cost of £20,000.

The extra £29,400 could not be afforded by Racing Club Warwick. This sum was **funded from other projects budget for St Mary's Lands** which included an element of contingency. The budgets for these other projects amounted to £500,800 in 2019/20. There was the potential for this to be recouped, along with the grant which had already been agreed, from Section 106 Agreements.

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

The Finance & Audit Scrutiny Committee noted the report and the addendum with regard to Shakespeare England. Councillor Nicholls, the Chairman of Finance and Audit Scrutiny Committee, advised Members that the addendum had been withdrawn prior to the meeting and should not have been considered by the Finance & Audit Scrutiny Committee.

Councillor Hales, the Portfolio Holder for Finance, proposed the report as laid out.

Recommended to Council that

- (1) the base budget for the General Fund services in respect of 2020/21 as outlined in Appendix B to the report, be agreed;
- (2) the updated budget for the General Fund services in respect of 2019/20 as outlined in Appendix B to the report, be agreed;
- (3) the 2020/21 Housing Capital Investment Programme as outlined in Appendix F to the report, be agreed;
- (4) the changes to the Prudential Indicators for 2019/20, as discussed in section 3.8 of the report, be agreed; and
- (5) **the addition of £29,400 grant to the St Mary's Lands capital budget** as discussed in section 3.9 of the report, be agreed.

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,086

92. **Housing Revenue Account Base Budgets 2020/21**

The Executive considered a report from Finance presenting the latest projections for the Housing Revenue Account (HRA) in respect of 2019/20 and 2020/21 based on current levels of service and previously agreed Executive decisions. There were further matters that needed to be reviewed in order to finalise the base position as part of the 2020/21 budget setting process, to be reported to Executive in February 2020, as set out in paragraph 3.6 of the report.

The 2019/20 latest budgets showed a forecast reduction in the transfer to the HRA Capital Investment Reserve (HRA CIR) of £394,100. The

proposed 2020/21 Base Budget forecasted a reduction in the transfer to the HRA CIR of £482,400. Appendix A to the report summarised the adjustments from 2019/20 base budgets to the 2019/20 latest budgets and 2020/21 base budgets.

The report considered the **current year's budget, and included** details of proposed updates to the 2019/20 Budget. The report also recommended the base budget requirements that would be used in the setting of the HRA budgets for 2020/21. These figures reflected the costs of delivering an agreed level of service, and any unavoidable changes in expenditure (for example, where the Council was contractually or statutorily committed to incur additional expenditure).

Any recent changes needing to be resolved that had not been included in the budgets at this stage would be fed into the February report. In February the Council would be in a position to agree the 2020/21 Budget for the year part of the HRA rent setting report, following confirmation of the housing rents and communal utility recharges.

In agreeing the latest 2019/20 budgetary position, managers reviewed their current and forecast financial requirements. Some changes had already been reported to Members as part of the Quarterly Budget Review Report in August, with further amendments to be identified during the **budget setting process to determine next year's base position**.

A review of the 2019/20 budget had been carried out in order to establish the latest budget for the current year. This informed the base position for 2020/21.

The following table summarised how the latest 2019/20 HRA budget had been calculated:

	£
Original Approved Net HRA Surplus 2019/20	(29,400)
Increase in Expenditure	470,700
Increase in Income	(76,600)
Reduction in contributions to reserve	(394,100)
LATEST NET HRA SURPLUS 2019/20	<u>(29,400)</u>

Key drivers of the increase in Expenditure budgets included:

- completion of the external decoration programme – budget carried forward from 2018/19 £197,000;
- increase in Supervision & Management £190,500, due to consultant fees for new housing development projects, increase in the cleaning contract and the increase in support service charges recharged to the HRA; and
- business rates of £34,900 following the acquisition of 1 Warwick Street.

Key drivers of the increase in Income budgets included a rents increase of £16,000 relating to 1 Warwick Street and an increase of £63,600 in expected interest receipts.

Appendix A to the report provided a more detailed breakdown of key variances.

As a result of the above variations to the 2019/20 HRA budgets, the forecast contribution to the HRA Capital Investment Reserve for the year would be £3.2m, a reduction of £394,100 from the original budget.

The Housing Investment Programme was presented as part of the **separate December 2019 report 'General Fund Base Budgets 2020/21'**.

In determining the 2019/20 Base Budget, the over-riding principle was to budget for the continuation of services at the agreed level. The following adjustments were to be made to the 2018/19 Original Budgets:

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

The table below summarises how the 2019/20 HRA base budget had been calculated.

	£
Original Approved Net HRA Surplus 2019/20	(29,400)
Increase in Expenditure	616,700
Increase in Income	(135,100)
Reduction in contributions to reserve	(482,400)
LATEST NET HRA SURPLUS 2020/21	<u>(30,200)</u>

Key drivers of the change in Expenditure budgets included:

- Sheltered Schemes Fire Safety £767,000;
- external painting programme £495,000; and
- decrease in depreciation charge of (£750,000).

Key drivers of the change in Income budgets included increase of Other rents reallocated due to miscoding (£33,700) and increase in expected interest receipts (£90,900).

Appendix A to the report provided a more detailed breakdown of key variances.

Due to time constraints, the figures in the report did not include the impact of the Housing Services redesign which was approved at the Executive meeting on 13 November 2019. This would be included in the

February budget report and would reduce the contribution to reserves. It was estimated that this reduction would be around £500,000.

A number of assumptions had been made in setting the budgets for 2020/21.

Inflation of 2% had been applied to general budgets. 1.6% had been used for most major contracts, with the exception of the cleaning contract (2.6%). 2.4% had been used for Business rates. 2% pay award had been applied to salaries.

The base rent budget in the report was a baseline calculated from the rental assumptions presented in the 2017 HRA Business Plan.

The actual rents to be charged in 2020/21 and **the Council's rent** policy were to be decided by Council in February 2020, and budgets would be updated to reflect those decisions. The latest version of the HRA Business Plan was also to be presented to the Executive alongside this in February 2020, incorporating this change alongside other key policy decisions.

The base 2020/21 budgets presented in the report had not been adjusted for inflation, as this was **yet to be approved in February's** rent setting report. This would allow for housing rents to be increased by CPI + 1% on the rent charged in 2019/20, as allowed by legislation. This would follow a period of four years of 1% reductions. In the case of void properties, the base rent would be:

the assumed rent rate which should be what the previous tenant paid if that was already above Target Social Rent (Formula Rent) then increased by CPI + 1% in the first relevant year and again by CPI + 1% for each successive year,

or

the formula rent for 2019/20, plus CPI + 1% in 2020/21 rent year and so on.

Rent budgets included the projected effect of void homes being moved to Target Social Rent (Formula Rent) when re-let. 2019/20 was the final year of the rent reduction policy, following the announcement that providers would be permitted to increase their rents by up to CPI+1% each year, for a period of at least five years.

Shared ownership properties were not governed by the national Policy. The Council adopted the Homes and Communities Agency (HCA) template lease agreement which included a schedule on rent review. Schedule 4 of the lease agreement determined that the rent would be increased by RPI + 0.5% from April each year. At October 2019, the increase had been forecast at 2.6%.

Unavoidable and previously committed growth had been included in the Base Budget. Any HRA surplus above that required to maintain the appropriate HRA working balance was transferred into the HRA Capital Investment Reserve to be used on future HRA capital projects. The 2020/21 Base Budget allowed for a £3.1m contribution to the reserve.

Notional interest had been charged to the HRA within the Capital Charges. This represented the cost of tying up resources in the asset. This had been charged against HRA garages and shops at their Existing Use Value (EUV). HRA housing had not been included in this calculation due to the assured nature of tenancies, restricting the **Council's ability to sell occupied** housing assets.

In terms of alternatives, the purpose of the report was to produce budgets as determined under the requirements of the Financial Strategy. Any alternative strategies would be the subject of separate reports.

The Finance & Audit Scrutiny Committee noted the report and that paragraph 8.2.2 was included in error and should not be considered.

Councillor Matecki proposed the report as laid out, subject to the removal of paragraph 8.2.2 in the report.

Recommended to Council that

- (1) the latest revenue budget for Housing Revenue Account Services in respect of 2019/20 as outlined in Appendix A to the report, be granted; and
- (2) the base budget for Housing Revenue Account Services in respect of 2020/21 as outlined in Appendix A to the report, be granted.

(The Portfolio Holder for this item was Councillor Matecki)
Forward Plan Reference 1,086

Part 2

(Items for which a decision by the Council was not required)

93. **Rural/Urban Capital Improvement Scheme (RUCIS) Changes**

The Executive considered a report from Finance seeking approval of a revised scheme and maximum contribution for the Rural / Urban Capital Improvement Scheme (RUCIS).

Historically, the annual budget was administratively split into two separate cost centres for the current financial year, one for rural and one for urban, and there was a separate cost code for slippage. A number of years ago, carry forward of remaining budget at year-end was stopped and cost codes were streamlined to just one cost centre, which held the £150,000 annual budget. It had still been projected as two separate cost centres and applications had been categorised into the appropriate cost centre area. However, analysis had shown that applications over a number of years had naturally resulted in an equal split between rural and urban areas.

RUCIS AWARD ANALYSIS

YEAR	OVERALL			RURAL			URBAN		
	NO. OF AWARDS	NO. AT 80% FUNDING	AMOUNT	NO. OF AWARDS	NO. AT 80% FUNDING	AMOUNT	NO. OF AWARDS	NO. AT 80% FUNDING	AMOUNT
2018/19	10	2	£179,851	4	0	£68,096	6	2	£111,755
2017/18	10	3	£140,821	5	1	£79,801	5	2	£61,020
2016/17	11	5	£115,158	6	2	£72,221	5	3	£42,937
TOTALS	31	10	£435,830	15	3	£220,118	16	7	£215,712

Additionally, as the scheme currently stood, if there had been an application which met all the criteria and had been recommended for an award but there was insufficient budget remaining in the cost centre for that area (i.e. rural or urban), **it would be recommended that the "budget"** for the award under consideration should simply be taken from the other area's cost centre/budget, which would be agreed, rather than declining a project which would bring community benefits.

Previous revisions to the scheme criteria and the introduction of the small grant scheme category, which increased the maximum percentage award from 50% to 80%, had no detrimental impact on applications made; annual monitoring of the awards (number, amount, location) would continue to ensure that the changes in the report did not have a detrimental effect on future applications. To simplify future reports to Executive and for ongoing management of the scheme, it was therefore recommended that the scheme should be revised to just one budget regardless of location.

Projects that RUCIS grants contributed towards could often create opportunities for not-for-profit organisations' buildings and facilities to be more environmentally sensitive, for example, by reducing energy consumption and water usage. This could reduce the organisations' running costs, which in turn, would support the organisation with its service delivery for the community and opportunity to keep activity/membership costs at a minimum to ensure inclusivity for the whole community. In June 2019, the Council declared a Climate Emergency and **committed to "facilitating decarbonisation by local businesses, organisations and residents, in order for Warwick District to be as close to zero by 2030 as possible"**. However, costs for environmental products and delivering environmental improvements could be prohibitive for the applying organisations, and cheaper, less environmentally sensitive options, could be chosen instead.

An increased maximum percentage contribution would help to support not-for-profit organisations to deliver more environmentally sensitive projects that supported **the Council's Climate Change Emergency**. If the suggested maximum percentage contribution changes were agreed, it would be very likely to lead to some organisations holding back from

applying in the current financial year and instead apply in the next financial year to maximise the financial support available. This would result in 2019/20 budget not being fully utilised and then lost at year-end. It was therefore recommended that any remaining 2019/20 budget on this occasion slip into 2020/21 to ensure there was no detriment to the support for projects benefitting communities across the whole of Warwick District.

In terms of alternatives, the Council could do nothing and retain the current criteria, but this was not deemed a viable option as opportunities **could be missed to support the Council's declared Climate Change Emergency**. Members could decide alternative amounts and/or percentage contributions for applications for environmentally sensitive projects that met the agreed climate change parameters.

The Finance & Audit Scrutiny Committee noted the report.

Councillor Grainger thanked the Finance team for bringing the report forward and emphasised that the Overview and Scrutiny Committee would continue to play a big role in making sure that the funds were distributed evenly in both rural and urban areas.

Councillor Hales, the Portfolio Holder for Finance, proposed the report as laid out.

Resolved that

- (1) a revised scheme whereby the £150,000 per annum budget is no longer split into rural and urban categories (£75,000 each) and is instead, with immediate effect, considered as one budget for all applications regardless of location, be agreed;
- (2) a revised criteria with regards to the maximum percentage contribution, with effect from the new financial year, if the project works are environmentally sensitive and contribute to the **Council's Climate Change Emergency aims**, be agreed details as follows:
 - **"Small Grant Scheme"** – projects with a total cost of up to £10,000 with a maximum contribution of up to 80% of the overall costs (maximum of £8,000)
 - **"Main Grant Scheme"** – projects with total costs of more than £10,000 with a maximum contribution of 50% of the overall costs (maximum of £30,000)

If the project works meet the schemes climate change parameters, the maximum

percentage contributions with effect from the new financial year will become:

- **"Small Grant Scheme"** – projects with a total cost of up to £10,000 with a maximum contribution of up to 90% of the overall project costs (maximum of £9,000)
- **"Main Grant Scheme"** – projects with total costs of more than £10,000 with a maximum contribution of 60% of the overall project costs (maximum of £30,000)

All applications had to meet at least two out of five objectives **from the Council's business** strategy as noted on the grant application form; in conjunction with the maximum percentage contribution change a sixth objective will be added to the application form which will help to inform the decision making process:

- Environmentally sensitive - **"clean, green and safe", for example; project includes energy efficiency and renewable energy technology.**

Agreement of the parameters to define qualification as an environmentally sensitive/climate change project and as such be able to apply for the increased percentage contribution be delegated to the Head of Finance in consultation with the Finance and the Environment & Business portfolio holders; and

- (3) any remaining budget from the current 2019/20 financial year be, as a one-off occasion, carried forward to the 2020/21 financial year.

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,085

94. **Relocation of Kenilworth School – playing pitch strategy and land purchase**

The Executive considered a report from Development Services regarding the relocation of Kenilworth School. Kenilworth Multi-Academy Trust (KMAT) proposed to relocate Kenilworth School from two existing sites onto a new site at Southcrest Farm, Glasshouse Lane. The quantum of playing pitch area on the new site would be less than the existing sites and therefore a strategy to ensure no net loss of playing pitches had been developed between Warwick District Council (WDC) and KMAT. The report

outlined the strategy and the implications to WDC in delivering the strategy and sought support from Members for the approach set out.

The Council's partnership working with KMAT had resulted in an opportunity for WDC to secure an exclusivity option to purchase the existing school site at Leyes Lane to deliver housing. The report noted that work had commenced to prepare an offer for the purchase of this site.

Following a public consultation, KMAT submitted a planning application for a new school to accommodate around 2,200 pupils at Southcrest Farm in April 2019.

The planning application, reference W/19/0655, was considered at Planning Committee on 10 September 2019 where Members made a resolution to grant planning permission subject to the completion of a Section 106 legal agreement. The legal agreement had been drafted and was close to being signed by the required parties.

KMAT had agreed terms and exchanged contracts with the landowners for the purchase of the Southcrest Farm site. It had also agreed terms and exchanged contracts with WDC for the sale of the school's Rouncil Lane site. Completion of these land transactions was subject to obtaining the statutory consent of the Department for Education (DfE) relating to the disposal of the two existing sites owned by KMAT and purchase of the Southcrest Farm site. WDC Officers, legal advisors and representatives of KMAT had worked with the DfE to provide all of the information they required to make a decision.

The existing sites would be developed for housing with the land receipts being re-invested into the new school project. KMAT would shortly embark on an open market disposal of the Leyes Lane site. However, owing to the excellent working relationship between WDC and KMAT on the relocation project, KMAT had agreed in principle to offer the Council an exclusivity option to purchase the site, should WDC be able to meet the value requirements of the school to enable their relocation. Further detail relating to the background of the school relocation project was contained within the 'Background' section of the report.

The quantum of playing fields on the existing school sites totalled 78,046 m² (Leyes Lane: 47,220 m²; Rouncil Lane: 30,826 m²) and the proposed playing field area on the new school site was 57,132 m² resulting in a net reduction in playing field area of 20,914 m². Whilst there would be an overall loss in playing pitches, it was important to note that the school had prepared their planning application to meet the playing pitch provision required for a 2,200 pupil school.

Sport England had not objected to the planning application on the grounds of a loss of existing playing field area because at the time of the planning application submission, the existing playing fields on the Rouncil Lane and Leyes Lane sites remained in existence and available for use as playing fields. However, had any applications come forward for those sites without

an approach that ensured there would be no overall loss in playing pitch provision, Sport England would object.

KMAT set out their approach to how the longer term deficit in playing fields would be addressed in their Sport England Statement accompanying their planning application: ***"Development proposals and each future planning application for the respective sites will need to consider the relevant Sport England policy including having regard to any quantitative loss of playing field area. It is assumed that the future development of the existing school sites will enable additional playing field provision and/or a contribution towards appropriate sports provision for the town to meet the requirements of the relevant playing pitch strategy and Sport England policy. Furthermore, although the existing playing pitch area is greater than the proposed playing pitch area, the quality of new playing pitch will allow greater use by the community"***.

Unfortunately, the strategy set out in the planning application had significant potential ramifications for the development of both Leyes Lane and Rouncil Lane as the issue of the loss of playing pitches would impact upon planning applications for residential development on those sites. This issue could potentially also impact upon the ability of KMAT to receive the necessary land receipts for their existing sites to fund the construction of the new school.

WDC was keen to ensure that a deliverable strategy to address this matter was devised and agreed with KMAT at this stage to avoid difficulties at a later date.

The area of deficit amounted to 2.09 hectares, a little more than the equivalent of two adult-sized football pitches and an Under 15/16 pitch.

Sport England confirmed that they could not accept any loss of playing fields but would allow the re-provision of pitches in suitable locations off-site as a potential alternative to retaining pitches on-site.

WDC Officers had appraised options that could potentially address any loss in playing pitch area. The options included:

- Option 1: Retention of pitches on site at Leyes Lane and Rouncil Lane;
- Option 2: Off-site re-provision at Castle Farm as part of the Kenilworth Wardens relocation; and
- Option 3: Off-site re-provision at Warwick University on land north of Cryfield Grange Road (as detailed in Appendix 1 to the report).

The appraisal concluded that Option 1 was undesirable, given the many cons and risks identified and lack of positives. However, it was considered that both Options 2 and 3 were realistic and deliverable although there remained risks with both.

There was more than a reasonable likelihood of being able to deliver the playing pitches required on either the Castle Farm site or Warwick

University site or a combination of both. Given the lack of other suitable sites and the disadvantages of retaining pitches on the existing sites, it was considered that both Options 2 and 3 could be pursued. Option 3, however, was the preferred option as it would have afforded greater certainty of the timely delivery of new pitches and would give the Council more control in the matter, thus minimising risk to the school relocation project and the delivery of Local Plan housing allocations.

There was a cost associated with the delivery of pitches and Sport England cost guidance currently estimated this at £282,432. In addition to the laying out of pitches, there were costs associated with the preparation and submission of a planning application.

WDC and KMAT had agreed that KMAT would provide a contribution to WDC for the value of the pitch construction works linked to the grant of planning permission and judicial review period for the redevelopment of the Leyes Lane site. The contribution would also have included £20,000 to support the preparation of a planning application (which would have been required for Option 3 but not necessarily Option 2). It was proposed by WDC that the £20,000 be payable by KMAT regardless of whether the school was ultimately successful in relocating to Southcrest Farm.

The contribution, which would be subject to relevant Sport England cost **guidance and indexation, would amount to £302,432 based on today's** costs and would then allow WDC to support a suitable scheme for the creation of playing fields on alternative sites.

WDC officers had engaged positively with Warwick University staff on the potential for delivery of pitches on land north of Cryfield Grange Road and both parties were in principle supportive of the delivery of pitches on the land. With the continuation of this engagement, it was hoped that a formal agreement between both parties would be reached.

The delivery of additional pitches at Warwick University would also be **helpful in implementing the Council's own Playing Pitch** Strategy (PPS) which identified that there was limited spare capacity across the District, with many sites at or approaching capacity, and there was evidence of overplay at many sites in the District. The PPS identified opportunities to meet these pressures and overall shortfall, and a key element of this mitigation was the securing of community use on existing or new facilities. The delivery of pitches at Warwick University was therefore something that officers were interested in pursuing, regardless of the more pressing need arising from the Kenilworth School relocation plans.

In order to formalise the approach, set out above, a legal agreement to secure funding to deliver new playing pitches was necessary and would **require drafting by the Council's solicitors.**

An initial discussion had taken place with Warwick University about the delivery of additional playing pitches at Cryfield, but the details of any agreement were unknown as more negotiations were required. Authorisation to enter into more detailed negotiations would provide

clarity on the nature of any agreement and subsequently, an additional report would need to be brought back to the Executive before any formal agreement was entered into, so that the Executive could authorise the terms of the agreement and any ongoing expenditure that arose from it.

The £20,000 forward funding was sought to minimise risk to the delivery of the school relocation and to purchasers of the existing school sites (WDC in the case of Rouncil Lane and potentially also Leyes Lane). If there had been uncertainty on the likely delivery of replacement pitches at the time of the Leyes Lane planning application, there would be a risk that the school would not secure the land receipt that they required to fund the relocation and/or there would be a risk to delivering the number of houses anticipated to be delivered on the site. Forward funding the work to prepare a planning application would enable the Council to have greater control on this matter, thus protecting their financial interests, as well as providing greater control on delivering allocations within the Local Plan. It was therefore felt necessary to have had the funding in place in order to reduce risk for the project for all parties.

The Council had worked closely with KMAT to assist the school with their relocation project. This included the availability of significant loan **facilities, the mutually beneficial agreement for the Council's purchase of the school's Rouncil Lane site and also the Council's successful bid for £9.6m of funding from the government's Housing Infrastructure Fund to support the school relocation and associated housing delivery.**

At its 31 May 2018 meeting, the Executive agreed that officers should **enter into negotiations with the school's representatives for the in-principle purchase of the land allocated in the Local Plan for housing at Rouncil Lane (currently the School's Sixth Form site) and possibly Leyes Lane (currently the School's main site).** Subsequently, the Executive approved the purchase of the Rouncil Lane site at its 6 June 2019 meeting (Minute Number 5).

At its 21 August 2019 meeting, (Minute Number 36) the Executive noted that the School was prepared to enter into a contract with WDC for the sale of its main school site at Leyes Lane. Owing to the successful working relationship, KMAT had agreed in principle to enter into an exclusivity agreement with WDC for the Council to purchase the larger of the two existing school sites at Leyes Lane. Any purchase of the site would have to reflect market value.

The unique opportunity to purchase this site would assist in the Council's long-held ambition of delivering an extensive house-building programme. In Kenilworth alone, the Council was actively considering the purchase of three housing sites (one in part) allocated in the Local Plan – Rouncil Lane school site; Leyes Lane school site; and Kenilworth Wardens Cricket club site. These sites individually and more so collectively offered the Council a rare and unique opportunity to play a significant part in the type of housing delivered within the District. The Leyes Lane site was the largest of these sites and therefore arguably, had the greatest potential for the Council to deliver on a range of objectives and perhaps delivered **something 'better' or 'different' than the norm.**

KMAT was expected to commence marketing on its Leyes Lane site at the end of November 2019 and expected to receive bids towards the end of January 2019. Therefore, officers had commenced valuation and site capacity work in order for the Council to be in a position to make an informed offer for the site in due course.

In terms of alternatives, Members could choose not to agree to the strategy set out in this report relating to the re-provision of playing pitches on alternative sites and to require officers to find an alternative strategy or not agree to adopt the strategy and not seek to develop an alternative strategy.

Members could also decide that they did not wish to pursue option 3 as it would mean forward funding £20k to prepare a planning application. Option 2 was also considered to be deliverable but the pitches were unlikely to be delivered as quickly as pitches at Cryfield and as such, there were more risks with this approach.

Retention of playing pitches on either Rouncil Lane or Leyes Lane would **result in significant risk to the delivery of the school's relocation, as identified in the 'Risks' section**, therefore a strategy which was deemed acceptable to both WDC and KMAT would minimise risk. The options provided were considered to be the only realistic and deliverable options to addressing the shortfall.

Another option would be for KMAT to seek to re-negotiate a land purchase of more land at Southcrest Farm. However, this was unlikely to be successful and would have a financial impact upon the project. The Council would have the ability to utilise its compulsory purchase powers but the length of time and costs associated with this would put the relocation scheme at risk and therefore also the delivery of housing.

The Finance & Audit Scrutiny Committee were appreciative of the assurances from the Deputy Chief Executive in respect of the current governance structure for the project and the opportunities this project provided for the Council. The Committee noted the report.

Councillor Cooke proposed the report as laid out.

Resolved that

- (1) the latest position and background relating to the Kenilworth School relocation, be noted;
- (2) the strategy outlined in the report to ensure that there is no net loss of playing pitches **resulting from the school's** relocation, be agreed;
- (3) authority be delegated to the Deputy Chief Executive (AJ) and Section 151 Officer, in consultation with the Portfolio Holder for

Development Services, to confirm the details of the legal agreement to be entered into with KMAT, and expenditure of up to £3,000 in legal costs to draft and complete the necessary legal agreement to formalise the agreed strategy to be included within the February 2020 Budget report, be authorised;

- (4) officers enter into detailed negotiations with University of Warwick (UoW) for the potential delivery of playing pitches on their land, be agreed, and expenditure of up to £20,000 be authorised to undertake technical work required to support a planning application for this site, noting that this expenditure would be recouped in due course, and officers submit a planning application for proposed new playing pitches at land north of Cryfield Grange Road, with the budget included within the February 2020 Budget report, be agreed; and
- (5) the valuation and survey work that has commenced to prepare an offer for the **purchase of the school's Leyes Lane site**, be noted.

(The Portfolio Holder for this item was Councillor Cooke)
Forward Plan Reference 1,088

95. **Tachbrook Country Park Consultation Strategy**

The Executive considered a report from Neighbourhood Services providing Members with the proposed approach for engaging with stakeholders and the public in the design and development of a masterplan for Tach Brook Country Park ('the Country Park').

The Warwick District Local Plan 2011-2029 was adopted in September 2017 and included a policy and land allocation for a Country Park (Policy DS13). Policy DS13 of the Local Plan identified land for a Country Park between the southern edge of new development sites off Harbury Lane **and Bishops' Tachbrook**. The Country Park would identify deficiencies in access to the countryside and natural green space in the area; act as a green buffer to prevent further urban encroachment; provide for a range of recreational activities; and improve the ecological value of the area.

In 2014, the Executive agreed to acquiring the land for the Country Park and in November 2017, the Executive approved the procurement of a Design Team to develop the concept and design of the County Park.

In 2019, Wood Environment and Infrastructure Solutions UK Limited ('Wood') **was commissioned to deliver a detailed masterplan for the** County Park and Appendix 1 to the report set out their approach for

engaging with stakeholders and residents. The detailed design was for the agreed Country Park land north of the Tach Book.

The use of online surveys was considered standard practice when carrying out large scale public consultations, and it was considered prudent to progress this element of the project whilst seeking approval for the overall Consultation Strategy.

The masterplan was to be brought back to the Executive for approval, and for approval to submit a planning application (if necessary) to construct the Country Park. This would involve the procurement of a works contract to deliver the Country Park. 'Wood' **had been** commissioned to investigate what additional features/functions stakeholders and the public would like to have seen if additional land, south of the Tach Brook, was to be secured in the future.

This work could be informed by the Consultation Strategy set out in Appendix 1 to the report, and would not require a separate consultation process.

In terms of alternatives, an option would be to proceed without additional engagement. This would risk the Council adopting a masterplan for the Country Park that had a negative impact on relationships with residents and the delivery of a park that did not meet the needs of future users.

Another option would be to reduce the engagement period. However, this would entail a risk that residents felt excluded from a key Council decision.

A further alternative option would be to consider the possible extension to the country park as a separate consultative exercise and separate masterplan. This could cause unnecessary work and confusion with stakeholders.

Councillor Norris, the Portfolio Holder for Neighbourhood Services, proposed the report as laid out.

Resolved that

- (1) the Consultation Strategy, set out in Appendix 1 to the report, be agreed;
- (2) the online survey is already live on the Council's website, be noted;
- (3) following the public consultation, a masterplan for the Country Park will be produced and brought for Executive approval, along with requests for approval to submit a planning application (if required), be noted; and

- (4) consideration of the potential impact on the consultation, should additional land become available to create a larger country park, be noted.

(The Portfolio Holder for this item was Councillors Norris)
Forward Plan Reference 1,079

96. **Finance Systems Replacement**

The Executive considered a report from Finance seeking approval of the Finance Systems Replacement project.

The business case for the proposed new Finance Systems was attached at Appendix A to the report. This highlighted that systems which had been fundamental to financial management (Total) and income management (Paris) at Warwick District Council since 2005 were reaching the end of their usable life.

There had been little development of the Finance Systems in recent years, and the suppliers had stated their intention to discontinue support completely in the short to medium term future. This meant an end to supplier updates which had provided critical protection against cyber-security threats and the risk of unrecoverable system failure.

At the beginning of 2019, Finance, Procurement and ICT had jointly investigated the changing support position, as well as the growing frustrations amongst system users about the usability of finance systems. They found there were only two viable options: a re-letting of separate contracts maintaining similar IT architecture, or a move to a single integrated financial management solution. The investigation outcome recommended a consolidation of systems under a single provider.

Soft market testing undertaken later in 2019 had evidenced that it was possible to consolidate financial management and income management with other finance systems into a single integrated solution on simplified IT architecture. This would make it easier to view and analyse financial information, as well as enabling many business processes to be simplified or removed altogether, making financial management activity and the system as a whole, more user-friendly.

Costs had been estimated in the business case on the basis of a new solution delivered as a 'cloud service', which was the growing trend for technology purchases by public services, and reflected by suppliers concentrating their development strategies on services delivered through the cloud. The business case did not address the relative merits of cloud versus a more traditional on premise implementation.

A procurement process would be needed to establish a more accurate assessment of costs and the project would have to reach a design stage to establish a more accurate assessment of benefits. In the meantime, the business case provided a range for costs and potential benefits, which suggested that the project should aim to payback total costs as soon as

year four, within what was anticipated to be the contract period for the new solution.

In terms of other options, alternatives to a procurement of a new finance solution were considered earlier in 2019 by joint working of Finance, Procurement and ICT. A procurement of a new, integrated solution was preferred over the implementation of replacement of systems on a similar contractual and IT architecture basis.

The Finance & Audit Scrutiny Committee supported the recommendations in the report and recommended to the Executive that a non-Executive Member should be on the Project Board for the report.

The Executive were required to vote on this proposal because it included a recommendation from the Scrutiny Committee.

Councillor Hales, the Portfolio Holder for Finance, supported the recommendation from the Finance and Audit Scrutiny Committee and proposed the report as laid out, subject to an additional recommendation **2.3 to read, "a non-Executive Member be appointed on the Project Board for the report"**.

Resolved that

- (1) the findings of the Finance Systems Replacement Business Case at Appendix A to the report, be endorsed;
- (2) commencement of a formal procurement for a replacement finance solution with funding addressed in the Budget Report 2020/21, be approved; and
- (3) a non-Executive Member be appointed on the Project Board for the report.

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,089

97. Exemption to procure support for the Future High Streets Fund application

The Executive considered a report from Finance requesting an exemption to the normal procurement process to secure consultants to support **Warwick District Council's application to the** Future High Street Fund.

The report provided Members with an update on guidance for completing an application, which had been released by Ministry of Communities, Housing, Local Government (MCHLG). This guidance made clear that a normal procurement process would not be compatible with MCHLG requirements.

Warwick District Council was awarded £75,000 by MCHLG to develop its application to the Future High Streets Fund in August 2019.

Since the award of funding, the Council had appointed a Programme Manager - Town Centres to coordinate the application (in post 18 November). A further stakeholder workshop to help inform a shortlist of possible projects that would form the basis for the application was held on 18 November 2019.

MCHLG also published key guidance documents including an FAQ and application form template. This included the weighting for scoring of applications, which was as follows:

Assessment criteria	Weighting %
Value for Money (in accordance with HMT guidance, and departmental guidance where applicable)	50%
Strategic fit of the proposal	20%
Deliverability (made up of the commercial, financial and management cases)	30%

The guidance documents identified a number of methods to demonstrate value for money including (and not limited to):

- demonstrating significant land value uplift deriving directly from the scheme;
- identifying and quantifying non-monetisable benefits e.g. perceptions of the high street, wellbeing, community cohesion; and
- Central Benefit Cost Ratio (BCR) based on HMT Green Book/ MCHLG Appraisal Guide, supported by high quality evidence, for both the total project and each discreet element.

These methods required specialist expertise to deliver a business case in line with HMT standards. Depending on the final projects, proposed specialist support might also be required to provide input on highways.

Engagement with the funder had also made clear **that the Council's consultants were expected to attend a 'kick off' meeting with MCHLG in January 2020** (date was to be determined). The meeting was a critical opportunity to build a relationship with the funder and enable consultants to ask questions to inform the bid. No further meetings between the funder and consultants were proposed.

Since the award of £75,000, MCHLG also announced an opportunity for Councils who had not received the full allocation of £150,000 that was available, to apply for a top up.

Responding to the guidance above, the Council submitted an application for an additional £75,000.

The impact of these changes would significantly restrict the ability of the Council to undertake a normal procurement process. This was because:

- the Council's final bid to Future High Streets Fund would be significantly weakened if consultants were unable to meet with the funder; and
- the Council did not currently know what level of funding would be awarded to support this work.

A standard procurement process would provide 30 days for consultants to respond to an opportunity, to ensure fair access to the opportunity. This would not be possible if the Council wished to have a consultant in place for a January meeting.

Officers identified two possible frameworks, ESPO and Crown Commercial Services. These frameworks provided public sector bodies with an opportunity to procure companies from pre-selected lists. However, the Crown Commercial Services framework required a mini-competition before awarding. There was not enough time to complete this exercise.

The ESPO framework allowed for contracts to be directly awarded (i.e. without competition). However, an initial review of consultants on the framework had not identified suitable candidates. Therefore, in order to positively respond to these challenges, an alternative procurement route needed to be sought.

If the Council was to be unsuccessful in its bid for additional funding, or not receive the results of its bid prior to the January meeting, the Council would procure a consultant utilising the remainder of the budget that had already been agreed by MCHLG and this could be done via an exemption from the S151 Officer.

The alternative procurement route would require officers to identify suitable companies and invite them to respond to a high level brief.

Conversations with stakeholders helped identify consultancies with the track record to deliver the work and key criteria to assess possible tenders. These included:

- experience of consultants delivering the work and proposed number of days;
- track record and frequency of delivering Green Book standard appraisals;
- track record of engaging with MCHLG; and
- capacity to deliver work to time and quality.

These criteria would be used to inform a brief to select a consultant with a direct award.

However, until the list of projects to be proposed to the funder had been agreed, it was difficult to agree the detail of any brief/ evaluation matrix. Furthermore, the Council did not currently have the capacity to assess the economic competency of consultants.

Professor Driffield, Warwick Business School, had agreed to act as a **'critical friend' to the procurement process, to help inform the brief and assessment of consultants.**

It was therefore proposed that a brief should be written in consultation with the Portfolio Holder for Environment and Business, and with support from Professor Driffield, that would respond to the emerging project and funding picture.

The fluid nature of the brief restricted **the Council's ability to determine** the scope and budget of the work. It might be possible that the work would be best delivered in a number of discreet packages, each totalling less than £50,000. In this case, the consultants would be procured under existing authority of the S151 Officer.

However, it was also likely that at least one work package would be up to the value of £93,000. Soft market testing with two companies (identified by stakeholders) had suggested the value for money exercise could cost £40,000 - £60,000. A more complete provision of services, including bid writing / management case, could cost up to £93,000.

An exemption would be required to award contracts above £50,000 without undertaking a competitive procurement process.

In terms of alternatives, an option would be to proceed with an open competition. The Council would be unable to secure consultants in advance of a January meeting with MCHLG due to requirements on the timeframes of running a competition. This would significantly weaken the final proposal.

While there were no legal restrictions on a shorter competition (i.e. providing one week to respond), this could lead to challenges. Potential providers could argue that the process was unfair as some consultants had already been engaged in a soft market testing exercise and were therefore able to respond in the timeframe.

Another alternative option would be to directly award through an existing procurement framework. It would be possible to award directly through the ESPO framework. However, a review of relevant Lots and companies on the framework had suggested that it was unlikely that a suitable company would be secured.

The Council could consider undertaking the work in-house. However, it lacked the capacity to do so. Conversations with the County Council had also indicated that they did not have the capacity to undertake the work either.

Councillor Hales proposed the report as laid out.

Resolved that an exemption to the regular procurement process to appoint consultants in excess of £50,000, to support the development of

the bid to the Future High Streets Fund, be approved.

(The Portfolio Holder for this item was Councillor Rhead)

This item was not included on the Forward Plan and an exemption had been awarded, in line with Council Procedure Rules.

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

Minute Nos.	Para Nos.	Reason
99	1	Information relating to an individual
	2	Information which is likely to reveal the identity of an individual
100, 101, 102	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

The items below were considered in confidential session and the full details of these were included in the confidential minutes of this meeting.

99. **Neighbourhood Services Programme Team**

The Executive considered a confidential report from Neighbourhood Services.

The recommendations in the report were approved.

(The Portfolio Holder for this item was Councillor Norris)
Forward Plan Reference 1,090

100. **Acquisitions and Disposals of Land and Property North of Gallows Hill, Warwick**

The Executive considered a confidential from the Chief Executive.

The Finance & Audit Scrutiny Committee noted the report and that there was a known error with current Land Registry Certificate that officers were in the process of resolving.

The recommendations in the report were approved.

(The Portfolio Holders for this item were Councillors Matecki and Hales)
Forward Plan Reference 1,014

101. **Request for Council Funding**

The Executive considered a confidential report from the Chief Executive.

The recommendations in the report were approved, subject to an
amendment to section 2.1 (e), to replace "December" with "February".

(The Portfolio Holders for this item were Councillors Rhead and Hales)

102. **Minutes**

The confidential minutes of Wednesday 13 November 2019 were approved
and signed by the Chairman as a correct record.

(The meeting ended at 6.40pm)

CHAIRMAN

12 February 2020

Council Loans Policy

Contents

- 1. Introduction**
- 2. Considering a loan request**
- 3. Loan agreement**
- 4. Approval process**

1. Introduction

- 1.1 Section 12 of the Local Government Act 2003 gives local authorities certain powers to invest. This is supplemented by Section 1 of the Localism Act which gives local authorities a general power of competence **to do “anything that individuals generally may do”**. Thus, under this provision, local authorities can loan to organisations for legitimate purposes.
- 1.2 The Council does not provide loans routinely to external organisations, and requests for loan finance will only be considered in the context of the **Council’s wider commercial and strategic and objectives together with its** corporate policies. As such, each proposal for loan finance needs to be judged on its own merit, which includes consideration of:
 - a. the purpose of the loan and its contribution to the achievement of **the Council’s strategic objectives**
 - b. the extent to which loans will, in the medium term at least, benefit the local economy
 - c. the financial stability and viability of the organisation to which the loan is made
 - d. the nature / level of security an organisation can provide to support the loan amount
 - e. **the Council’s commercial objectives.**

The loan must be in relation to capital expenditure projects; that is, the Council will not provide loans to support revenue expenditure.

- 1.3 Loans made to external organisations under this policy do not form part of **the Council’s investment or treasury management strategy. Decisions** regarding the granting of loans are based on a wider concept of the commercial and strategic benefit of each proposal, together with **alignment with the Council’s corporate policies, rather than the narrower** treasury management investment criteria which is driven by consideration of the security and liquidity of funds as well as financial yield. As such, decisions on the different levels of risk and financial return involved in each loan agreement may vary depending on the nature / purpose of the loan and its wider strategic impact. Factors that may affect the level of risk involved in a particular proposal include:

- a. Whether the Council already has an interest in the asset / project (for example, owns the land / buildings to which the loan finance relates)
 - b. Whether loans are offered under Government-sponsored schemes (for example, loans financed from the Regional Growth Fund); and
 - c. The type of organisation that the funding is provided to (for example, a private company, a not for profit organisation or other public body). It should be noted that this policy does not apply to loans to private individuals.
- 1.4 This policy applies to all new loan approvals (including variations to existing loan agreements) with effect from its date of approval.

2. Considering a loan proposal

- 2.1 Applications for loans should be completed by the applicant on the **Council's Loans** Application form.
- 2.2 When considering proposals for loan finance, the following factors should be taken into account:
- a. Applications will only be considered to support projects / initiatives within the Warwick District Council area.
 - b. There will be an assessment of the degree of correlation of the loan **purpose with the Council's corporate priorities.**
 - c. The Council will consider whether it is appropriate to analyse total support given to an organisation or a single project. For example, the Council may determine that it is inappropriate to lend monies where a grant from the Council has been agreed for the same project or where they have received any type of grant or loan from any state body.
 - d. The relevant organisation requesting a loan must be able to demonstrate that it has sought funding from other sources and that loans from such sources are not available.
 - e. A financial appraisal will be required to be carried out by the Council on receipt of any loan request that meets the specified threshold for evaluating applications. This appraisal will also consider the financial standing of the relevant organisation (especially their ability to repay the prospective loan) and will provide due diligence over the business case of the project / initiative. The following information will be required to be made available to the Council alongside the request for a loan:
 - i. Copy of the latest approved annual accounts (audited where **applicable**), **plus the previous two years' financial annual** accounts including, where relevant, an assessment of company structures and governance arrangement. Additional Management Accounts and supporting information may be required.
 - ii. **Copy of the last six months' bank statements.**

- iii. The business case for the project / initiative including project / initiative risks and deliverability. This should be **completed on the Council's standard business plan template.**
 - iv. Information on proposed security to support the loan, including evidence of security of tenure of land / buildings and nature of other calls upon the assets (for example, other secured bank loans).
 - v. **Adequacy of the relevant organisation's insurance** arrangements, including insurance of assets offered as security.
 - vi. Details of how the project / initiative will be funded including details of all other loans / grants / support sought or given (including reasons for any refusal of funding).
 - vii. Confirmation from the potential lending sources (e.g. bank) that it will not provide the finance.
- f. The Council may seek third party advice and support in assessing **an application and, where this is the case, the applicant's** permission to share information will be sought.
- g. An assessment of any state aid implications will be carried out by the Council on receipt of any loan request. If a loan application includes the features of state aid then the loan is prohibited unless it is covered by an exemption under state aid rules.
- h. **An assessment of the applicant's overall cash flow position,** spending requirements and overall prudential controls will be carried out by the Council on receipt of any loan application. The Council must ensure that the issuing of any loan does not have any negative impact on its own cash flow and spending requirements. The loan will need to be able to be **afforded within the Council's** Capital funding and Medium Term Financial Strategy.
- i. An interest rate will be applied on the loan to ensure an acceptable return on capital employed. An arrangement fee determined by the **Council's Section 151 Officer** will also be payable dependent on the complexity of the application.
- j. Applications should not be considered from new businesses unless the circumstances are exceptional (e.g. a joint venture project formed for the purposes of a particular project).
- k. Loan applications recommended for approval by the appropriate **Council officers will ultimately be determined by the Council's** Executive. Depending on the funding of the loan, however, Council authority may be required. Loan applications not approved by Council officers will be reported to Executive.

3. Loan agreement


- 3.1 The granting of a loan will be subject to a written contractual loan agreement in a form approved by the Council's Section 151 Officer and the Council's lawyers, and entered into by the relevant organisation and the Council. The loan agreement will include details of the agreed terms upon which the loan is granted, including:
- conditions of loan
 - loan duration and repayment details, including repayment of principal, interest and other costs (as appropriate)
 - loan security, including fixed and floating legal charges and guarantees
 - insurance requirements
 - recovery and enforcement arrangements in case of default of loan terms and conditions
 - provision for recovery of any fees incurred for items including, but not limited to, validation of financials, legal advice on loan security arrangements, and so on.
- 3.2 The period of the loan should be consistent with the loan purpose and other factors relevant to repayment term, e.g. the asset life subject to a maximum period of 20 years.
- 3.3 Interest will be charged on loans and apply until the principal of the loan is fully discharged. The rate of interest to be charged should reflect the nature of the project / initiative for which loan finance is sought and the outcome of the business case (including ability of the project / initiative to generate financial return). Consideration of the loan interest rate will take into account, and not necessarily limited to, the following factors:
- Prevailing and forecast market interest rates
 - **The Council's cost of funding** (including interest and Minimum Revenue Provision)
 - State Aid requirements
 - Principal repayment provisions
 - The financial strength of the organisation
 - The collateral offered as loan security
 - A suitable contribution to cover the perceived risk of the loan
 - **A contribution to the Council's on-going costs of administering the loan**

The Council may offer either a fixed or variable rate facility, as determined by the Council having taken into account the advice of the Council's Section 151 Officer.

- 3.4 Loans should be secured via a fixed or floating charge over assets. Ideally loans should be secured via a fixed charge on substantive assets such as freehold land and buildings, but where this is not possible, a floating charge relating to a group of assets may also be considered.

4. Approval process

- 4.1 All loan applications will be subject to approval by Executive Committee or Council. The report accompanying each application will include an officer recommendation in respect of acceptance or rejection of the loan application. Any resolution for the approval of a loan should also include an acknowledgement of any exceptional risks (for example, approval in spite of inadequate security) and also include clear written reasons for any approval given in spite of such risks associated with the proposed loan.
- 4.2 Requests from relevant organisations to change materially the terms of Loan Agreements (including applications for top up loans or repayment holidays) should be considered by the Section 151 Officer in consultation with the Portfolio Holder for Finance, taking legal advice as necessary.

 EXECUTIVE 12th February 2020		Agenda Item No. 3
Title	Business Strategy 2020-2023	
For further information about this report please contact	Andrew Jones (01926) 456830 Andrew.jones@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	3 rd April 2019 3 rd October 2019	
Background Papers	Reports as above	

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 1,113
Equality & Sustainability Impact Assessment Undertaken	No
Not applicable.	

Officer/Councillor Approval	Date	Name
Chief Executive	21 st January 2020	Chris Elliott
CMT	21 st January 2020	Chris Elliott, Bill Hunt, Andrew Jones
Section 151 Officer	21 st January 2020	Mike Snow
Monitoring Officer	13 th January 2020	Andrew Jones (author)
Portfolio Holder(s)	27 th January 2020	Councillor Day
Consultation & Community Engagement		
Final Decision?	No.	

1 SUMMARY

- 1.1 The report seeks Executive's **recommendation** to Council of the Business Strategy 2020-2023 and **agrees that reporting on the Strategy's progress should** be to Executive every six months.

2 RECOMMENDATIONS

- 2.1 That Executive recommends to Council approval of the Business Strategy 2020-2023 at Appendix A.
- 2.2 That subject to agreeing recommendation 2.1, Executive agrees that the **actions required to deliver the Business Strategy are detailed in the Council's seven annual Service Area Plans with the first year's programme of work** submitted for approval to the March 2020 Executive and that progress against the actions is reported twice-yearly.

3 REASONS FOR THE RECOMMENDATIONS

- 3.1 At its meeting of 3rd October 2019, Executive agreed that the Draft Business Strategy should be consulted upon. As a reminder, the Strategy has been constructed around five key themes:
- Responding to the **Council's** Climate Emergency declaration;
 - Transforming **the Council's working practices and business processes**, utilising technology and enabling digital services to reduce costs;
 - Maximising income by taking a more entrepreneurial approach to income generation and developing new income streams;
 - Investing in the **Council's built assets to enhance service delivery and/ or** increase the financial return; and
 - Supporting the local economy to produce high quality jobs and increase the prosperity of the District.
- 3.2 Following the consultation phase, the Strategy was amended and is submitted **at Appendix A for Executive's endorsement and recommendation to Council for** approval.
- 3.3 On this Executive agenda are three items which are critical to the delivery of the Business Strategy: General Fund 2020/21 Budgets and Council Tax; HRA Rent Setting 2020/21; and Climate Change Emergency Action Plan. These reports propose the resources necessary to deliver the overall Strategy and **specifically the actions and resources necessary to respond to the Council's** Climate Emergency declaration.
- 3.4 Sitting under the Business Strategy will be the specific actions which will deliver **the Strategy's objectives**. These actions will be detailed in the annual Service Area Plans, which for the programme of work 2020-2021, will be submitted to the March 2020 Executive. It is proposed that progress against the actions will be reported to Executive twice-yearly.

4 POLICY FRAMEWORK

4.1 Fit for the Future (FFF)

The Council's draft FFF Strategy (proposed addition highlighted below) is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. Amongst other things, the FFF Strategy contains Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The Council's SAP's are the programme of work fundamental to the delivery of the strands described in the table below.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money

4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies. These are referenced in the Business Strategy 2020-2023 where relevant.

4.3 **Changes to Existing Policies**

The Business Strategy 2020-23 does not propose any changes to Council policies.

4.4 **Impact Assessments**

Not applicable.

5 BUDGETARY FRAMEWORK

- 5.1 Full details of the Council's financial position can be found in the reports also on this agenda entitled General Fund 2020/21 Budgets and Council Tax and HRA Rent Setting 2020/21.

6 RISKS

- 6.1 The risk in not adopting a Business Strategy is that the Council has no overarching framework to describe what it is seeking to achieve. This means **that there is a lack of coherence to the Council's business and decisions are made with no guiding principles.**
- 6.2 Following adoption of the Strategy, the Significant Business Risk Register will be updated in line with the Business Strategy. The updating will need to reflect the **organisation's appetite for risk inherent in the adoption of the Strategy.**

7 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 No alternative options were considered as it is essential that the Council is clear about its priorities and how it will go about achieving them.

BUSINESS STRATEGY

2020/23





FOREWORD

We are pleased to present Warwick District Council's 2020-23 Business Strategy which sets out the Council's priorities for the next four years.

Our Vision for the District is to **“to make Warwick District a great place, to live, work and visit, and carbon neutral by 2030”**. To help deliver this Vision, the strategy describes the challenges that the Council faces over the coming years to meet the needs of local people and how we will use our resources to meet those challenges.

The Council's overriding challenge is to tackle the Climate Emergency that faces us all. Whilst we are fortunate to live in such a wonderful part of the country, identified by its parks, gardens and trees, we recognise that the emergency needs a response like never before. We need to be “greener”; act in a more sustainable fashion; and ultimately ensure that future generations continue to experience a District renowned for its wonderful surroundings. We are up for that challenge.

We hope you can take the time to read this Strategy which explores how the Council needs to do things differently, acting as “One Council”, to ensure we can continue to deliver our priorities and maintain the quality of life we value in the District.

Andrew Day, Leader Warwick District Council

INTRODUCTION

Our challenges

The public sector, and in particular local government, has experienced a period of unprecedented change and uncertainty, with no indication of when this period may end.

The pressure on resources, brought about by the largest public sector budget reductions in history, is immense, and comes at a time of continuing increases in demand and expectation from a District with a growing population.

Our ability to continue to deliver the quality services you've come to expect and the key actions we plan to prioritise during the life of this Strategy is dependent on how well we address the financial pressures. We have made ongoing savings of £7m since 2010 and need to find at least a further £2m from our base budget (i.e. permanent recurring savings) over the next four years. The way councils are funded is currently being fundamentally reviewed by Government, the outcome of this is as yet unknown and at present funding post 2020/21 is unclear.

The Council has unanimously declared a Climate Emergency and has the ambition to be the first council to become carbon neutral, achieving internationally recognised UN Climate Neutral Status. Tackling the Emergency is at the heart of this Strategy and will underpin our approach to providing our services over the coming years.

Affordable housing is desperately needed in the District. There are nearly 600 individuals with a housing need on the Homechoice Register. We have a Local Plan in place to provide the total number of homes required but we need to ensure that people can access those homes at a reasonable cost. We will put all our energies into securing land so that we can undertake an extensive social housing building programme.

We recognise that although the District is by-and-large an affluent area there are those who need our support whether because of illness, temporary unemployment, infirmity or just events. The Government is rolling out its Universal Credit programme and this may cause financial difficulties for some of our residents. We have put in place a comprehensive support mechanism for our tenants and we will monitor and where necessary amend this support.

The District will see its population grow to 177,000 in 2029. We will see expanding and new communities in the District. We will need to ensure that our services respond to this growth and that we use new technology to ensure that our service delivery is as effective and efficient as possible.



KEY FACTS about the District and Services

Warwick District Council is one of five district / borough councils within Warwickshire. It lies in the south of the county, covering approximately 28,288 hectares, and is home to around 58,700 households (137,700 people).

The area includes the towns of Kenilworth, Royal Leamington Spa, Warwick and Whitnash, which account for around 80% of the population. The remainder of residents live in a number of villages, many of which are in the Green Belt. The district is bordered to the south and west by Stratford-on-Avon District, to the east by Rugby Borough and to the north by Solihull and the city of Coventry.

Positioned at the centre of the UK, the district has excellent road and rail links providing easy access to the whole country. There are major routes across the area including the M40 providing direct access to London and indirect links to the north-west via the M6 and M5 respectively, as well as links to the north and east. There are also excellent rail services to the rest of the West Midlands and London.

Warwick District Council has the largest population in the county and the population density of 4.9 people per square hectare is the second highest in Warwickshire and above national/regional

averages. The population grew over the ten years from 2001 to 2011 by over 9%, a faster rate than England and Wales and the West Midlands and second only to Rugby in the county.

With a rich cultural heritage, the district is home to the popular tourist attractions of Warwick Castle and Kenilworth Castle, as well as several museums in Warwick. The Royal Pump Rooms in Royal Leamington Spa offer an enlightening visitor experience, whilst the Royal Spa Centre runs an exciting programme of events in its 667 seat main house and 188 seat studio cinema. The district has been successful in achieving five prestigious Green Flag community awards in recognition of its outstanding green spaces. Royal Leamington Spa has also achieved a Purple Flag, acknowledging the excellent night-time management of the town centre.

Both Kenilworth and Royal Leamington Spa were recently ranked in the top five places to live in the Midlands as part of The Sunday Times' 2019 Best Places to Live in Britain list. The University of Warwick is partly in the District and we house thousands of students. The Sunday Times also ranked the District as in top 20 places in country to live as a student.

We offer valuable and accessible services for the community which helps to promote Warwick District as a great place to live, work and visit. These are managed through the following teams:

Cultural Services

- Sports & Leisure Management
- Active Communities
- Arts - Royal Spa Centre, Town Hall & Royal Pump Rooms and Museum

Finance

- Accountancy
- Audit & Risk
- Exchequer
- Benefits
- Procurement

Health & Community Protection

- Community Partnership Team
- Regulatory
- Safer Communities

Chief Executive

- Human Resources & Media
- ICT Services
- Democratic Services
- Asset Management

Housing Services

- Housing Needs
- Sustaining Tenancies
- Housing Strategy & Development

Development Services

- Policy & Projects
- Building Control Consortium
- Development Management

Neighbourhood Services

- Bereavement Services
- Green Spaces
- Business Support & Development
- Car Parks
- Contract Services

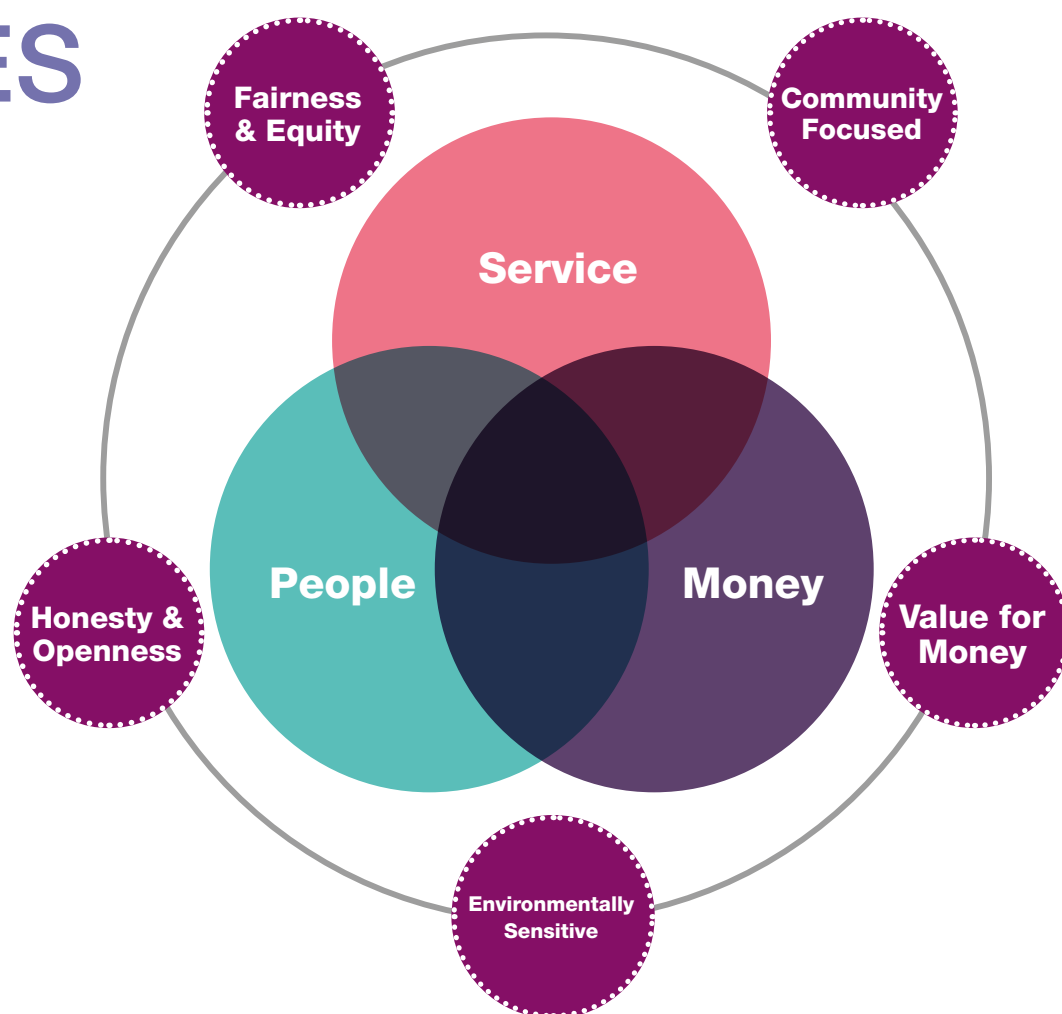
We have a passion to improve services and we want to ensure our effectiveness each and every-day. Our workforce is central to our success and is key to us developing an organisation that is fit for the future. To do that we need to recruit the right people to join us on that journey.

Our aspiration is for an engaged and committed workforce which is customer focused, business-like and able to develop and deliver efficient and effective services.

Warwick District Council has a constructive, transparent and effective relationship with Unison and GMB as recognised Trade Unions.

VALUES

Our values help to guide how we work with each other, with our partners and residents and communities to achieve the vision.



Our values are at the heart of everything we do.

They provide the framework within which we engage with our employees, and ultimately influence and shape our organisational culture.

They are the driving force behind all the work we do.

Honesty and Openness

We will be truthful & transparent about how we run the council.

Value for Money

We will make efficient use of resources to offer the best service at the best price.

Fairness and Equity

We will value all citizens and work without bias or prejudice.

Community Focused

We will put the needs and aspirations of our local communities to the fore and work collaboratively and flexibly as one council.

Environmentally Sensitive

We will ensure our long term impacts are minimised and are sustainable for future generations.

EQUALITY AND DIVERSITY

We are an Equal Opportunities employer throughout our recruitment and selection procedures, as well as learning and development, appraisal and promotion opportunities.

We quite simply aim to recruit the best person for the job. We use fair and open selection, based on knowledge and experience, skills and behaviour and welcome applications from all.

We promote an environment which offers opportunities for all our staff.

FIT FOR THE FUTURE (FFF)

The Council's FFF Strategy is designed to deliver its Vision for the District.

The FFF Strategy has 3 strands – People, Services and Money and each has an “external” and “internal” Council element to it. The Council's Service Area Plans are the programme of work fundamental to the delivery of the strands described in the table below.

FFF STRANDS		
PEOPLE	SERVICES	MONEY
External		
Health, Homes, Communities (Ref A)	Green, Clean, Safe (Ref B)	Infrastructure, Enterprise, Employment (Ref C)
Intended outcomes: <ul style="list-style-type: none"> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities 	Intended outcomes: <ul style="list-style-type: none"> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB 	Intended outcomes: <ul style="list-style-type: none"> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Internal		
Effective Staff (Ref D)	Maintain or Improve Services (Ref E)	Financial Footing over the Longer Term (Ref F)
Intended outcomes: <ul style="list-style-type: none"> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours 	Intended outcomes: <ul style="list-style-type: none"> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services 	Intended outcomes: <ul style="list-style-type: none"> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money

The following section outlines the key themes of work we will focus on in order to deliver the intended outcomes for 2020 and beyond.

Responding to the Climate Emergency

The overarching theme for the Council, which will run through all its initiatives and service delivery, will be responding to the Climate Emergency declaration. The Council's Portfolio Holder for Business & Environment is leading a group of Council members to produce a fully-resourced action plan to be considered in tandem with this Strategy although the following priorities have already been identified.

INITIATIVE	FFF Ref
Deliver the climate emergency action plan	A B C D E F
To acquire land to build social housing that is affordable to residents to high environmental standards and explore options for improving energy efficiency of the Council's current buildings	A B
To enable the planting of 160,000 new trees over the next four years	A B
To bring forward a development plan document for improved environmental sustainability of new build properties	A B
To expand the provision of cycle ways in parks and cycle storage facilities in towns	A B
Explore solar, battery and other energy opportunities	B F
To ensure the public realm contracts are designed in such a way as to minimise the environmental impact on the District	A B C E
To provide outstanding public amenities at Newbold Comyn, Bishops Tachbrook and Country Parks	A B E
To undertake a Local Plan Review and develop a new transport and parking strategy for the district with WCC ensuring that air quality issues are addressed	A B C E
Explore ways to support the objectives of the climate emergency through more sustainable and green requirements of event organisers in the District	A B C E

Transforming Services

Transforming of the Council's working practices and business processes, utilising technology and enabling digital services to improve the customer experience and access, and reduce costs. The following priorities have already been identified but a full programme of work will now need to be developed and reported for sign-off in the annual Service Area Plans.

INITIATIVE	FFF Ref
Implement a replacement Financial Management software solution	D E F
Implement a replacement Licensing and Neighbourhood Management software solution	B D E F
Implement a replacement Development Services software solution	B C D E F
Enhance the capabilities of the existing asset and housing management software solution	E F
Embed a culture of continual improvement	B D E F
Update the Digital and Customer Access Strategies	B C D E F

Maximising Income

Maximising income by taking a more entrepreneurial approach to income generation and developing new income streams. The following priorities have already been identified or agreed but a full programme of work will now need to be developed and reported for sign-off in the annual Service Area Plans.

INITIATIVE	FFF Ref
Produce and implement a masterplan for St Nicholas Park and Myton Fields	A B C E F
Review approach to treasury management	F
Upgrade CCTV Service	B C E F
Capitalise on proven Enterprise Team business model: Expand service provision to maximise income and targeted support	C E F
Develop more commercial approach to our community protection services	E F
Develop a commercial investment strategy	C E F
Undertake car parking charge review	C F
Develop a more commercial approach to events in the District	D E F
Develop the strategic approach to grant finding and other sources of public funding	D E F

Investing in Property

Investing in the Council's built assets to enhance service delivery and/ or increase the financial return. The following priorities have already been identified but a full programme of work will now need to be developed and reported for sign-off in the annual Service Area Plans.

INITIATIVE	FFF Ref
Deliver the Asset Management Strategy Action Plan	F
Review the Council's commercial property portfolio for potential disposals, acquisitions and revised leases	F
Review built corporate assets energy costs	B F
Review the Council's operational asset requirements	D E F
Build new, high quality, energy efficient affordable homes	B F
Maximise the return from the Council's landholdings within the Stratford Road employment site	F C
Complete the District-wide Leisure Development Programme	A B C E F

Supporting the Local Economy

Supporting the local economy to produce high quality jobs and increase the prosperity of the District. The following priorities have already been identified but a full programme of work will now need to be developed and reported for sign-off in the annual Service Area Plans.

INITIATIVE	FFF Ref
Relocate the Council's Headquarters	C F
Develop the Creative Quarter	A C
Develop a Transport Strategy to support the district's town centres	A B C F
Support our Town Centres to adapt to changing environmental, social and economic conditions, including exploiting any opportunities presented through the Future High Streets Fund	C
Develop North of Gallows Hill (Stadium et al) projects	A B C E F
Implement proposals for hosting Commonwealth Games 2022 at and around Victoria Park and the railway station in Royal Leamington Spa	A B C E F
Work to improve the diversity of the employment land and premises offer within the District	C E F
Planning, funding and delivery of public infrastructure to support the District's communities	A B C

RESOURCE STRATEGIES

The Council's Asset, Digital, Financial and People Strategies set out the resources used to deliver the strategic outcomes over the medium term, whilst taking account of developments in national priorities. These strategies will be reviewed to ensure they are aligned to delivery of the Council's Vision.

Digital Strategy

The Government's strategy is to provide "digital services which are so straightforward and convenient that all those who can use digital services will choose to do so, while those who can't are not excluded". The Digital Strategy outlines the approach that the Council will take to develop and deploy digital technologies that support service delivery, ensuring that these solutions work for our customers. It defines our vision, key themes and overall direction of travel for ICT and Digital services.

People Strategy

The People Strategy sets out how the Council's approach to resourcing, learning and development, and cultural change ensures that its workforce is able to support the Fit for the Future Strategy, and deliver the Council's vision to make Warwick District a great place to live, work and visit. Our external focus ensures we communicate and engage with our residents through consultation and conversation.

Medium Term Financial Strategy

The Medium Term Financial Strategy sets out the financial framework used to ensure adequate financial resources are available to achieve the Council's objectives, and that appropriate action is taken to address significant future challenges.

Asset Strategy

We have developed a new and updated Asset Management Strategy which will enable us to assess, categorise and agree options and interventions for each of our corporate and commercial assets. This will also assist in meeting the Climate Emergency agenda and the emerging Council Action Plan.

Resource Planning


In tandem with the development of the Business Strategy, a review has been undertaken to determine the senior management resources required to deliver the Strategy. Specifically, the Council has decided that it needs to make further investment in staff if it is to properly respond to the challenges posed by Climate Change.

Managing, Monitoring, Measuring and Reviewing the Strategy

The delivery of this strategy will be overseen by the Council's Corporate Management Team. Performance will be monitored on a monthly basis and reported to Councillors twice yearly. At the end of each financial year the strategy will be reviewed to determine whether any changes are required.





 Executive 12th February 2020 Council 26th February 2020		Agenda Item No. <div style="font-size: 2em; text-align: center;">4</div>
Title	2020/21 General Fund Budget and Council Tax	
For further information about this report please contact	Mike Snow 01926 456800 Andrew Rollins 01926 456013	
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	18 th December 2019 (Executive) General Fund Base Budgets 2020/21	
Background Papers		

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

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	26/1/2020	Chris Elliott
Head of Service	26/1/2020	Mike Snow
CMT	26/1/2020	
Section 151 Officer	26/1/2020	Mike Snow
Monitoring Officer	26/1/2020	Andy Jones
Finance	26/1/2020	Andrew Rollins
Portfolio Holder(s)	26/1/2020	Richard Hales
Consultation & Community Engagement		
Final Decision?	Yes	

1. **Summary**

- 1.1 **This Report informs Members on the Council's financial position, bringing together the latest and original Budgets for 2019/20 and 2020/21, plus the Medium Term Forecasts until 2024/25. It advises upon the net deficit from 2024/25 and the savings required to balance future years' Budgets.**
- 1.2 This report will be presented to Full Council alongside a separate Report recommending the overall Council Tax Charges 2020/21 for Warwick District Council.
- 1.3 The report presents a balanced Budget for 2020/21, something which the Council has been able to achieve without having to reduce the services it provides. This has been the case for many years as a result of the Fit for the Future Programme it has adopted. Once again it has not had to rely on New Homes Bonus to support core revenue spending and has been able to allocate this funding to supporting specific project work, while also replenishing reserves.
- 1.4 The Council is forecasting to achieve a surplus on its 2019/20 Budget. However, **the Council's financial projections show that further savings need to be secured to mitigate the deficit currently forecast from 2020/21 onwards.**
- 1.5 The core increase proposed for Council Tax for 2020/21 is £5 per annum at Band D, in line with the maximum permitted under the relevant Council Tax Regulations.
- 1.6 However, in view of the Climate Emergency declared by the Council, the Executive are proposing to create a Climate Emergency Reserve to go towards funding the items within the Climate Emergency Report on this agenda. It is proposed to increase Council Tax by a further £1 per week at Band D, £52 per annum, which will enable approximately £2.9m to be allocated to the new reserve in 2020/21, and similar sums in subsequent years.
- 1.7 If this increase is agreed by Council on 26 February, as this increase in Council Tax will be classed as excessive, it will be necessary for the Council to hold a **referendum and obtain a "yes" vote before being able to maintain the increase.**
- 1.8 An authority proposing to set an excessive council tax level is also required to make substitute calculations which will take effect if the proposed amount of council tax is rejected in a referendum, these are attached to this report.
- 1.9 Based on the current assumptions it is proposed to recommend a revenue budget of £20.205m for 2020/21 which will result in an increase in Council Tax of £57.00 per Band D property. Substitute calculations have also been made based on a £5.00 increase resulting in a revenue budget of £17.301m. This is set out in the Appendix A.

2. **Recommendations**

The Executive recommend to Council to approve or to note as appropriate: -

- 2.1 The proposed changes to 2019/20 Budgets detailed in Section 3.2.

- 2.2 The Revised 2019/20 Budget of Net Expenditure of £19,790,607 (Appendix 2) after allocating a surplus of £202,000, and the further changes to the current year budget (paragraphs 3.2.2).
- 2.3 The proposed changes to 2020/21 Base Budgets detailed in Section 3.3.
- 2.4 The proposed Budget for 2020/21 with Net Expenditure of £20,204,988 taking into account the changes detailed in section 3.3, with a deficit of £1,600,100, prior to use of reserves, as summarised in Appendix 2.
- 2.5 Subject to approval of the above Budget 2020/21, the Council Tax charges for Warwick District Council for 2020/21 before the addition of Parish/Town Councils, Warwickshire County Council and Warwickshire Police and Crime Commissioner precepts, for each band is agreed by Council as follows (3.6.7): -

	£
Band A	149.24
Band B	174.11
Band C	198.99
Band D	223.86
Band E	273.61
Band F	323.35
Band G	373.10
Band H	447.72

- 2.6 Note the projected deficit within the Medium Term Financial Strategy and the proposal to initially fund this from the Business Rate Retention Volatility Reserve, and how new savings or income generating initiatives are needed to come forward to be agreed within 2020/21 so as to avoid reductions to service provision (section 3.8).
- 2.7 Approve the reserve projections and allocations to and from the individual reserves as detailed in Section 3.9.
- 2.8 Approve the ICT Replacement and Equipment Renewal Schedules (Section 3.9.3).
- 2.9 Approve a new Climate Emergency Reserve (Section 3.9.3), with funding from the £52 increase in council tax at Band D, subject to a positive result from a local referendum. It is proposed that funding from this reserve is agreed by the Executive.
- 2.10 Approve the General Fund Capital and Housing Investment Programmes as detailed in Appendices 9 parts 1 and 2, together with the funding of both programmes as detailed in Appendices 9 parts 3 and 4 and the changes described in the tables in section 3.10 and Appendix 8.
- 2.11 Approve the Financial Strategy (para 4.2 and Appendix 11).
- 2.12 Approve the 2020/21 proposed New Homes Bonus of £3,726,100 is allocated as follows, as detailed in paragraph 3.13.3:

New Homes Bonus – 2020/21 Allocation	£
Waterloo Housing Association	125,800
Commonwealth Games Reserve	150,000
Sea Scout's Headquarters	350,000
Masters House	500,000
Public Amenity Reserve	140,000
Leisure Options Reserve - Kenilworth Leisure interim development costs	740,000
Financial Management System	600,000
H&CP System	300,000
General Fund Early Retirements Reserve	15,000
Project Legal Costs	98,000
Service Transformation Reserve	707,300
Total Allocated	3,726,100

- 2.13 Approve that the Section 151 Officer, in consultation with the Finance Portfolio Holder, is duly authorised to approve any business rate relief changes agreed by the Government to be incorporated into the 2020/21 Business Rate Billing.
- 2.14 That Executive approves the proposed allocation of £1,071,700 for the 2020/21 Corporate Property Repair and Planned & Preventative Maintenance (PPM) Programmes to fund the list of proposed works set out in Appendix 10, and approves the drawdown of funding from the Corporate Asset Reserve of up to £658,700 to support the 2020/21 programme.
- 2.15 That Executive agrees that the Assets Manager, in consultation with the Deputy Chief Executive (BH) and the Procurement Manager, is authorised to procure the proposed PPM works as per the Code of Procurement Practice, and delegates authority to the Assets Manager, the Deputy Chief Executive (BH) and the Head of Finance, in consultation with the Finance Portfolio Holder and the Leader of the Council, to approve any amendments to the proposed programme of works listed at Appendix 10 and/or revisions to the amount of budget allocated for specific schemes, provided these can be accommodated within the overall PPM budget allocation of £1,071,700.
- 2.16 Members note the operational, legal, reputational and financial risks in setting an excessive council tax as detailed in the Risks section and at Appendix 12.
- 2.17 Agree the Substitute Recommendations within Appendix A.

3. **Reasons for the Recommendations**

3.1 **Mandatory Obligations**

- 3.1.1 By law, the Council must set a balanced budget before the start of the financial year. As part of this process it must levy a council tax from its local tax payers to contribute to financing General Fund expenditure.
- 3.1.2 It is prudent to consider the medium term rather than just the next financial year, taking into account the longer term implications of decisions in respect of 2019/20. Hence, Members receive a 5 year Financial Strategy, Capital Programme and Reserves Schedule.

- 3.1.3 The Local Government Act 2004, Section 3, states that the Council must set an authorised borrowing limit. The CIPFA Code for Capital Finance in Local Authorities states the Council should annually approve Prudential Indicators.
- 3.1.4 The Chief Financial Officer is required to report on the robustness of the estimates made and the adequacy of the proposed financial reserves. (This statement is made at Appendix 1).

3.2 2019/20 Revenue Budget

- 3.2.1 Within the Base Budget report considered by the Executive in December, the 2019/20 Budget was showing a surplus of £469,400. A number of changes have been made to the base budget since, with the most notable being: -
- Appraisal software licence to support new housing / asset projects, funded 50:50 between the Housing Revenue Account and General Fund (£10,000 p.a. recurring being the GF cost).
 - Savings made within Neighbourhood Services following reviews of existing budgets £11,500 and within Policy and Projects following the release of an Earmarked Reserve relating to the unsuccessful Channel 4 bid £14,500.
 - A backdated reduction in income from the General Markets contract following overpayments (£26,600).
 - New contract for insurance premium – saving on the contract will be an additional £41,000 in 2019/20 (GF element), on top of the £50,000 saving reported in the December Executive Report.
 - Elections printing, postage, tablets for Electoral registration and the December By-Elections costs £77,000.
 - Additional budget to support the ongoing Christmas lights and events expenditure £45,000.
 - Additional recurring Car Parking management costs for the National Bowls Championships £7,000.
 - Increased Private Sector Housing / Homelessness legal fees £28,000 recurring.
 - The Quarter 2 surplus (reported to Executive November 2019) has been allocated to top up the Contingency Reserve (£125,000). From this £60,000 has been used for the Masters House urgent repairs, and £56,000 used to fund a temporary Principal Accountant post to support Final Accounts, agreed at November Executive.
- 3.2.2 The 2019/20 budget now shows a projected surplus of £202,000, which has then been allocated to the Business Rate Retention Volatility Reserve the treatment of which is considered in Section 3.13.

3.3 2020/21 Revenue Budget

- 3.3.1 The Base Budget report showed that the 2020/21 Budget had an estimated deficit of (£460,600). The following notable changes have subsequently been made to this base budget: -

- New contract for insurance premium – saving on the contract will be an additional £34,800 per annum (GF element), on top of the £50,000 saving reported in the December Executive Report.
- Reduction in market contract income (£6,600 recurring) under the terms of the General Market Contract.
- Cleaning contract recurrent savings (£26,300 recurring).
- Increase in gas supply contract costs (£21,600 recurring).
- Observer status of the West Midlands Combined Authority (£25,000 recurring).
- Senior Management Team Review as agreed by December Employment Committee (£47,000 recurring).
- New Planning Policies Assistant (£33,000 recurring).
- Recruitment costs for Head of ICT and Climate Emergency Programme Director (£20,000).
- Fixed term HR Business Partner (£34,000).
- Newbold Comyn grounds maintenance contract costs (£40,000 one-off), pending current review of future use.
- Estimated increased cost of new Financial Management Systems (£40,000 recurring).
- VE Day Celebrations – additional funding to be awarded by Community Forums (£8,000 one-off, £10,00 per Forum).
- Increased use of planning consultancy (£47,000 recurring).
- Housing restructure – This was agreed at Employment Committee in December, and due to commence in April (£55,700).
- Establishment of a 2020/21 contingency budget to support unavoidable growth (£200,000)
- Kenilworth Wardens – The November 2019 Executive agreed to advance £300k to Kenilworth Wardens Cricket Club to help facilitate submit a planning application and achieve all the necessary consents for its relocation. Whilst there will be a charge on their land as security, there is no certainty when the Council will benefit from this. Consequently, it is proposed to include this in the 2020/21 Budget.
- Kenworth Rugby Club – similar to Kenilworth Wardens, the Rugby Club also requires advance funding. Again this is proposed to be included in the 2020/21 Budget. Phasing of funding is proposed so that this is in due course funded from the 2021/22 New Homes Bonus. There is a further report to come on this in March to seek Council approval.
- Committee Subsistence - In recognition of the length of some scrutiny committee meetings the Executive wish to provide buffet refreshment before these meetings. Based on quote from the current provider and recognising the

price increase in this from April, this is anticipated to be at a cost of £2,500 per annum.

- 3.3.2 Following on from the 2019 Triennial revaluation of the Warwickshire Local Government Pension Fund, the employer contribution rates for 2020/21 to 2022/23 have been agreed. These represent an increase from 19.6% to 19.9% which has been factored into the budget. The Council has the opportunity to pay all three **years'** employer contributions up front in April 2020, amounting to a payment of £7.7m, using its cash balances. This will represent a net saving of approximately £100k per annum, after taking into account the cost of the reduced investment interest. The accounting arrangements for this will still spread the cost over the relevant financial years. The main benefit from this arrangement arises from the fact that the pension fund is able to invest the funds as part of larger, longer term investments, and so achieve an increased return over what the Council will achieve on cash balances.
- 3.3.3 These arrangements are being proposed after discussion with the actuaries, external auditors and lawyers. Other local authorities have followed this approach in the past, with several of the Warwickshire councils now proposing to follow suit. The net saving from this has been factored into the 2020/21 Budget and Medium Term Financial Strategy.
- 3.3.4 The projected Collection Fund Balance as at 31 March 2020 has been calculated to be a deficit of £1.8m. Whilst there has been new property growth in the district, this has been slower than anticipated when the tax base was set in November 2018 for 2019/20. Warwickshire County Council and the Warwickshire Police and Crime Commissioner were duly notified of their shares on the 15th January 2020. **This Council's share is £185,000.** This has been factored into the 2020/21 Budget as a one-off item.
- 3.3.5 Taking into account all known changes, the 2020/21 budget shows a deficit of (£1.6m). Again, the treatment of this is considered in section 3.13.

3.4 Local Government Finance Settlement

- 3.4.1 The Government announced the provisional 2020/21 Finance Settlement in December. The Final settlement is expected to be confirmed shortly, ahead of the Council being due to agree its 2020/21 Budget and Council Tax in February. No changes are expected to the Final settlement, but members will be duly informed if necessary.
- 3.4.2 Until 2018/19 the Council was in receipt of Revenue Support Grant. As with most local authorities, this had been reduced in previous years as councils have become more reliant of funding from business rates and council tax.
- 3.4.3 2020/21 was originally planned to be a major year in respect of local government finance as the following changes were due to come into place: -
- 2019 Fair Funding Review.
 - New Business Rates Retention scheme based on 75% retained in local government, in place of the current 50% scheme.
 - Reset of the Business Rates Baselines to reflect changes in rates collected locally since the scheme was introduced in April 2013.

In the Autumn it was announced that these changes are now planned for 2021/22.

3.5 **Business Rates**

- 3.5.1 Under the current Business Rate Retention Scheme, the Council currently receives approximately £5m per annum. Whilst the business rates base is relatively stable, complexities within the Retention Scheme mean that the element retained by the Council may fluctuate substantially year on year. The causes of these fluctuations are primarily: -

Appeals – There are still many appeals awaiting determination by the Valuation Office. An assessment of the success of these needs to be made and suitable provision has been allowed for within the estimated figures. Whilst it is hoped that this figure is suitably prudent, given the size and nature of some of the appeals, there remains a risk. April 2017 saw the introduction of the new **“Check, Challenge, Appeal” regime seeking to expedite appeals** and deter speculative appeals. Following previous revaluations, backdated appeals continued to be lodged for several years. The number of new appeals coming forward since April 2017 continues to be minimal. However, it is still expected that a significant number of appeals will come forward in subsequent years that will be backdated to 2017. It is necessary for an estimate of these future appeals to be allowed for in the 2019/20 and 2020/21 Estimates.

Accounting for the “Levy” - Under the Business Rate Retention Scheme, the **timing of transactions, notably in respect of the “Levy” paid to central government**, will result in substantial swings in the net rates retained by the Council in any specific year.

- 3.5.2 Due to these significant fluctuations in the business rates that the Council gets to retain in any individual year, in common with most other local authorities, it retains a Business Rate Retention Volatility Reserve. Since 2018 the balance on this reserve continues to grow and is forecast to be £4.1m as at March 2025, prior to the use of this reserve discussed in paragraph 3.8.8. The need for this reserve is most significant from April 2021 when the new Business Rate Retention Scheme is due to come into place. From that date it is expected that the **Council’s share of business rates** will reduce to more closely align to the Baseline (currently £3.4m) as it loses its share of increases to the business rate base. A reduction in retained business rates has been allowed for in the projections from 2021/22. However, it is important that reserve funding is allowed for in case the position from 2021/22 is worse than forecast.
- 3.5.3 Since the start of the Business Rate Retention Scheme, the Council has been part of the Coventry and Warwickshire Business Rates Pool. By pooling, local authorities are able to reduce the amount of the levy due to be paid to Central Government, and retain more income centrally. For 2019/20 the Council Business Rates Retentions figures include approximately £300k as the gain from pooling for this year. Executive agreed in the Autumn that the Council should seek to be part of the Pool for 2020/21. Within the Provisional Finance Settlement, the Government is proposing that the current pools will be able to continue for 2020/21.
- 3.5.4 The Business Rates Retention figures within the MTFS are believed to be reasonably prudent taking into account all the above factors. These figures will continue to be reviewed and members will be informed of changes as the MTFS is presented in future reports.

3.6 Council Tax

- 3.6.1 As announced within the Provisional Local Government Finance Settlement, District Councils may increase their share of the Council Tax by the greater of up to 2% and £5 without triggering a referendum. This is below the limits for 2019/20 where district councils could increase their element of council tax by the higher of 3% and £5. If the Council were able to increase council tax in future years by 3%, this would amount to a further £95k council tax income by 2024/25.
- 3.6.2 The national average council tax for district councils is £189, and £230 **including parish/town council precepts. This Council's council Tax charge for 2019/20 is £166.86 (excluding parish and town council precepts). This Council's charge is in the 2nd lowest quartile (66/192) and when Town and Parish Precepts are included it falls within the lowest quartile (31/192).**
- 3.6.3 The Council Tax Base was calculated in November of last year, with the **Council's preceptors being notified accordingly.** As reported to members in December 2019 within the Base Budget Report, the Tax Base for 2020/21 is 55,851.37 Band D Equivalents. This is a reduction of over 800 properties to the figures previously factored into the Financial Strategy for 2020/21. The reduced forecast growth in the tax base has been factored into the MTFS. This clearly **impacts upon the Council's estimated council tax income.**
- 3.6.4 An increase in Council Tax of £5 per annum per Band D is proposed to fund the **Council's core services, in line with the limits** discussed in paragraph 3.6.1.
- 3.6.5 In view of the Climate Emergency declared by the Council in June 2019, resources are required to finance the Climate Emergency Action Plan, as detailed in a separate report on this Executive agenda. It is proposed to increase Council Tax by a further £1 per week at Band D, £52 per annum which will enable approximately £2.9m to be allocated to a new Climate Emergency Reserve in 2020/21, and similar sums in subsequent years.
- 3.6.6 **The Council's element of the Council Tax** is calculated by taking its total budget requirement, subtracting the **Council's element of Retained Business Rates** (Section 3.3 and 3.5 above). This figure is divided by the 2020/21 tax base to derive the District Council Band D Council Tax Charge.
- 3.6.7 The recommendations within this report produce a Band D Council Tax for Warwick District (excluding parish/town council precepts) for 2020/21 of £223.86, this being a £57 increase on that of 2019/20. Based on this increase the **District's element of** the Council Tax for each of the respective bands will be:

	£
Band A	149.24
Band B	174.11
Band C	198.99
Band D	223.86
Band E	273.61
Band F	323.35
Band G	373.10
Band H	447.72

- 3.6.8 The £57 increase in council tax will generate an additional £280,000 in 2020/21 towards the cost of core services and £2.904m to the Climate Emergency Reserve.
- 3.6.9 The Medium Term Financial Strategy includes increases in council tax of £5 per annum in future years. This increase will go towards maintaining core services, with the £52 additional charge continuing to provide funding for Climate Emergency initiatives. It is important that the Council continues to maintain this income base into future years. Costs will continue to face inflationary increases. **In addition, there remain threats to the Council's other income streams, most notably its share of Business Rate Retention.**
- 3.6.10 Parish and town councils throughout the district were asked to submit their precepts for 2020/21 when informed of their Tax Bases. At the time of writing this report, not all precepts have been confirmed. It is estimated that the precepts will total just over £1,500,000 based on prior years. In the Provisional Finance Settlement, the Government has announced it will continue to defer the setting of referendum principles for town and parish councils. As in previous years, the government has indicated it will keep this approach under review for future years.
- 3.6.11 If this increase is agreed **of £57 at Band D for the District Council's** element is agreed by Council on 26 February, as this increase in Council Tax will be classed as excessive, it will be necessary for the Council to hold a referendum **and obtain a "yes" vote before being able to maintain the increase** for future years.
- 3.6.12 An authority proposing to set an excessive council tax level is also required to make substitute calculations which will take effect if the proposed amount of council tax is rejected in a referendum, these are attached to this report.
- 3.6.13 The Council Tax is set by aggregating the council tax levels calculated by the major precepting authorities (the County Council and the Police and Crime Commissioner) and the parish/town councils for their purposes with those for this Council. The report to the Council Meeting on the 26 February, 2020 will provide all the required details. This will be e-mailed to all Members as soon as possible following the Police and Crime Commissioner and Warwickshire County Council meetings. At the time of writing this report, it is assumed that all the Town/Parish Precepts will have been returned. The Council will then be in a position to: -
- (a) consider the recommendations from the Executive as to the Council Tax for district purposes; and
 - (b) formally to set the amount of the council tax for each Parish/Town, and within those areas for each tax band, under Section 30 of the 1992 Local Government Finance Act.
- 3.6.14 Members must bear in mind their fiduciary duty to the Council Taxpayers of Warwick District Council. Members have a duty to seek to ensure that the Council acts lawfully. They are under an obligation to produce a balanced budget and must not knowingly budget for a deficit. Members must not come to a decision that no reasonable authority could come to, balancing the nature, quality and level of services that they consider should be provided, against the costs of providing such services.

3.6.15 Should Members wish to propose additions or reductions to the budget, on which no information is given in this report, they must present sufficient information on the justification for and consequences of their proposals to enable the Executive (or the Council) to arrive at a reasonable decision. This report sets out relevant considerations for Members to consider during their deliberations, including the statement at Appendix 1 from the Chief Financial Officer

3.6.16 Section 106 of the Local Government Finance Act 1992, states that any member who has not paid their Council Tax or any instalment for at least two months after it becomes due and which remains unpaid at the time of the meeting, must declare that at the meeting and not vote on any matter relating to setting the budget or making of the Council Tax and related calculations.

3.7 **New Homes Bonus**

3.7.1 **This Council's New Homes Bonus (NHB)** for 2020/21 is £3.7m. This is an increase from the £3.4m awarded for 2019/20.

3.7.2 The NHB calculations are still based on the following parameters: -

- Since 2018/19 funding is based on 4 years (this previously being 6 years).
- The baseline of 0.4% has continued for 2020/21. New Homes Bonus is only awarded on growth above this level. For Warwick District Council, for 2020/21 the 0.4% baseline represents 257 dwellings. With the total growth of 824 Band D properties, the 2020/21 allocation is based on 567 properties.

3.7.3 **Within in the Provisional Funding Settlement, the Government said that "legacy payments" for 2020/21 will not continue, but prior legacy payments will** continue for 2021/22 and 2022/23. If this is unchanged, the Council would expect to receive NHB of £2.2m in 2021/22 and £1.2m in 2022/23. However, with the changes expected to local Government Finance in 2021/22, it is possible that these legacy payments will not continue.

3.7.4 To date this Council has used the money to fund various schemes and initiatives and replenish some of its Reserves, and unlike many local authorities, has not **used NHB to support core services. It continues to be the Council's policy to** exclude new Homes Bonus in projecting future funding.

3.7.4 As in previous years, Waterloo Housing will receive part of this allocation from their agreement with the Council to deliver affordable Housing in the District. £125,800 is due to be paid to Waterloo in 2020/21. Section 3.13 details how it is proposed to allocate the Residual Balance for 2019/20.

3.8 **Medium Term Financial Strategy (MTFS)**

3.8.1 When Members approved the 2019/20 Budget in February 2019, the Medium Term Financial Strategy showed that that the Council would be in deficit by £574,000 by 2023/24, as shown below.

	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000
Deficit-Savings Req(+)/Surplus(-) future years	330	1,025	456	574
Change on previous year	330	695	-569	118

Since then, Members have received later projections in the quarterly Budget Review Reports in August and November of this year. These Reports highlighted any major changes.

- 3.8.2 One of the most significant changes between the forecasts presented to Members in February of each year is always the impact of rolling the forecasts forward a further year. Whilst there is additional income from an increased Taxbase and the Band D charge, alongside the growth in the Leisure Concessions Contract, this is more than offset by inflation and other unavoidable commitments such as pensions.
- 3.8.3 There have been many changes to staffing budgets during the year which have already been reported to Members. The most significant of these being the Housing Restructure (£55,700), and increased use of casual employees due to activity in the arts services (£40,000). Other salary budget changes incurred total (£154,700).
- 3.8.4 Income to the Council will increase less than that forecast in February 2019. The most notable reasons for this is the reduction in growth in the Tax Base from 2019/20 (£70,000). In addition, the increase in planning fees of £250,000 included in the strategy last year have been removed from 2019/20, but is still within the Budget for 2020/21 onwards.
- 3.8.5 The following savings have been re-profiled or removed to reflect more likely timeframes: -
- Insurance premium savings from the new contract have increased by a further £41,000 in 2019/20, being a recurring saving of £34,800 from 2020/21.
 - Senior Management Review removal of saving (£200,000) originally forecast to start April 2022
 - Town Hall transfer removal of saving (£85,000) saving previously forecast to start April 2022
 - Riverside House Relocation removed (£300,000) saving previously forecast to start January 2021
- 3.8.6 As reported to members in August 2019, if the Kenilworth Leisure development works go ahead, this will present a significant additional net revenue cost to the Council, estimated at £500k per annum (subject to significant capital contributions **from the Council's current capital resources**). This mostly reflects the additional debt charges that will be incurred on the borrowing to fund the works. A further report is due to the Executive later in the Summer/Autumn. At this time more detailed costs of the project should be known. Members will then be asked if they wish to commit to the project. By factoring the additional £500k into the Medium Term Financial Strategy from 2021/22, the level of savings to be found on a recurring basis have increased by this level, as included in the table below.

3.8.7 Taking into account the above changes, the savings to be found within the Medium Term Financial Strategy are as follows: -

	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
Deficit-Savings Req(+)/Surplus(-) future years	1,600	987	1,922	1,868	1,762
Change on previous year		-633	935	-54	-106

3.8.8 In the short term it is proposed to use the Business Rate Retention Volatility Reserve (BRRVR) to help smooth the savings needed to be secured. The BRRVR currently is forecast to have an unallocated balance of £4.1m as at 31 March 2025. It is proposed to fund the forecast surplus/deficit on the General Fund for 2019/20 to 2022/23, leaving £522k to be found in 2022/23, from the BRRVR. This will require £3.145m to be released from the BRRVR so reducing the forecast balance to £957k as at March 2025. The impact of the extra contributions from the reserve are shown below.

Business Rate Retention Volatility Reserve								
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		£000	£000	£000	£000	£000	£000	£000
B/F		889	4,535	6,973	7,199	5,618	4,808	4,402
Budgeted contribution to/from reserv		3,646	2,438	226	-1,581	-809	-406	-300
C/F		4,535	6,973	7,199	5,618	4,808	4,402	4,102
Extra contributions from reserve				202	-938	-987	-1,422	
Forecast Balance								957

3.8.9 By utilising the BRRVR to fund the General Fund deficit in the short term, the forecast adjusted deficit is as follows: -

	2020/21	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000	£'000
Deficit-Savings Req(+)/Surplus(-) future years	0	0	522	1,868	1,762
Change on previous year		0	522	1,346	-106

3.8.10 New initiatives need to be agreed soon to enable savings or additional income to be generated so as to remove the forecast £1.8m deficit. By using the BRRVR, the Council has effectively bought itself some time to get new initiatives in place but it now needs to develop strategies for balancing its budget over the medium to long term to create a sustainable platform to deliver services. Like many other Councils, WDC is beginning to look at the potential returns from investments in property and other developments in its boundary and wider economic geography, which will provide wider economic benefits to the district. It is also considering how to increase the returns from investment in its

Treasury Management strategy, within the parameters of prudence, regulations and guidance from CIPFA.

Proposals are now being developed in both areas and will be discussed in the coming year for incorporation into the budget as appropriate from 2021/22 onwards. The timetable for these considerations to be reported to members are: -

- March 2020 - Treasury Management Strategy - annual update and consideration of revised investment proposals.
- April 2020 – Commercial Investment Strategy – proposals for a new strategy.
- September 2020 – report on further service transformation initiatives.

3.8.11 In this context it is worth stressing that it is not proposed to fund the current projections in relation to the shortfall in the General Fund Budget and the Medium Term Financial Strategy from the additional council tax income from the £52 proposed increase. All additional income from this source will be ring-fenced to fund Climate Emergency initiatives.

3.8.12 If the referendum on the excessive council tax increase is unsuccessful, the balance to be found from the General Fund budget for future years will not alter. However, the Council will need to identify different priorities/ allocations from its budget to enable it to pursue its Climate Emergency initiatives.

3.9 Reserves and Balances

3.9.1 Members agreed that £1.5m should be the minimum level for the core General Fund Balance. This balance supports the Council for future unforeseen demands upon its resources. In order to consider a reasonable level of general reserves, a risk assessment has been done and is contained at Appendix 4. This shows the requirement for the General Fund balance of over £1.5 million against the risks identified above.

3.9.2 The General Fund has many specific Earmarked Reserves. These are attached at Appendix 5 showing the actual and projected balances from April 2018, along with the purposes for which each reserve is held. Finance and Audit Scrutiny Committee is especially asked to scrutinise this element and pass comment to Executive.

3.9.3 Those reserves which show a significant change in the overall balance in the period 1st April 2020 to 31st March 2024 are detailed below and also shown in Appendix 5: -

- i. Business Rates Volatility Reserve – This reserve smooths out the receipt of business rates income and contributions to the reserve. The use of this reserve is discussed in paragraph 3.8.8, does reduce the forecast balance on this reserve to £957k. This balance should not be allowed to go below this level, and should ideally be at a level of £2.5m. With the changes to Business Rates from 2021/22, it is expected that the current Coventry and Warwickshire Business Rates Pool will need to be disbanded. This should release £1m of “Safety Net” funding currently being held by the pool to the Council in 2021/22 to help support the balance on this reserve. Until the balance on this reserve is increased to its nominal level it will not be possible to make further contributions from this reserve.

- ii. Car Parking Repairs and Maintenance Reserve – the balance on the reserve is expected to be fully utilised by March 2021 due to the continued funding of replacement pay & display ticket machines, and essential maintenance.
- iii. Community Projects Reserve – this reserve is fully committed.
- iv. Corporate Asset Reserve – As discussed in the paragraph on PPM (3.15) This reserve is forecast to have around £400k by the end of 2020/21. Further funding will be required for future years to maintain assets in future years in line with the Asset Strategy.
- v. ICT Replacement Reserve – this reserve will receive annual contributions of £250,000, amounting to £1m over the period 2019/20 to 2023/24. The latest forecast for the replacement of the Council's ICT Equipment is attached at Appendix 6 for Members approval. If all the items on the schedule are to be funded, further funding will be required for future years.
- vi. Equipment Renewal Reserve – this reserve has been forecast to receive allocations of £100k per annum. Some drawdowns from this reserve have not been needed as soon as profiled. Consequently, within the proposed budget no allocations into the reserve have been allowed for 2020/21 and 2022/23. However, Members are asked to note the significant potential demands on this Reserve in future years, if all of these items are drawn down to this value, the Reserve will be exhausted. The schedule is regularly reviewed to assess whether demands are still required, or whether they can be slipped within the programme.
- vii. Homelessness Prevention Reserve – Government grants amounting to £529k will be received in 2018/19 and 2019/20 and allocations of £278k are expected to be made from the reserve in the same years resulting in a net increase of £274k over the period 2018/19 to 2022/23.
- viii. Leisure Options Reserve – This reserve is proposed to receive £740k from New Homes Bonus. If the Kenilworth Leisure scheme is approved to go ahead, this budget is to fund the costs incurred during the development.
- ix. Planning Investment Reserve – income amounting to £1.4m arising from increased planning fees will be credited to the reserve over period 2019/20 to 2023/24 and this will be offset by the reserve funding various posts e.g. temporary Senior EHO, Development Monitoring Officer and Community Infrastructure Levy (CIL) officer. Allocations from this reserve are agreed by the Senior Management Team.
- x. Public Amenity Reserve – £140k is proposed to be allocated from New Homes Bonus to fund the next green spaces and play areas projects identified from the parks and play area audits in line with Green Space Strategy. Further funding will be required for future years.
- xi. Public Open Spaces Planning Gain Reserve – this reserve is built up of S106 contributions received in previous years and is dedicated to one-off improvements of public open spaces including play areas. It is providing £370k towards the 2019/20 play area capital programme after which it will be mostly exhausted.
- xii. Service Transformation Reserve – £707.3k is proposed to be allocated from New Homes Bonus. In addition, the unallocated balance on the Grants In Advance Account, which is made up of various grants received in recent years,

being available for any purpose of £459,000, is proposed to be transferred to the Service Transformation Reserve.

- xiii. Digital By Default Reserve - £86.3k is proposed to be used towards the ICT restructure.
- xiv. Warwick District Climate Emergency Reserve – a new reserve is proposed to be created from 2020/21 with the proceeds of the £52 council tax increase. In the first year this should generate £2.9m, with similar amounts in subsequent years. The proposed initial use of this reserve are considered in paragraph 3.13.4. Further use of this reserve are proposed to be delegated to the Executive.

3.10 General Fund and Housing Capital Programmes

3.10.1 In accordance with the Council's Code of Financial Practice, all new and future capital schemes, must be in line with the Council's corporate priorities including its capital strategy and a full business case will be required as part of reports to the Executive for approval. This case will identify the means of funding and, where appropriate, an options appraisal exercise will be carried out. Should there be any additional revenue costs arising from the project, the proposed means of financing such must also be included in the Report and Business Plan.

3.10.2 The Capital Programme has been updated throughout the year as new and changes to projects have been approved. In addition to the changes throughout the year, it is proposed to add several new schemes to the Capital Programme as detailed in Appendix 8. These most notable schemes are detailed below: -

Scheme	Year	Amount	Financed From
Kenilworth HIF Grant	2019/20	£9.6m	REFCUS
Power Supply to Car Park	2019/20	£97.8k	Corporate Asset Reserve
Station Approach land purchase	2019/20	£200k	Capital Investment Reserve
Crematorium	2019/20-2023/24	£110.4k	Equipment Renewal Reserve
CFS Aeroproducts Relocation to Warwick	2019/20 – 2021/22	£440k	Borrowing
Bowling Greens (Commonwealth Games)	2019/20 – 2020/21	£200k	Commonwealth Games Reserve
2 nd Warwick Sea Scouts HQ	2019/20 - 2020/21	£439.2k	2020/21 New Homes Bonus £350k
Masters House	2019/20 - 2020/21	£1m	2020/21 New Homes £500k
Local Football facilities	2019/20 - 2020/21	£150k	Community Projects Reserve
Community Stadium Project	2019/20 – 2022/23	£176.9k	Borrowing
AV System in Council Chamber	2020/21	£80k	Equipment Renewal Reserve
Health and Community Protection IT System	2020/21	£300k	2020/21 New Homes Bonus
Financial Management	2020/21	£600k	2020/21 New

Scheme	Year	Amount	Financed From
System			Homes Bonus
Cycleway Upgrade (Commonwealth Games)	2020/21	£50k	Commonwealth Games Reserve
Europa Way Heathcote Farm	2020/21	£996.8k	Borrowing
Kenilworth School Loan	2020/21	£2m	Internal Borrowing
Desktop Infrastructure, Network Devices LAN & WAN, Infrastructure General, Network General	2023/24	£257k	ICT Replacement Reserve
Rural & Urban Initiatives Grants – extension of current programme	2023/24	£150k	Capital Investment Reserve
Recycling & Refuse Containers – extension of current programme	2023/24	£80k	Capital Investment Reserve

3.10.3 In addition to the new projects incorporated in 3.10.2 above the following capital projects are expected to come forward over the next few years: -

- Investment in replacement multi storey car parks
- Office relocation
- Europa Way Community Stadium

3.10.4 Slippage to 2020/21 in the General Fund Programme has been incorporated as reported during the year.

3.10.5 In addition the following table shows increases to current schemes that are required to be reported to Members. The full details are within Appendix 8:

Scheme	Year	Amount	Comments
Desktop Infrastructure	2020/21	£60k	Increase met from ICT Reserve
Network	2020/21–2021/22	£60k	Increase met from ICT Reserve
Whitnash Community Hub	2019/20	£415.2k	Increase met from Community Projects Reserve
Leisure Centre Refurbishments	2019/20-2020/21	£543.5k	Increase met from Any Purpose RTB receipts
Community Stadium Project	2019/20 to 2022/23	£12.6k	Funded from internal borrowing
St Marys Lands – Main Entrance Improvements	2019/20	£29.4k	Increase met from Community Projects Reserve
Project Officer Whitnash / Kenilworth Phase 2	2019/20-2022/23	£142.1k	Increase from Service Transformation Reserve
Tachbrook Country Park	2021/22	£2.1m	Increase from s106

3.10.6 Slippage and savings on existing schemes are also detailed within Appendix 8

- 3.10.7 Appendix 9 Part 5 shows the General Fund unallocated capital resources. These total £1.686m. The Capital Investment Reserve represents the largest share of this at £1.233m, for which the Council has agreed the minimum balance should be £1m. Whilst the Council does hold other reserves to fund capital projects, it will be noted that these are limited and have been reserved for specific purposes. In addition to the resources shown here, within the Housing **Investment Resources, the Right to Buy "Any Purposes Capital Receipts"** projected at £8.202m (Appendix 9, part 4) are available to fund non Housing schemes.
- 3.10.8 The latest Housing Investment Programme (HIP) is shown at Appendix 9 part 2.
- 3.10.9 Appendix 8 details variations to the HIP from the programme approved as part of the February 2019 budget report. This includes new schemes approved during 2019/20, changes to current schemes, and slippage from 2018/19.
- 3.10.10 Appendix 9 part 4 shows the funding of the HIP and the forecast balances at year end until 31st March 2024 after the HIP has been financed.

The Capital receipts primarily relate to Right to Buy (RTB) sales. The council has freedom on how the any purpose receipts are utilised, being able to fund General Fund and Housing Capital schemes.

- 3.10.11 RTB 1-4-1 receipts have to be utilised in replacing housing stock that has been purchased from the council by existing tenants through the RTB scheme. This can be through new build properties (such as Sayer Court), the purchase of existing properties (such as Cloister Way) or buy back of existing council properties previously sold through RTB. However, they can only be used to fund up to 30% of the replacement cost as per RTB regulations. If the funding is not used within a three-year period from the date of receipt, the funding will be repayable to the Government, along with interest. It is envisaged that there will be no requirement to repay any 1-4-1 receipts to the Government as they will be utilised to finance current or potential schemes within the Housing Investment Programme. Within the current Housing Investment Programme there are schemes for the acquisition of properties as agreed by members. This will fully utilise the 1-4-1 funding that the Council currently holds and will receive in 2019/20, with it projected to have a zero 1-4-1 balance as at 31 March 2020. The projections show a further £1.4m per annum will be available thereafter for further schemes, with this funding having to be used within the 3 year timescale. Where schemes have been designated to be funded using additional borrowing, 1-4-1 receipts generated will be used in the first instance to reduce the amount of borrowing required.
- 3.10.12 HRA Capital Investment Reserve. This reserve is funded by the surpluses generated on the Housing Revenue Account. The HRA Business Plan assumes that this funding will be used for the provision of new HRA stock, and to allow debt repayments on the £136.2m loan taken out to purchase the HRA housing stock to commence from 2052/53.
- 3.10.13 The Major Repairs Reserve is used to fund capital repairs of the HRA stock. The contributions to this reserve are based on depreciation calculations.
- 3.10.14 Section 106 are payments received from developers in lieu of them providing new on site affordable homes, enabling the Council to increase the HRA stock or assisting housing associations to provide new dwellings. These S106 payments usually have a time limit attached to them by which time they

need to be utilised or they may need to be repaid to the developers.

- 3.10.15 The Right to Buy Any Purpose Capital Receipts are shown within the sources of Housing Investment Programme funding. As considered previously by members, these capital receipts are not ring-fenced and can be used for any capital projects.

3.11 Prudential Indicators

- 3.11.1 The Council is required to determine an Authorised Limit for borrowing in accordance with The Local Government Act 2004, Section 3, and to agree prudential indicators in accordance with the CIPFA Code for Capital Finance in Local Authorities.
- 3.11.2 The Prudential and Treasury Indicators are being included in the Treasury Management Strategy report going to Executive on 18 March 2020, to be approved by Council before the start of the financial year 2020/21, as required by the CIPFA Prudential Code.

3.12 Capital Strategy

- 3.12.1 The Council approved a Capital Strategy for the financial year 2019/20, as required by CIPFA revised Prudential and Treasury Management Codes.
- 3.12.2 The initial capital strategy requires updating, to reflect the Asset Management Strategy approved in November 2019 and a new Commercial Property Investment Strategy that is planned to be brought to Council early in 2020/21. **It also needs to reflect the Council's aspirations as part of the Climate Emergency Declaration.**
- 3.12.3 Therefore it is planned to revise the Capital Strategy during 2020/21, to fully reflect these other underpinning corporate strategies and objectives.

3.13 Appropriation of funding and balances

- 3.13.1 2019/20 revenue Budget shows a surplus of £202,000 with 2020/21 showing a deficit of (£1.6m). As discussed in paragraphs 3.2.2 and 3.3.5, it is proposed to use the Business Retention Rate Volatility Reserve to smooth the shortfall within the Medium Term Financial Strategy for 2020/21 and 2021/22, leaving £522k shortfall to be found in 2022/23. With the current year surplus being allocated to the Volatility Reserve, the net amount being drawn from the Reserve is £3.459m.
- 3.13.2 New Homes Bonus remains the major source of additional funding over which the Council has discretion as to how it is used, as discussed in section 3.7.
- 3.13.3 It is proposed to use the New Homes Bonus as follows: -

New Homes Bonus – 2020/21 Allocation	£
Waterloo Housing Association – Joint Venture commitment	125,800
Commonwealth Games Reserve – agreed annual allocations per Executive March 2018.	150,000
Sea Scout's Headquarters – agreed Executive	350,000

August 2019	
Masters House – agreed Executive Oct 2019	500,000
Public Amenity Reserve - allocations needed to fund works on Council open spaces and play areas in 2020/21. Further funding required for future years.	140,000
Leisure Options Reserve - Kenilworth Leisure interim development costs, to be considered further in future Executive report.	740,000
Financial Management System – agreed December 2019 Executive.	600,000
H&CP System – Agreed Oct 2019 Executive	300,000
General Fund Early Retirements Reserve – additional funding required for potential demands in 2020/21	15,000
Project Legal Costs – additional funding required for several agreed projects in progress	98,000
Service Transformation Reserve	707,300
Total Allocated	3,726,100

3.13.4 The additional income to be generated from the £52 increase in Council Tax for Climate Emergency will be allocated to the new Climate Emergency Reserve. For 2020/21 this should generate £2.904m income. The immediate items to be funded from this reserve will be: -

	£000
Cost of holding the referendum over the Excessive Council Tax increase	300
Climate Emergency Director – cost of first of three years, as agreed by Employment Committee.	105
Food waste collection implementation and setup	533

The balance on this reserve will be used towards items included within the Climate Emergency Action Plan. The reserve should receive similar allocations from council tax income in future years.

3.14 Business rates – Retail Discount Relief

3.14.1 The Ministry of Housing, Communities and Local Government has been in communication following the General Election regarding changes to Business Rates from 1st April 2020. The Government is looking to:

- increase retail discount relief to 50% for all occupied retail properties with a rateable value below £51,000, whilst extending its coverage to include cinemas and music venues.

and

- reintroduce pub relief.

3.14.2 These changes are expected **to be formally announced in the Chancellor's Budget on March 11th 2020**. Based on the current Committee meeting dates, this will not enable any changes to be formally agreed and incorporated into the 2020/21 Business Rate Bills to be issued in March 2020.

3.14.3 It is recommended that the Section 151 Officer, in consultation with the Finance Portfolio Holder, is duly authorised to approve any business rate relief changes agreed by the Government to be incorporated into the 2020/21 Business Rate Billing.

3.15 Pre-Planned Maintenance Budget (PPM)

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

3.15.2 The proposed budget allocation for 2020/21 is based on a review of the current PPM data by officers within the Assets Team, in consultation with building managers from other services which hold or operate specific assets. The Proposed Corporate Property & Planned Preventative Maintenance (PPM) Programme works 2020/21 is set out at Appendix 10 to this report.

3.15.3 For 2020/21, the total PPM budget is £1,071,700. This will be funded using £413,000 from the Annual PPM budget and a £658,700 drawdown from the Corporate Assets Reserve or which the balance is currently £1,087,500. Further detail of the PPM Plan and the associated funding is provided within Appendix 10.

4. Policy Framework

4.1 Fit for the Future (FFF)

These are the words to use:

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects. This report seeks to continue to ensure that the Council has adequate financial resources to support its various strategies and the provision of services.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment

	ASB	and income levels
Impacts of Proposal		
The recommendations within the report seek to help provide future funding for the above outcomes.		
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The recommendations within this report seek to ensure the Council has adequate funding to enable it to support staff in the provision of services.	The recommendations within the report seek to help provide future funding so as to enable the Council to maintain and improve service provision.	The recommendations within this report seek to ensure the best use of made of the Council's financial resources whilst ensuring the Council's financial position is sound going into the future.

4.2 Supporting Strategies

- 4.2.1 Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained here. The Council has a Financial Strategy, as updated within Appendix 11. This Strategy sets out details of the **Council's overall financial position, and some of the key policies for the use of the Council's resources and how these are managed. Members are recommended to approve the updated Financial Strategy.**

4.3 Changes to Existing Policies

This report does not propose any recommendations to any of the Council's existing policies.

4.4 Impact Assessments – Not Applicable

5. Budgetary Framework

- 5.1 The Council's budget and Council tax setting is a major component in reflecting and expressing the Council's priorities and policies. The budgets proposed for both capital and revenue are in accordance with Fit for the Future. The financial strategy and capital strategy are revised in the light of the proposed revenue and capital budgets, and the issues that these budgets address.

- 5.2 **Officers monitor the current year's** expenditure by way of the Budget Review process which is **reported to the Council's Senior Management Team** monthly. The same process is applied when reporting quarterly to Members. Members are also kept informed on progress with Earmarked Reserves and the Contingency Budget, alongside the latest predictions in the MTFS.
- 5.3 Despite facing substantial reductions in funding in recent years, the Council has managed to maintain and improve main services, while also supporting new projects and initiatives, in particular proposals surrounding Climate Emergency, and our involvement in the Commonwealth Games. However, members will be aware of the substantial sums needed to be spent **on the Council's municipal** assets in future years, with the multi storey car parks and the roof at both the Town Hall and Pump Rooms being of specific note. In addition, moving forward, **there remains uncertainty as to the Council's future funding levels.** This is notably with regard to Business Rates (as discussed in paragraph 3.5) and New Homes Bonus (para 3.7). Consequently, the additional funds required by the Council in forthcoming years could foreseeably be in excess of the shortfall forecast in the MTFS (section 3.8.9).
- 5.4 The proposals within this report include for an excessive council tax increase of £57 at Band D, this being £52 above the referendum limits. This will require a local referendum to agree the increase. The cost of this is estimated at £300k, which it is proposed to fund from the additional proceeds from the council tax increase. If the increase is rejected by the referendum, it will be necessary for the cost of the referendum and subsequent council tax re-billing, estimated at £500k in total, to be funded from the 2020/21 New Homes Bonus. This will require subsequent amendments to the funding from New Homes Bonus as discussed in the Substitute Calculations Report (Appendix A).

6. Risks

6.1 Council Tax Referendum

- 6.1.1 By the Council setting an Excessive council tax increase for 2020/21, there is a risk that the increase is rejected in the local referendum.
- 6.1.2 There has only been one excessive increase set under the current legislation. Bedfordshire Police and Crime Commissioner set an increase of 15.8% (£24.80) for 2015/16, above the 2% referendum limit to fund additional police officers. The Commissioner had previously undertaken public consultation which suggested 84% supported the increase in a paper survey, and 64% in an on-line survey. In the referendum in May 2015, 70% voted against the increase. Consequently, the increase failed, and new council tax bill had to be issued to all properties in Bedfordshire, as a cost to the Police and Crime Commissioner.
- 6.1.3 If the Council supports the increase and it fails at the local referendum which would be held on 7 May, the Council will face the following risks: -
- 6.1.4 Costs
- In addition to the cost of the referendum (estimated cost £300k), the Council will face the cost of re-billing for council tax. This will incur expenditure on the following items: -
- Software updates to the council tax system
 - Printing/posting of council tax bills
 - Recalculation of Council Tax Reduction, and sending notification
 - Cost of issuing refunds

- Additional staff costs to answer telephones, billing, recovery etc.
- Staff overtime

6.1.5 Impact upon service

- The Council Tax service is likely to be impacted for potentially months. Whilst the Council may be able to set substitute council tax relatively quickly, it could be some months before new bills can be sent out.
- With the delay in new bills being sent, this is likely to impact the service in several ways. This will result in increased correspondence and telephone contacts from council tax payers. If the correspondence levels do increase, it may be some time before processing times return to an acceptable level. Additional staff are likely to be sought to help manage this.
- The delays in the new bills being issued will result in problems with council tax recovery.

6.1.6 Other risks likely include: -

- Reputational damage. As only one referendum of this nature has taken place, and that was voted against, many will question the wisdom of the Council agreeing an excessive council tax increase. The council is likely to be subject to substantial local and national scrutiny.
- Impact on staff morale. The substantial proportion **of the Council's workforce** are likely to be impacted, whether it be assisting with the referendum, or council tax recovery.
- Potential adverse reports from the external auditors (potentially part of the Value for Money Conclusion).

6.2 Business Rates Retention

As detailed in section 3.5, there are still substantial risks around Business Rates Retention, especially from 2021/22 when the following changes are expected: -

- The impact of the Fair Funding Review
- The introduction of the 75% Business Rate Retention scheme
- The re-set of the Baselines.

6.3 The Financial Strategy now assumes that £5 per annum increases in Council Tax for future years on the basis of current referendum limits. Recent Government determination confirmed that increases in Council tax are to be limited to the greater of either a £5, or 2% increase, a change from the £5, or 3% that was in place as part of last **year's** strategy. There is the possibility that this could change further, therefore there is a degree of risk as to whether this level of Council Tax increase will be able to be continued.

6.4 Many of the Risks in the Significant Business Risk Register are Finance related and the Finance Service Area has its own Risk Register. Both are reviewed regularly.

6.5 The impact of the country leaving the European Union on the Council and the local economy is uncertain. It could be some years before the full impact is felt.

- 6.6 The MTFS still has a substantial deficit still to be closed. As discussed in paragraph 3.8.10, new initiatives are needed to be agreed soon so that they can be implemented and generate additional savings. Failure to come up with new proposals will leave the Council in a very vulnerable position.
- 6.7 Unforeseen events, such as planning appeals, uninsured damage, legal challenges, can expose the Council to incur expenditure not previously budgeted for. Whilst the Council endeavours to cover these from its Contingency Budgets and Reserves, they may not prove adequate.
- 6.8 New Homes Bonus. As referred to in paragraph 3.7.3, the Government has suggested within the 2020/21 Provisional Finance Settlement that NHB legacy payments will continue in 2021/22 and 2022/23. There is also the expectation that a new scheme to replace NHB will be introduced from 2021/22. Consequently, there are risks as to what funding the Council receive here which could present problems for some of future **years'** NHB already committed.
- 6.9 Changes in legislation may influence assumptions built into Budgets and the 5 year Strategy as well as increasing the costs of implementing these changes.
- 6.10 As previously reported to members, and included within Section 3.9, Reserves and Balances, the financial projections do not allow for adequate funding to enable the Council to maintain its assets in the meantime. The Corporate Assets Reserve, ICT Reserve and the Equipment Renewals Reserve are all forecast to have more demands from them in forthcoming years than they can accommodate. Consequently, in addition to the savings referred to in Section 3.8.5 (Medium Term Financial Strategy), the Council needs to secure funding to enable these reserves to be replenished, and so maintain current service provision.
- 6.11 Many controls and mitigations are in place to help manage these risks. These include: -
- The comprehensive Budget Review process. This entails all budget managers reviewing their budgets on at least a monthly basis, considering previous, current and future years, along with any possible issues that may impact upon their budgets. As part of this process, regular Budget Review reports are issued to the Executive and Senior Management Team.
 - Financial Planning with the MTFS/financial projections, bringing together **all issues that will impact on the Council's finances in the medium term.**
 - Financial controls, including the Codes of Financial and Procurement Practice, system controls, reconciliations, audit (internal and external).
 - Project Management and associated controls.
 - Trained staff and access to appropriate professional advice (e.g. WCC Legal).
 - Risk Management process across the Council, including the on-going review and maintenance of risk registers.
 - **Scrutiny by members of the Council's finances**, including Budget Reports, and the financial implications of all proposals.

- Within the proposed 2020/21 Budget there is a Contingency Budget of £200,000 for any unplanned unavoidable expenditure.
- Reserves – The Council holds reserves as discussed within section 3.9. Whilst much of these reserves have already been earmarked for specific projects, it is important that reserves are held for any unforeseen demands. The use of the Business Rate Retention Volatility Reserve as discussed in 3.8.8, does reduce the forecast balance on this reserve to just under £1m. This balance should not be allowed to go below this level.
- The General Fund Balance is £1.5m as discussed in paragraph 3.10.1. This is available to accommodate any unplanned expenditure, or to make up any shortfall in income. However, the Council should seek to maintain the balance at this level.
- The specific causes of reductions to income or increased expenditure should continue to be managed by the relevant Service Area as part of managing the **risks within each Service Risk Register. Each Service Area's** Risk Register is presented to Finance and Audit Scrutiny Committee annually on a rolling basis for scrutiny.

7. Alternative Option(s) considered

- 7.1 The Council does not have an alternative to setting a Budget for the forthcoming year. Members could however decide to amend the way in which **the budget is broken down or not to revise the current year's Budget. However,** the proposed latest 2019/20 and 2020/21 budgets are based upon the most up to date information. Any changes to the proposed budgets will need to be fully considered to ensure all implications (financial or otherwise) are addressed.
- 7.2 **The required "Substitute Calculations" required to be in place if the referendum** for the £57 council tax increase is not agreed by those voting is set out as an additional paper to accompany this report (Appendix A).

STATEMENT BY THE CHIEF FINANCIAL OFFICER

I am required to make this report by the Local Government Act 2003.

Robustness of Budgets

The preparation of the budgets started back in July. As the Head of Finance, and being a qualified and experienced accountant, I have overseen the process. The budgets have used the current year as their base. Budget Review process has shown where these do not form a reasonable basis for the following year. There has been a high level of scrutiny to the budget this year, along with budget monitoring throughout the year, from: -

- Budget Managers, the Senior Management Team (SMT) and Corporate Management Team (CMT)
- Portfolio Holders
- The Executive through the various preceding reports set out in the background papers
- Scrutiny Committees

Consequently, I am satisfied that the budgets are prepared on a robust basis.

Heads of Service should also confirm the robustness of the budgets. Officers in all Services have been actively involved in preparing the budgets with the accountants. SMT members agreed the base budget.

In preparing the Budget, in view of the tight financial climate facing the Council along with the whole of the public sector, many budgets have again not been increased for inflation, following 5 years of these budgets being reduced. With continuing improved procurement and management of contracts, better value for money should be able to be obtained from budgets. The Council is therefore committed to maintaining the procurement support that it is able to provide to budget managers. Where it is not possible to contain expenditure within budgets, there is the potential to allocate funds from the Contingency Budget. To date these reductions in budget have not had any material impact upon services, as budget managers have managed to accommodate these budget reductions.

Adequacy of Reserves

There has been much discussion over what the appropriate levels of reserves are for a local authority to hold, with various papers being issued on this subject. However, it is for each authority to determine the right level of reserves, reflecting its individual circumstances and risk appetite.

The Audit Commission in its December 2012 report "Striking a Balance" discussed the reserves held by local authorities. Whilst it recognised it was for each body to determine the level of reserves it should hold, it was important for it to be clear

why it was holding those reserves. Within the main report and Appendix 5, the Council's reserves are discussed in detail.

In the Audit Commission's Value for Money Guidance (December 2010) the following is stated: -

"Financial planning

An annual budget is not enough to secure financial resilience. Organisations should set the budget in the context of a longer-term financial strategy and a medium-term financial plan (MTFP) covering for example, a three-to five-year horizon. The MTFP needs to be realistic. Assumptions around inflation, income levels, demographics and future demand for services need to be modelled and based on reasonable predictions.

The financial position of an organisation will depend on a number of factors including the level of borrowing, receivables outstanding, investment risks, council tax collection rates and levels of reserves."

The Council's budget and financial planning regime can be demonstrated to be robust.

The Code of practice on local authority accounting requires the purpose, usage and basis of transactions of earmarked reserves to be identified clearly. This is set out in Appendix 5 of this report and Finance and Audit Scrutiny Committee have been asked to pay particular attention to this (para 3.9 of report). In accordance with best practice on reserves and balances these have therefore been reviewed as part of the annual budget preparation. In addition, there are forecasts for future years which are reflected in the medium term financial strategy. In considering the level of reserves in addition to the cash flow requirements CIPFA recommends that the following factors are considered: -

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

Budget assumptions	Financial standing and management
outsourcing deals or major capital developments	
The availability of other funds to deal with major contingencies	The adequacy of the authority's insurance arrangements to cover major unforeseen risks.

The Cipfa Resilience Index was launched in December 2019 compares the Council to other comparator authorities. This does not suggest any areas where the authority is notably at risk, with levels of ear-marked reserves providing much security in the short/medium term.

I have considered these matters and can advise members that they currently have a satisfactory level of reserves and balances, but need to address the medium term financial forecast in order to deliver balanced budgets in future years. Risks which may **impact upon the Council's finances and the Budget, together with controls and mitigations**, are set out in Section 6, and a risk assessment against the general fund reserve is set out in Appendix 4. The Council has self-insurance for small items but generally relies on external insurance for claims above £25,000, so there is no major risk in this area.

In making this assessment I have taken into account the contingency budget of £200,000 for 2020/21. The contingency provision reduces the possibility of the Council calling upon its General Fund balances

The immediate in-year budget risks to which the Council is exposed are low. However, there are currently additional risks in relation to the uncertain state of the economy and the impact of the Council leaving the EU (including on how this may impact upon the **Council's partners**), **the current volatility of the Council's income sources**, and the risks associated with capital schemes.

The medium term financial strategy has been prepared on a prudent basis given the uncertainties that face local government finance into the future. Whilst the 2020/21 budget has been prepared prudently, there are undoubtedly risks associated with it. However, with the level of reserves, the Council should be able to manage any risks throughout the year.

In considering 2021/22 **there are significant uncertainties relating to the Council's share** of Business Rates as result of the Fair Funding Review, the reset of the Business Rate Retention Scheme and the introduction of the 75% Business Rate Retention Scheme. Prudent estimates for business rates retention have been included from 2021/22, allowing for a significant reduction from the level budgeted for 2020/21. To help meet this reduction, the Council should be able to make use of the Business Rate Retention Volatility Reserve in the short/medium term. However, this will not be sustainable if the Council does not reduce its overall spending level to match its Business Rate income without relying on contributions from the reserve.

Members will need to address the underlying budget deficit in future years, and will need to ensure that proposals are brought forward in good time to balance the budget for future years. Within the proposed Budget there are projects as part of Fit For the Future aimed at reducing costs and ensuring service provision meets customer expectations, further projects need to be agreed by members during 2020 that will make further savings. Members need to be mindful of the underlying budget situation throughout their decision-making and ensure that the savings requirement is given due priority.

Mike Snow

Head of Finance

February 2020

WARWICK DISTRICT COUNCIL

GENERAL FUND SUMMARY

	NET EXPENDITURE			
	Actual 2018/19 £	Original Budget 2019/20 £	Latest Budget 2019/20 £	Original Budget 2020/21 £
Portfolio Service Expenditure:				
Business (Development Services)	2,782,442	1,820,000	11,998,400	1,883,700
Cultural Services	10,107,599	5,012,300	4,459,100	3,908,400
Development Services	317,983	126,500	648,200	327,900
Finance	2,233,530	2,911,600	2,748,800	2,988,400
Health & Community Protection	3,062,768	3,388,900	4,101,300	2,738,700
Housing Services - General Fund	1,390,564	1,519,600	1,846,200	1,940,100
Neighbourhood Services	6,201,987	6,252,400	6,615,800	6,123,600
Strategic Leadership	2,430,133	3,067,600	4,508,300	3,471,200
NET COST OF GENERAL FUND SERVICES	28,527,006	24,098,900	36,926,100	23,382,000
Replacement of Notional with Actual Cost of Capital				
- Deduct Notional Capital Financing Charges in Estimates	(3,328,021)	(8,271,500)	(17,488,400)	(6,521,200)
- Add Cost of Loan Repayments, Revenue Contributions and Interest Paid	108,726	603,800	361,500	466,800
Revenue Contributions to Capital	525,755	2,266,000	1,615,700	2,057,700
Contributions to / (from) Reserves	4,655,989	1,702,500	1,347,283	3,805,588
Net External Investment Interest Received	(583,032)	(472,300)	(669,800)	(508,100)
IAS19 Adjustments	(1,545,889)	(1,667,400)	(2,308,400)	(2,477,800)
Accumulated Absences Account	(17,781)	-	-	-
Contributions to / (from) General Fund Balance	(704,570)	(201,393)	6,624	-
NET EXPENDITURE FOR DISTRICT PURPOSES	27,638,183	18,058,607	19,790,607	20,204,988
Less: Revenue Support Grant	(306,736)	-	-	-
Less Business Rates	(7,780,771)	(5,268,000)	(7,000,000)	(4,161,000)
Less: General Grants	(2,515,798)	(3,374,000)	(3,374,000)	(3,726,100)
Collection Fund (Surplus) / Deficit	-	(143,000)	(143,000)	185,000
EXPENDITURE BORNE BY COUNCIL TAX - WARWICK DISTRICT COUNCIL	17,034,878	9,273,607	9,273,607	12,502,888
Aggregate Parish Council Expenditure	1,412,612	1,522,679	1,522,679	To Follow
COMBINED DISTRICT AND PARISH EXPENDITURE BORNE BY COUNCIL TAX	18,447,490	10,796,286	10,796,286	12,502,888
Warwickshire County Council Expenditure	72,805,334	79,575,948	79,575,948	To Follow
Warwickshire Police and Crime Commissioner	10,890,249	12,670,470	12,670,470	To Follow
TOTAL EXPENDITURE BORNE BY COUNCIL TAX	102,143,073	103,042,704	103,042,704	12,502,888
BAND D EQUIVALENT COUNCIL TAX:				
Warwick District Council	319.07	166.86	166.86	223.86
Parish and Town Councils (Average)	26.46	27.40	27.40	To Follow
DISTRICT & PARISH BAND D EQUIVALENT COUNCIL TAX	345.53	194.26	194.26	223.86
Warwickshire County Council	1,363.68	1,431.81	1,431.81	To Follow
Warwickshire Police Authority	203.98	227.98	227.98	To Follow
TOTAL BAND D EQUIVALENT COUNCIL TAX	1,913.19	1,854.05	1,854.05	223.86
Council Tax Base (Band D Equivalents)	53,388.87	55,577.17	55,577.17	55,851.37

ANDREW DAY
Leader of the Executive

MIKE SNOW
Responsible Financial Officer

Medium Term Financial Strategy

Appendix 3(i)

	2019/20 £'000	2019/20 latest £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Net Cost Of General Fund Services	21,062	36,926	23,382	25,006	24,938	23,780	24,055
Savings from Recurring Dev's (£'000's)					-522	-1,868	-1,762
Net Cost Of General Fund Services	21,062	36,926	23,382	25,006	25,460	25,648	25,817
Investment Interest	-472	-670	-508	-753	-773	-777	-776
New Homes Bonus-unallocated Balance							
Other Financing Adjusments	-2,531	-16,465	-2,669	-7,923	-7,191	-5,349	-5,076
Net Expenditure after adjustments	18,059	19,791	20,205	16,330	17,496	19,522	19,965
Revenue Support Grant							
NNDR (Business Rate Retention, including SBR grant)	-5,268	-7,000	-4,161	-3,285	-3,387	-3,490	-3,596
Collection Fund Balance	-143	-143	185				
New Homes Bonus	-3,359	-3,359	-3,726				
Other Grants and Government Funding	-15	-15					
Amount being from Council Tax	-9,274	-9,274	-12,503	-13,045	-13,587	-14,164	-14,607
Band D Equivalent	£166.86	£166.86	£223.86	£228.86	£233.86	£238.86	£243.86
% increase on previous year	3.09%	3.09%	34.16%	2.23%	2.18%	2.14%	2.09%
Net Expenditure after adjustments	18,059	19,791	20,205	16,330	17,496	19,522	19,965
Total Grant and Council Tax Income	-18,059	-19,791	-20,205	-16,330	-16,974	-17,654	-18,203
Deficit-Savings Required(+)/Surplus(-) future years		0			522	1,868	1,762

	2019/20 £'000	2019/20 latest £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Base Cost of General Fund Services	26,699	24,098	36,926	23,382	25,006	24,938	23,780
Inflation on Controllable Expenditure	219	0	273	282	339	337	318
Recurring Growth	362	781	347	2,552	-451	-1,284	157
Items funded from Reserves	869	2,613	673	336	293	160	55
Total New time limited growth/savings	-222	217	-393	-1,266	-1,179	-1,257	-1,352
Less previous year 1 Off/Time Limited Growth	-3,851	0	-3,477	-280	930	886	1,097
Changes in Capital Charges	22	9,217	-10,967	0	0	0	0
Net Cost of General Fund Services	24,098	36,926	23,382	25,006	24,938	23,780	24,055
Less:Capital Financing Charges	-8,272	-17,488	-6,521	-6,521	-6,521	-6,521	-6,521
Less IAS19 included above	-1,667	-2,308	-2,478	-2,478	-2,478	-2,478	-2,478
add:Government Grants Deferred W/Out	0	0	0	0	0	0	0
Controllable Expenditure	14,159	17,129	14,383	16,007	15,939	14,781	15,056
Financing Charges etc.							
Loan repayments etc	604	362	467	453	458	464	470
Revenue Contributions to Capital	2,266	1,616	2,058	80	80	80	80
Contributions to/from reserves	1,703	1,347	3,805	543	1,270	3,106	3,373
External investment interest	-472	-670	-508	-753	-773	-777	-776
Total Financing Charges etc	4,101	2,655	5,822	323	1,035	2,873	3,147
Contribution to/from GF Balance	-201	7					
(Deficit)/Surplus		0					
(Deficit)/Surplus from SBR Grant							
Net Expenditure	18,059	19,791	20,205	16,330	16,974	17,654	18,203
NNDR redistributed	-5,268	-7,000	-4,161	-3,285	-3,387	-3,490	-3,596
New Burdens Self and Custom Build Housing	-15	-15					
New Homes Bonus	-3,359	-3,359	-3,726	0	0	0	0
Collection Fund Balance	-143	-143	185				
Total AEF/Collection Fund	-8,785	-10,517	-7,702	-3,285	-3,387	-3,490	-3,596
Council Tax borne expenditure	9,274	9,274	12,503	13,045	13,587	14,164	14,607
Equivalent to Band D Council Tax	166.86	166.86	223.86	228.86	233.86	238.86	243.86
% increase on previous year	3.09%	3.09%	34.16%	2.23%	2.18%	2.14%	2.09%
Council Tax Base	55,577	55,577	55,851	57,000	58,100	59,300	59,900

Medium Term Financial Strategy	Recurring Developments							Appendix 3(iii)	
Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £	
Major Contract Renewals & Inflation at -1% RPI (August announced September)	GM and Waste Management	30,000		4,901	1,700,000				
Waste Collection Contract	New Contract including inflationary increase				275,000				
Vehicle Leasing Saving					-50,000				
Above inflation growth	to allow for staff increments	50,000		50,000	50,000				
Fees and Charges Executive Report September 2018	Additional income 2019/20 above 2% assumed in Strategy	-145,500							
Car Parking	Repairs and Maintenance Budget	5,000							
Waste Management	New Properties Updated October 2018	31,413		44,000	40,179	32,687	28,909	28,909	
Street Cleaning	New Adopted roads to be cleansed	24,511		34,332	31,350	25,505	22,557	22,557	
Inflation provision	Reflection of volatility of the economy	50,000							
Auto Enrolment due October 2019	National Employment Savings Trust (NEST)	31,900		31,900					
CCTV Revenue Savings from new tender	Lower annual maintenance, no inflation	-1,160		-1,160	-1,160	-1,160	-1,160		
Community Forums	Reserve Funding 4 years from 2014-15, & slippage 2019/20	30,783							
Reduction in HB/CTB Admin Subsidy				226					
FFF15 CSC/OSS Review	Appendix I Items 2 to 18	-8,300							
FFF14 Review of Concurrent Services and Parish support	FFF Programme - June 16 Exec	-31,600							
FFF23 Reduction in Council Discretionary spend	FFF Programme - June 16 Exec	-25,000		-25,000					
FFF24 Review of Community Partnership arrangements	FFF Programme - June 16 Exec	-16,300		-30,000					
Development Services Technical support team	FFF Programme - June 16 Exec								
Pension Fund Increases	Dec 2016 Updated May 2017								
Heritage Open Days	Previously Funded from Capital Investment Reserve				4,000				
Minor Budget Changes									
IAS 19 changes									
FFF16f Reduced net exp LC budgets									
recycling credits	from new developments	-11,307		-15,838	-14,462	-11,766	-10,406		
FFF4 Local Lottery	June 2017 Executive Report	-30,000							
FFF29 Members Allowances	June 2017 Executive (2017/18 cost from Contingency Budget)	-9,900		-900					

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
FFF31 Increase Council Tax premium on long term empty properties.		-10,000						
FFF34 Reduce spend on materials for grounds maintenance.	Reduction in use of materials through new ways of working, and other sources of funding (such as 106). Saving from April 2019	-10,000						
FFF35 Reduce spending on adhoc cleansing works	Reduce the amount of additional cleansing activities which are over and above those scheduled. Better use of rapid response teams. Saving from April 2019.	-10,000						
FFF36 Reduce spending on tree works	Since the development of the SLA in 2013 there has been a greater focus on the WDC tree stock. This has now reached a point where a lot of the backlog has been addressed. Saving from April 2019.	-10,000						
FFF48 Review of pre-application advice income	This requires developers to pay for pre-application planning advice. There is potential to boost this income through better use of Planning Performance Agreements. Total income expected to be in region of £50-£60k with costs in region of £10-£15k	-10,000						
Equitrac Support after 5 year period of purchase						1,000		
NNDR increases on General Fund Properties	2017 Revaluation, Transitional relief reducing year on year	48,700		28,600	19,200	25,400		
Changes in Business Rates		25,200						
Apprenticeship Scheme	November 2017 Executive	110,000						
Creation of Sports Programme Manager post		28,000						
Creation of Sports Project officer		20,800						
Impact of National Living Wage on Pay scales (scales revised from 2019/20)	Employer Offer December 2017	50,000						
Lost income-Mack Trading, Newbold Comyn Golf Course		20,000						
£26k income from Government towards IEP, will fund post. But funding will drop out 2020/21				26,000				
20 hour Admin Post made permanent (part funded from extra pitch income)	Executive June 2018 (FFF Report)	8,000						
Advertising Income		-100,000						

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Assets Team re-design from October 2018 (General Fund Share)	August 2018 Executive, costings revised October 2018	81,100						
ICT procurement savings on ICT contracts		-30,000						
ICT procurement savings on ICT contracts (£30k) used to fund new ICT products to develop new ways of working		29,000						
Media room Hay regrade		2,200						
HR Health & Wellbeing		20,000						
HR Restructure, £18,000 2020/21 recurring					-18,000			
Car Park Project Manager made permanent	July 2018 Executive	45,900						
Homelessness /housing advice legal fees increase in costs 2018/19		12,000						
Loss of LLC1 land charges fee, fee now administered and paid to the Land Registry w.e.f. 11 July 2018		6,300						
Open Space - Rents Others. Latest Rent Estimates		-10,300						
Bereavement Salaries 2019/20		40,100						
Increments, new pension member & increased hours								
Culture minor budget changes on salaries (various)		17,100						
Health and Community Protection minor budget changes on salaries (various)		10,100						
Phase 1 Consultants fees no longer required		-3,700						
Catering service charges - bring budget income in to line with expenditure budget		-3,100						
Strategic Leadership various minor budget changes		6,200						
Private Sector Housing salaries		4,100						
Car Park Project Manager made permanent - Regraded from C to D		4,700						

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Assume 2019/2020 LCTS Grant and HB Admin Subsidy is the same as for Stratford District Council Shared NNDR Contribution		-7,300						
Reduce Provision for Internal Audit Fees going forward		-4,500						
Finance Salary Changes - General Fund		66,800						
Strategic Finance Manager Post Increased from 33hrs to 37hrs		7,100						
Development Services Salary Changes - General Fund		12,100						
IAS19 changes		-8,800	641,000	14,000				
Committee services joint post contribution		1,300		20,900	700	200		
Reduced estimated advertising income				73,000				
NEST Contingency - assumed built into budgets		-31,900						
National Living Wage contingency - assumed built into budgets		-98,000						
Remove Price Inflation Allowance		-50,000						
Reduce estimated Advertising income		85,000						
Performance Management		30,000						
Corporate postages 10% increase in fees from Jan 2019 (Graham Leach bid for CWLEP growth hub (Bill Hunt bid for growth item)		6,600						
CWLEP growth hub (Bill Hunt bid for growth item)		13,400						
CWLEP growth hub (Bill Hunt bid for growth item)		1,600						
Additional Planning income		-140,000						
CIL Contribution		-60,000						
Policy & Projects -		500						
Policy & Projects - Mileage		400						

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Other minor changes		97,800						
Annual clean Victoria Park Tennis Courts	Contingency item in 2018/19 ongoing budget required. Emails 22/1/19 refer			4,800				
Contribution to Floodlight annual maintenance Myton School	Emails 22/1/19 refer			1,800				
Electoral registration salaries Hay regrades				7,000				
Electoral registration /Committee Services salaries Hay regrades additional				6,300				
ICT salaries amount misentered at estimates time				10,000				
Reception salaries not updated on estimates working paper for 2019/20				9,200				
Reception salaries member of staff not in super				-4,600				
Salaries re-grade - February 2019				5,100				
Rectify imbalance between Animal Establishment inspection fees and recovery of the costs				-500				
Spa Centre credit card costs - increased activity based on last year				3,400				
Spa Centre booking fee income - activity based on last year				-43,500				
Community Forums reduction in base budget £800 per Forum base budget incorrect s/be £3,000 per Forum.				-5,600				
Rectify imbalance between Animal Establishment inspection fees and recovery of the costs - further adjustment to Row 23				-500				
Dem rep & man subscriptions due to increase in ICO registration fee				2,400				
Payments processing - increase in no of online payments being offered and received by the Council				5,500				
Housing Advice & Allocations salary estimate correction				7,200				

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
New contract terms for Internal Health and Safety IT system - AssessNet	Exec 10th July 19 Item 12			11,240				
AV Town Hall maintenace & support	Exec 10th July 19			2,400				
The Arts - casual employees - increased activity			40,000					
Finance Customer Contact Changes approved by Emp Cttee 31/01/18 but salary budgets not altered			3,600					
Finance Customer Contact Changes approved by Emp Cttee 31/01/18 but salary budgets not altered			500					
Finance Customer Contact Changes approved by Emp Cttee 31/01/18 but salary budgets not altered			400					
Reduced HB Admin Subsidy and LCTS Grant			33,500					
Inflation increase GF shared legal services legal fees budgets 2% increase from 2019/20			8,300					
Legal fees budgets required various Environmental services/community protection cost centres current budget insufficient based on previous years expenditure			11,200					
Car parks rent increase Square West & Westgate			2,900					
Chase Meadow Devolved Repairs - Service Charges no longer paid by WDC			-1,500					
Chase Meadow Premised Insurance - CMCC now insure the premises directly			-1,800					
Restoration of Principal Accountant Post to Full Time			2,500	7,500				
Edmondscote Sports Track NNDR chargeable from April 2017 (2019/20 charge)			4,300					
Kenilworth Public Service Centre - Fuel Oil Budget not required as Gas Central Heating Installed in 2018			-15,000					
Removal of reduced advertising income - duplication				-72,700				
Fees and Charges				-93,900				

Description	Narrative	2019/20 £	2019/20 latest	£	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Salary Budget Changes					154,700				
Car Park income					-32,300				
Rent Free period 32 Hamilton Terrace, L/Spa until 9/12/2020						-2,500			
Building Control no Longer pay Rent for use of Offices at Rugby Borough Council				-11,500					
Fees and Charges					-76,800				
Street name & numbering income					900				
Dem rep & man Ni budget insufficient				1,800					
Catering Contract Service charges exp/income out of sync					-400				
Cemetery lodge rents - new letting				-2,200					
Removal of SLA budget held from last restructure and now used to fund Civil Contingencies Post & other salary changes				-10,000					
Insurance premium new contract				-50,000	-33,000				
CCTV Savings					-51,000				
Cleaning Contract (GF Element)					217,800				
Cleaning Contract below Budget					-26,300				
Misc Items					-14,000				
High value Lease Rental Income Inflation	Inflation added to High Value Lease rental income removed as it should not have been included				6,600				
New Housing / Asset Appraisal Software	GF 50% / HRA 50%			10,000					
Housing Restructure	Executive November 2019				225,500				
Housing Restructure	Executive November 2019				-169,800				
IAS19 changes					-150,100				
Reception recurring saving on computer equip in 19/20				-10,200					
WDC Trees new contract				-30,000		-30,000			
Water Charges				5,000					
National Bowls - car parking management.				7,000					
Christmas Lights and Events				45,000					
Market concession.				6,600					
Elections - tablets for Electoral registration.				10,000					
Legal Fees - Privates Sector				28,000					
Housing/Homelessness									

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Bid levy			5,000					
Gas Costs				21,600				
Water charges at Abbey Fields				3,000				
Recurring due to Planning Consultancy				47,000				
Recruitment portal				6,000				
Increased cost of Financial Management System				40,000				
Elections - Training				5,000				
Planning Policy Assistant				33,000				
Local Plan				5,000				
Senior Management Team Review				47,000				
Kenilworth Leisure - revenue implications of proposed development					500,000			
Other Grounds Maintenance Increase				4,700				
Waste collection contract				-16,700				
Street Cleansing				15,000				
Hedge Maintenance				-4,000				
Observer status of the West Midlands Combined Authority				25,000				
Savings required	February 2020			1,706	53	-522,657	-1,323,581	105,868
Total Recurring Developments		362,065	781,110	346,608	2,552,360	-450,791	-1,283,680	157,334

Medium Term Financial Strategy	Non Recurrent Developments						Appendix 3(iv)	
Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Contribution to / from GF Balance	Start with agreed balanced budget		-201,000					
Election Costs in year	net of those built into Reserve Funding	50,000					35,000	
Internal Audit Review	Every 5 years			3,500				
Refuse Containers Delivery (declassified Capital)		40,000		40,000	40,000	40,000	40,000	40,000
FFF16g Leisure Options	Contract Starts June 2017	-635,425		-922,544	-1,252,456	-1,230,591	-1,331,721	-1,391,653
New Burdens Self and Custom Build Housing		15,000						
Revenue Budget Savings to contribute to		-4,000		-4,000	-4,000	-1,000		
few leases for Printing Devices								
Printing Devices, Revenue Lease Costs net of Equipment Renewal Funding		10,923						
Contributions to Enterprise Reserve from Revenue Surplus		-23,700						
Self & Custom Build House Register (£15,000.00)	Revenue Contributions in Advance Reserve	-15,000						
Vacant Property - 32 Hamilton Terrace, L/Spa. New Lease from 1/12/17?		4,400						
£28,500PA. Assume first 18 months rent free								
2020/21 Art Gallery Revaluation £2,500				2,500				
Homelessness Prevention Grant		-228,000						
Litter Bins(new Team) £98k cost non rec		98,000		98,000				
2018/19 for 3 years								
Litter Bin emptying £10k cost over same period		10,000		10,000				
Recharge of salary to Whitnash Town Council re Whitnash Hub		-6,000						
Health and Community Protection minor budget changes on salaries (various)		-4,400						
Strategic Leadership various minor budget changes		-16,100						
Additional Interim Accountancy Support, Interim SFM and Project Accountant		54,200						
Development Services Salary Changes - General Fund		-16,100						
Committee services joint post contribution		3,500						

Description	Narrative	2019/20 £	2019/20 latest	£	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Joint post contribution with Stratford Data protection officer	Ear Marked Reserve overlooked to be funded from General Fund Balance (2017/18 Surplus)	10,000							
Contingency Budget		237,000							
Waterloo HA from New Homes Bonus		146,200							
Community Stadiums Officer - transferred to capital		-44,800							
Lottery decision deferred		30,000			27,600				
St. Mary's Lands - Revenue elements	New Homes Bonus Funded	62,000							
Current Cost of Temporary 1 Year Benefit Assistant Not Reflected in Revenue Budgets				6,000					
VEP and RTI Referrals Grant, HB Circular S10/2019				-33,800					
Committee services server migration re CMIS				3,800					
Private sector housing additions to budget per var from HMO licencing fees				39,600					
Private sector housing additions to budget per var from HMO licencing fees				-39,600					
One-Off cost of Energy Performance Certificates for Commercial Properties				40,200					
Benefits New Burdens Funding & Welfare Reform Changes				-63,103					
Edmondscote Sports Track NNDR chargeable from April 2017 (2017/18 and 2018/19} arrears				8,300					
Business Transformation Officer post				17,000					
Newbold Comyn master plan legal fees estimate				5,000					
Trade effluent charges St Nix Pool September 16 to June 17				7,400					
Relocation Kenilworth Wardens legal fees				5,000					
Stratford Road legal fees				5,000					
ICT £25k budget from 2020/21 brought forward to 2019/20 re ICT project as requested by Ty re software upgrade & extend contract				25,000	-25,000				

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Kenilworth School CPO - legal fees			5,000					
Severance package for Strategic Economic Development Officer as per August Executive item 14			12,600					
Salary Budgets			-173,700	25,000	26,100	12,500		
Fees and Charges			55,500					
Rent Free period 32 Hamilton Terrace, L/Spa until 9/12/2020			21,400	16,800				
Advertising Fees not Achievable due to Project Officer Secondment			15,000					
Insurance Admin Fee for Leaseholder Cover Reduced			1,200	1,400				
Agency staff to covered vacant Posts/VRT			32,200					
Planing Fee Income Reduced forecast			250,000					
Net impact of recharge changes				-135,700				
Misc changes			17,000					
Understated Property Rent	Temporary Increase until September 2020		-8,300	-4,300				
Neighbourhood Savings	Following November Budget Review		-11,500					
Policy & Projects EMR given up	Unsuccessful Channel 4 bid		-14,500					
MHCLG Interventions				132,100				
MHCLG Intervention Grant Funding				-132,100				
Net impact of recharge changes	£57700 1 off 2020/21			-57,700				
General market contract overpayments			20,000					
Q2 surplus allocated to contingency			125,000					
Insurance Savings			-41,000					
Items agreed at Dec exec			3,000					
Items agreed at Dec exec			12,000					
Items agreed at Dec exec				20,000				
Correction of discretionary budget error				4,400				
Elections - Printing			25,000					
Elections - Postages			25,000					
District By-election December 2019			17,000					
HR Business Parter	FTC to 31/3/21			34,000				
Newbold Comyn grounds maintenance contract. Long term depends on outcome of options appraisal.				40,000				
VE Day celebrations	Community Forum Funding			8,000				

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Planning Policy Assistant				-14,000				
Local Plan - reduced first year cost				-3,000				
HR Support Officer				6,000				
Recruitment costs. Head of Ict and				20,000				
Programme Director								
Contingency Budget				200,000				
Community Rail Partnership 20/21-21/22, to be reviewed.				5,000	5,000			
Europa Farm - Farm House additional revenue costs				12,000	12,000			
Cease contributions to Equipment Renewals	Equipment Renewal Reserve				-100,000			
Reserve for 2 years								
Trans-Midlands Trade Corridor				7,500	7,500			
Misc items			4,000					
Waterloo	New Homes Bonus Funded			125,800				
Project Legal Costs	New Homes Bonus Funded			65,300				
Total Non-Recurrent Developments		-222,302	216,697	-393,444	-1,265,856	-1,179,091	-1,256,721	-1,351,653

Medium Term Financial Strategy	Reserve Funded Developments	Appendix 3(v)						
Description	Narrative	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		£	latest	£	£	£	£	£
Election costs	Elections Reserve	90,000					105,000	
Grounds Maintenance	Commuted Sums Reserve	4,682		3,539	3,539	2,358	2,358	2,358
Grounds Maintenance (Gog Brook Farm)	Commuted Sums Reserve	18,515	18,515	18,515	18,515	18,515	18,515	18,515
from Commuted sums Reserve								
Millpool Meadows	Commuted Sums Reserve	5,945	5,945	5,945	5,945	5,945	5,945	5,945
	Commuted Sums Reserve		748	748	748	748	748	748
Community Forums	4 years Reserve Funded	6,663						
ICT equipment reserve funded	Revised ICT Replacement Reserve	108,652		124,246	127,398	127,398	135,479	135,479
	Schedule							
Hill Close Gardens	5 year agreement (2015/16 funded from Revenue non, rec)	20,000						
Heritage Open Days	From CIR, then Revenue future years	4,630		4,000				
Media Printing Devices July 2017 - Finance	Equipment Renewal Reserve	20,800		18,800	18,800	4,700		
Lease above								
Colour Copier Rental	Equipment Renewal Reserve	16,485		16,485	16,485	16,485		
Building Control 2017/18 Slippage	Building Control Reserve	16,400		16,400	16,400	16,400	16,400	16,400
Priority Families	Service Transformation Reserve	6,667						
Fixed term (6 months) marketing		6,800						
communications officer from STR								
Contingency Officer £11k for STR ,	Service Transformation Reserve	5,500						
September 2018 to September 2019 £11k								
Corporate support team scanning budget to fund temp staff	Service Transformation Reserve	5,400						
SMT review phase 1 per Chris Elliott	Service Transformation Reserve		12,000					
delegated powers								
SMT review phase 1 per Chris Elliott	Service Transformation Reserve		-3,900					
delegated powers								
HR Business Partner	Service Transformation Reserve		46,800					
Transforming our workplace from STR	Service Transformation Reserve	80,000						
Project Accountant - July 2019 - June 2023	Service Transformation Reserve	39,000		52,000	52,000	13,000		
Project Manager for new FMS. New Post for 3 years approved by CMT/Executive 9/2/19 and funded from the Transformation Reserve. Figures are already included in Richard's Reserves 19/20 to 23/24 Spreadsheet but the budget has not been included on TOTAL in error.	Services Transformation Reserve		39,000	52,000	52,000	13,000		

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
ICT project funded from STR per August 2019 Exec			19,500					
Temporary Senior EHO Post funded from Planning and Investment Reserve 60% Service Transformation Reserve 40% (split)	Service Transformation Reserve	18,120		1,600				
Commonwealth games Project Manager from 2018/19 Commonwealth Games Reserve & Service Transformation Reserve for 3 years after	March 2018 Executive	44,900	-44,900					
STR element of Commonwealth Games PM above (subject to NHB) with additional £1,100 cost	Service Transformation Reserve	1,100	-1,100					
Local Football Facilities project officer. 3 year funding at £41,600 = £124,800. July 19 Exec	Service Transformation Reserve		20,800	41,600	41,600	20,800		
Climate Action Plan - Greenwatt Technology proposal £27,000 from STR - MS accepts this will make it O/D - MS email 23/10/19	Service Transformation Reserve		27,000					
From 2018/19 £25k Analyse Local £25k pa from Business Rates Volatility Reserve		25,000						
20% Increase in Planning Fees Transferred to Planning Investment Reserve		-260,000		-260,000	-260,000	-260,000	-260,000	-260,000
Tourism Project	Tourism Reserve		2,000					
2 years fixed term, 2 x Business Support Officers (to be funded from Car Park Surplus 2017/18 (B909-B543))	Car Park Repairs & Maintenance Reserve	50,600		33,700				
4 x Fixed Term Ranger Officers (2 x 2 years fixed term & 2 x 1 year fixed term (to be funded from car park surplus 2017)	Car Park Repairs & Maintenance Reserve	79,700		53,100				
Temporary Senior EHO Post funded from Planning and Investment Reserve 60% Service Transformation Reserve 40% (split)	Planning and Investment Reserve	27,180	20	2,300				
Green Space Development Officer from Planning investment Reserve	Planning and Investment Reserve	39,600						

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Development Monitoring Officer and Site Delivery Officer (Coventry South) Funded from Planning Investment Reserve	Planning and Investment Reserve	30,100		30,100	30,100	30,100	30,100	30,100
CIL Officer Funded from Planning Investment Reserve	Planning and Investment Reserve	29,400		29,400	29,400	29,400	29,400	29,400
Principal Planners Regrade, Enforcement Officer and Discharge of Conditions Officer funded from Planning Investment Reserve	Planning and Investment Reserve	53,000		53,000	53,000	53,000	53,000	53,000
SLA for Flood Advice with Warwickshire County Council	Planning Investment Reserve		9,500					
Line above - decrease / increase	Planning Investment Reserve		-2,500	7,000	7,000	7,000	7,000	7,000
Corporate Property R & M Programme Per Executive Report April 2019 - Up To £943,500 In 19/20 And Potential Amounts For Future Years (Not Approved)	Corporate Asset Reserve		943,500					
Enterprise Team - Salary Budget Changes		-12,500						
Building Control Salary Changes (including Pay Award)	Building Control Reserve	16,400		16,400	16,400	16,400	16,400	16,400
Commonwealth Games further allocation of initial £100k Reserve (Salaries £39,000 already entered)	Commonwealth Games Reserve	34,800	44,900					
Additional staffing costs	Commonwealth Games Reserve		35,300	100,000	100,000	100,000		
Additional Grounds Maintenance person for bowling greens	Commonwealth Games Reserve		20,000	20,000	20,000	20,000		
Junior Bowls	Commonwealth Games Reserve			30,000	30,000	30,000		
Kenilworth Development Brief (Local Plan Delivery Reserve) & Planning Officer	Planning Appeal Reserve	51,900		31,838				
Site Delivery Officer Funded from S106 Admin Fee Income	Planning Appeals Reserve	1,500						
Local Plan Consultancy	Planning Appeals Reserve		423					
Balance Of £100,000 Decentralisation And Local Planning Grant After In Year Spend.	Planning Appeals Reserve		58,464					
Earmark In Future Years For Neighbourhood Planning Referendums .								
Contribution re proposed secondary School Bishop's Tachbrook	Planning Appeals Reserve		50,000					

Description	Narrative	2019/20 £	2019/20 latest £	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £
Chase Meadow Community Centre 3 Year Grant Funding from Community Projects Reserve	Community Projects Reserve		11,500	11,500	11,500			
Arts Active Framework	Community Projects Reserve		76,500	58,500	13,800			
£22,000 St Marys Lands Hotel Work	Community Projects Reserve		12,000					
£66,000 (£33,000 In Both 18/19 And 19/20)	Community Projects Reserve		33,000					
St Marys Lands Plincke Homelessness Prevention Grant monies allocated as approved January 2018	Homeless Prevention Reserve	169,100						
Executive Housing advice & allocations addition to budget per Var	Flexible homelessness grant		1,100					
Vehicle Leasing	Business Rate Volatility Reserve		15,000	15,000				
Slippage, Planning Assistant Funded from New Burdens Self & Custom Build Housing Grant until 30/09/20	Revenue Grant / Contribution In Advance Monitor - Self And Custom Build House Register	15,000						
Arts Exhibitions Advance funding B/Fwd from 18/19	Revenue Contributions In Advance Reserve		4,568					
Additional Benefits Salaries- grant received / used in 19/20	Revenue Contributions In Advance Reserve Government Grant Re Additional Benefits Staff		39,541					
Earmarked Reserves b/f from 18-19	Earmarked Reserve		1,101,268					
Temporary Project Officer - funded June 19 to December 19	Leisure Options Reserve		22,600					
The Building Control fees and charges budget on TOTAL is incorrect. Fees were increased by 10% from 1 April 2019. The budget in Appendix A of last year's Fees and Charges Report was £836,000.	Building Control Reserve		-76,000					
Project Manager for 2019/20 (remaining 2 years funded from revenue budgets - see Budget Report 2020/21)	Business Rate Volatility Reserve		15,000					
Misc Items				-14,300				
ICT restructure	Service Transformation Reserve			6,000	121,800	28,200		
ICT restructure	Digital by design Reserves			86,300				
Cremator Reline and Bier	Equipment Renewal Reserve		55,100	7,700				
Total Reserve Funded Developments		871,039	2,613,192	673,416	336,230	293,449	160,345	55,345

APPENDIX 4

Risks Influencing the Level of General Fund Balance

Risk Area	Provision
The possibility the Council overspends – risk increased with budgets reduced to reflect prior year underspends, reductions in “non-contractual” budgets.	£0.1 million
Economic cycle issues affect the budget – over and above what can be expected to be contained within routine monitoring procedures, including the potential risks from the Council leaving the EU.	£0.3 million
Development control income adversely affected by planning policies and economic cycle.	£0.2 million
Costs of environmental prosecution or public enquiry. This is always a possibility and is difficult to forecast in terms of cost.	£0.1 million
Car parking income doesn’t achieve budget forecast.	£0.15 million
Uninsurable event – eg environmental or asbestos claim outside terms of insurance policies.	£0.15 million
Costs of potential planning appeals.	£0.2 million
Possible impacts of budget reductions by other public agencies on this council and the area of Warwick District.	£0.1 million
Reduction in Retained Business Rates	£0.1million
Cost arising from unanticipated risks	£0.1 million
Total	£1.5 million

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

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<i>Commonwealth Games (Bowls) Reserve</i>	To set aside funds towards funding the project in future years.	The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Community Forums Reserve</i>	To provide finance for the annual programme of Community Forum Grants	February 2013 Executive approved 4 year programme 2014/15 to 2017/18, and subsequently included in core budgets.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Community Projects Reserve</i>	Reserve created from 2017/18 New Homes Bonus to provide finance for various District wide community projects.	Approval for project spend will be way of reports to the Executive.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Corporate Assets Reserve</i>	To provide finance for refurbishment of facilities following Stock Condition Surveys.	Subject to future Executive reports, approvals from the reserve have been delegated to SAG and the Section 151 Officer in consultation with the portfolio holders for Assets and Finance.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Covent Garden Multi Storey Reserve</i>	To provide finance to cover lost income and first year's debt charges when the car park is redeveloped.	Authority to spend is delegated to the Head of Finance in line with the actual lost net income and debt charges. Executive to be informed of the use of the reserve and its balance.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Election Expenses Reserve</i> To provide finance to fund the expense incurred in holding the District Council elections every four years.	The cost of the election is charged to a service account and a contribution from this reserve is credited to the General Fund from this reserve as part of the final accounts process. In the years where no election is held an annual contribution of £30,000 is made to the reserve.	The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
<i>Enterprise Projects Reserve</i>	Reserve is used to smooth surpluses / deficits	Transfers to and from this reserve will be approved by the Executive as part of the Budget and Final Accounts processes, with delegations over usage agreed by Executive (August 2017) to the Head of Development Services up to £20k..	Reserve reviewed by Finance as part of budget estimates and closedown procedures.
<i>Equipment Renewal Reserve</i> To finance a rolling programme of equipment and property replacement and renewal.	Revenue Items to be financed from this reserve are charged to the service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Items proposed to be financed from this reserve are first approved by the Executive. Use of reserve is subsequently controlled by SMT, which considers a business case requesting release of funding from the reserve and may approve, if appropriate, followed by approval from Chief Executive and relevant portfolio holders. The standard business case template to be used for SMT's consideration was presented and approved by the September 2011 Executive.	Reserve reviewed as part of Estimates and closedown procedures. Balance increased on basis of Executive approval.
<i>General Fund Early Retirement Reserve</i> To provide finance to cover the one-off pension costs to the General Fund as a result of the early retirement of officers and to provide finance to cover redundancy costs to the General Fund.	Items to be financed from this reserve are charged to the Service Accounts during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Harbury Lane Reserve	A reserve has been created over a number of years to fund this project.	The use of this reserve will be agreed by the Chief Executive in consultation with the Leader.	The level and continued requirement of this reserve will be reviewed by Finance in conjunction with the Chief Executive and the Leader.
Hill Close Gardens Reserve	This reserve will be used to help fund maintenance of Hill Close Gardens.	Reviewed as part of the Council's budget setting process.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure
Homelessness Prevention Reserve	From Government grants received in 18/19 and 19/20 towards Homelessness Prevention. A balance of £40k is committed for Rough Sleepers Initiative Interventions.	The Head of Housing Services has delegated authority to draw down from the Reserve in conjunction with the Service Portfolio Holder, Head of Finance and Finance Portfolio Holder.	This money is ring-fenced to prevent or deal with homelessness, with the funding being allocated to the reserve until Council has determined how this money will be spent.
ICT Replacement Reserve To provide finance for the Council's ICT Replacement programme	This reserve has been established in order to provide certainty of finance for the Council's ICT replacement programme.	The ICT Services Manager has delegated authority to spend from this reserve in consultation with the Head of Finance and relevant Portfolio Holders	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer and ICT Manager essentially three times a year: a) when the Financial Strategy is updated b) at budget setting and c) final accounts where depending on the need. A recommendation to the Executive can include increasing / decreasing the balance or complete closure. In addition the adequacy of the reserve is taken into account when revising the capital programme.
Insurance Reserve To provide finance to cover the Council's self insurance against potential claims and to pay for security improvements to the Council's General Fund properties. The reserve also holds sufficient funds to cover any potential claim with regard to the Municipal Mutual Insurance "clawback" re previous claims settled.	Self insurance claims and Security Improvements are charged to the service accounts and the comparable amount is credited to the General Fund from this reserve as part of the final accounts process.	The Insurance Officer has authority to spend up to £15,000 (£1,000 per project) in any one year on security improvements. Items above these thresholds have to be authorised by the Head of Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Investment Volatility Reserve	Set up to capture a portion of the gain on corporate equity funds to be used to smooth possible future fluctuations	Authority to spend from this reserve is delegated to the Head of Finance.	The use of this reserve will be included within future Budget reports to be agreed by the Executive.
Leisure Options Reserve	This reserve has been established to cover such items as the reduction in income whilst the Leisure Centre refurbishment programme is under way and also the first year and a half's debt charges arising from the prudential borrowing for this project. The reserve will also fund the re-profiling of the contractor concessions arising from the outsourcing of the Leisure Centres operation.	Authority to spend from this reserve is delegated to the Head of Finance in line with the actual lost income and debt charges incurred.	The continuing need for the reserve will be reviewed by Finance in conjunction with the S151 Officer and Head of Cultural Services, and depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Local Plan Delivery Reserve	The reserve is used for items of work required to help the implementation of the Local Plan. This would include detailed work on a specific proposal to help turn it from a proposal to reality.	Approval to spend from this reserve is delegated to the Chief Executive, Head of Finance and Head of Development Services in consultation with the Deputy Leader (responsible for the Local Plan) and all group leaders.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the <u>balance or complete closure</u> .
Other Commuted Sums Reserve Commutated Sums are received from developers in respect of the adoption of public open space or other facilities to be maintained at the Council's expense.	Credits are made annually to the General Fund based on (usually) 1/13 th of the capital sum starting from the year in which the maintenance of the facility begins. This date notified by the relevant Service Area.	The General Fund Estimates and its financing is approved by the Executive. This sets the contribution to / from this reserve. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The balance on this reserve is dictated by receipts from developers.
Planning Appeal Reserve Originally created to provide finance to cover the costs incurred by the Council with regard to appeals against its planning decisions. The Reserve also now pays for issues relating to planning policy, for example the costs associated with the Local Plan, and associated research.	Items to be financed from this reserve are charged to the Planning service account during the year and notified to Finance. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Approval for expenditure to be met from this reserve is proposed to be delegated to the Head of Development and Head of Finance, in consultation with the relevant portfolio holder. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Planning Investment Reserve	Creation of a reserve into which the 20% uplift in planning fees will be allocated.	To be apportioned by the Head of Finance.	The level and continuing need for the reserve is reviewed by Finance followed by a recommendation to the Executive can include increasing / decreasing the balance or complete closure
Public Amenity Reserve	To provide finance for play area and public open space improvements	The General Fund capital programme and its financing is approved by the Executive. This sets the contribution from this reserve. Any further upward variation in the contribution would have to be approved by the Executive either as part of a report on the particular scheme in question or as part of a revision of the capital programme during the budget monitoring process. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure.
Public Open Spaces Planning Gain Reserve	Expenditure from this reserve will be charged to service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	The Head of Neighbourhood Services, in agreement with the Head of Finance, has delegated authority to spend from this reserve.	This reserve is reviewed during the final accounts process but as the reserve was created from S106 contributions which generally have conditions of use attached to them, levels and potential closure are not <u>applicable</u>
Riverside House Maintenance Reserve	This reserve will be used to fund backlog maintenance on Riverside House.	Approval to spend from this reserve is delegated to the Asset Manager and Head of Finance in consultation with the relevant portfolio holders.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the balance or complete closure. It is expected that this <u>reserve will be liquidated</u>
Services Transformation Reserve	Reserve created to enable services to continue to be provided pending delivery of required savings and to finance "Fit For the Future" schemes so as to help the Council secure the savings needed in its Medium Term Financial strategy.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Chief Executive and Head of Finance in consultation with the relevant portfolio holders, subject to being reported within subsequent budget reports.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the <u>balance or complete closure</u> .

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
<i>Tourism Reserve</i> To provide finance for initiatives relating to the Council's ongoing promotion of tourism	Items to be financed from this reserve are charged to the service accounts during the year. An appropriate amount is then transferred to the General Fund as part of the final accounts process.	Authority to spend delegated to Deputy Chief Executive in consultation with the Development Services Portfolio Holder, Finance Portfolio Holder and S 151 Officer.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the <u>balance or complete closure</u> .
<i>Warwick District Climate (Fund) Reserve</i> <i>To provide district-wide funds to met the Climate Emergency Declaration aims by 2025</i>	This reserve will be used to fund changes required throughout the District to meet the Climate Emergency Declaration. It will include Council-led initiatives and grants / contributions to external organisations.	The responsibility for the authorisation of expenditure from this reserve is proposed to be with the Executive.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the <u>balance or complete closure</u> .

Name of Reserve & Purpose	Use of Reserve / Balance	Management and Control	Review Mechanism
Housing Revenue Account (HRA)			
<i>Housing Revenue Account balance</i> To provide a contingency reserve to protect the HRA against any unexpected and adverse revenue or capital cash flows arising during the year.	The balance will be applied as necessary to finance housing landlord revenue or capital budget variations.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan. The Self Financing Business Plan is based on maintaining a minimum £1.25m balance.
<i>HRA Early Retirement Reserve</i> To provide finance to cover the pension one off costs to the HRA as a result of the early retirement of Housing officers and to provide finance to cover redundancy costs properly chargeable to the HRA.	Items to be financed from this reserve are charged to the HRA during the year and notified to Finance. An appropriate amount is then transferred to the HRA as part of the final accounts process.	Approval for expenditure to be met from this reserve is subject to a report to the Executive which previously has been agreed with Finance. The movements in and out of the reserve are monitored against the approved or expected pattern by Finance at least three times a year.	The level and continuing need for the reserve is reviewed by Finance in conjunction with the S151 Officer during the final accounts process where depending on the need, a recommendation to the Executive can include increasing / decreasing the <u>balance or complete closure</u> .
<i>HRA Rough Sleeping Initiative Reserve</i>	To fund a rough sleeping initiative at the William Wallsgrove hostel, from Government grant received in 2018/19.	To match-fund expenditure incurred by the HRA in 2019/20, up to the level of the Reserve.	The reserve will be extinguished during 2019/20.
<i>Housing Capital Investment Reserve</i> To provide finance for new build projects.	To provide finance for new build projects.	The budgets which affect the balance are monitored during the year by Finance and Housing with the effect on the balance being taken into account in future years' projections to ensure the balance conforms to minimum acceptable requirements within the Self Financing Business Plan in order to achieve the required number of new build homes.	The adequacy of the balance is assessed as part of reviewing the Self Financing Business Plan .
<i>Major Repairs Reserve</i> To provide funding for major capital works to the Council's housing stock	The relevant amount required to finance the HRA capital programme is transferred to the Capital Adjustment Account as part of the final accounts process.	The contribution made from this reserve towards capital expenditure is dictated by the developing needs of the HRA Self Financing Business Plan and will be reviewed as part of the formal Business Plan governance process.	The operation of this reserve will be reviewed as part of the ongoing monitoring of the Self Financing Business Plan.

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2019/20 to 2023/24	Balance 1/4/2019 £000	Estimated Balance 1/4/2020 £000	Estimated Balance 1/4/2021 £000	Estimated Balance 1/4/2022 £000	Estimated Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000
GENERAL FUND RESERVES - EARMARKED							
Art Gallery Gift Reserve	Balance on this reserve includes monies transferred from Art Fund Reserve. Currently there is no expenditure to be met from this reserve. External donations of approximately £1k per annum will be credited to this reserve.	21	22	24	25	26	27
Building Control Reserve	Approvals from this reserve currently cover marketing consultancy (£19k), scanning of paper files (£5k), future improvements to IT systems (£32k) and Building Control salary changes (£48k). Commitments relating to the foregoing not currently in the budgets will reduce the uncommitted 1/4/2024 balance to £117k	179	238	222	206	189	173
Business Rate Retention Volatility Reserve	Reserve set up to "smooth" receipt of business rate income	4,535	7,175	6,462	3,894	1,663	1,257
Capital Investment Reserve	This reserve is currently funding £1.125m of General Fund capital expenditure over the period 2019/20 to 2023/24. The reserve will receive top ups amounting to £750k over the same period in respect of RUCIS capital schemes. Included in the balance on the reserve is £200k committed to future Spencers Yard projects and £40k re the Asset Management Plan. The uncommitted balance on the reserve at 31/3/2024 is estimated to be £736k, below the £1m minimum balance recommended for this reserve.	1,206	1,127	950	950	950	950
Car Park Displacement Reserve	Substantial work is required to be carried out in respect of some of the Council's car parks in forthcoming years.	604	485	370	370	370	370
Car Parking Repairs and Maintenance Reserve	Reserve created in order to provide resources for future years repairs and maintenance programmes. It is currently funding replacement pay & display ticket machines and temporary parking at Edmondscote Track. The balance will be extinguished by 2021/22.	383	148	-	-	-	-
Cemetery Land Purchase Reserve	Reserve established to provide finance for the purchase of land for cemetery extensions. Currently no such purchases are included in the General Fund Capital Programme. Future contributions to the reserve will be provided for by a surcharge imposed on out of area burial fees.	16	16	16	16	16	16
Commonwealth Games (Bowls) Reserve	This reserve is currently funding the Project Manager salary costs and various ancillary costs. Taking into account future salary commitments and New Homes Bonus contributions the reserve is predicted to have £7k by the end of the Games in 2022.	42	7	7	7	7	7
Community Forums Reserve	Reserve created from 2013/14 New Homes Bonus to provide finance for the Community Forum Grants.	21	14	14	14	14	14
Community Projects Reserve	Reserve created from New Homes Bonus since 2017/18 to provide finance for various District wide community projects. Allocations not currently factored into budgets are expected to reduce the balance on this reserve to a negative £35k by the end of 2023/24	1,824	1,844	405	280	280	280

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2019/20 to 2023/24	Balance 1/4/2019 £000	Estimated Balance 1/4/2020 £000	Estimated Balance 1/4/2021 £000	Estimated Balance 1/4/2022 £000	Estimated Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000
Corporate Assets Reserve	Reserve created from 2012/13 budget surplus to provide finance for refurbishing facilities following the Stock Condition Survey. An Executive report from April 2018 identified potential calls on this reserve amounting to £1.292m which if spent will reduce the balance on this reserve to £429k by the end of 2023/24, taking account of the latest PPM report. Drawdown from reserve subject to future Executive reports.	2,129	1,088	1,088	1,088	1,088	1,088
Covent Garden Multi Storey Reserve	Reserve created from 2015/16 budget surplus to subsidise the lost car park income and debt financing costs on borrowing for any site redevelopment to be taken out to finance the rebuild. No allocations from this reserve are currently included in the budgets.	900	900	900	900	900	900
Election Expenses Reserve	£35k per annum will be credited to the reserve to help defray the costs of General Elections and £90k subsequently released toward funding the General Elections, based on a 4-year cycle.	105	15	50	85	120	15
Enterprise Projects Reserve	Reserve set up to "smooth" future years surplus/deficits, currently only contributions to the reserve are forecast.	170	216	263	309	356	402
Equipment Renewal Reserve	Projects will be approved by SMT, Chief Executive and relevant Portfolio Holders prior to going ahead. The reserve will receive top ups of £100k per annum and is being used to support a number of projects detailed in appendix 7. If all projects contained in the appendix are approved and spent the reserve will have a negative balance of £699k at the end of 2023/24.	621	684	568	533	612	712
General Fund Early Retirements Reserve	This reserve is to fund redundancy and early retirement costs arising from service reorganisations. £15k is being added from the 20/21 New Homes Bonus.	85	71	86	86	86	86
Harbury Lane Reserve	This reserve will provide funding towards the proposed travellers site in Harbury Lane	84	84	84	84	84	84
Hill Close Gardens Reserve	Reserve created from 15/16 New Homes Bonus and will be used to make payments to the Hill Close Gardens Trust for ongoing expenditure until exhausted in 2019/20.	20	-	-	-	-	-
Homelessness Prevention Reserve	From Government grants received in 18/19 and 19/20 towards Homelessness Prevention. A balance of £40k is committed for Rough Sleepers Initiative Interventions.	522	580	580	580	580	580
ICT Replacement Reserve	This reserve is to provide for planned ICT replacements and revenue costs. The reserve will be topped up by £1.25m between 2019/20 and 2023/24 but is projected to become negative at the end of 2021/22.	76	94	-45	-200	-354	-496
Insurance Reserve	This reserve will be used to cover self insurance against claims and to provide finance for security improvements to mitigate future claims.	274	274	274	274	274	274
Investment Volatility Reserve	Set up to smooth possible future fluctuations on corporate equity funds.	100	100	100	100	100	100

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2019/20 to 2023/24	Balance 1/4/2019 £000	Estimated Balance 1/4/2020 £000	Estimated Balance 1/4/2021 £000	Estimated Balance 1/4/2022 £000	Estimated Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000
Leisure Options Reserve	Balance from Phase 1 of leisure improvements, set up to cover delayed contractor concession payments, compensation payments, project management salary costs and management fee payments. £740k to be added from New Homes Bonus in 20/21.	63	40	780	780	780	780
Local Plan Delivery Reserve	The reserve is funding £63k of the Tachbrook Country Park capital budget. As a result this reserve will be exhausted at the end of 2019/20.	12	44	-	-	-	-
Other Commuted Sums Reserve	Contributions of around £29k will be made to the General Fund each year to fund maintenance of adopted land. In addition, the reserve will fund part of the cost of the Green Spaces Team Leader.	420	390	361	333	305	277
Planning Appeal Reserve	This is funding consultancy for Local Plan, HS2, Kenilworth development brief and site development officer salary etc. costs. Taking commitments not yet in the budgets into account, the reserve balance at 31/3/2024 is expected to be £1.787m.	2,019	1,857	1,825	1,825	1,825	1,825
Planning Investment Reserve	This reserve will receive income amounting to £1.364m from 2019/20 to 2023/24 from the uplift in planning fees. Various posts e.g. temporary Senior EHO, Development Monitoring Officer, CIL Officer etc. are being funded from this reserve.	177	170	331	495	659	823
Public Amenity Reserve	This reserve will provide the finance for the play equipment capital programme. £140k to be added from New Homes Bonus in 20/21.	337	104	140	140	140	140
Public Open Spaces Planning Gain Reserve	Reserve receives a reduced amount of S106 planning development contributions for one-off improvement of Public Open Spaces. It contributes towards capital play area improvements. £140k is being added from the 20/21 New Homes Bonus.	473	413	36	37	38	40
Riverside House Maintenance Reserve	Reserve used to fund maintenance directly attributable to Riverside House.	11	11	11	11	11	11
Services Transformation Reserve	Current approvals from this reserve include contribution to Warwick Sea Scouts' hut, 'Transforming Our Workplace' and various temporary posts. The reserve received a top up of £500k from the 2019/20 New Homes Bonus and will receive £707.3k from the 20/21 NHB.	281	871	1,337	1,023	916	916
Tourism Reserve	Reserve established to help fund tourism initiatives within the District e.g. Warwick Town Council grant re Ambassador scheme.	27	25	25	25	25	25
Digital By Default Reserve	Towards the ICT restructure 2020	114	114	28	28	28	28
Warwick District Climate (Fund) Reserve	Tackling the climate emergency declaration	-	-	2,904	5,868	8,889	11,973
GENERAL FUND RESERVE TOTAL		17,851	19,221	20,197	20,166	20,977	23,676
Change in GF reserves (+ increase / - decrease)			1,370	976	-31	811	2,699

BALANCES

GENERAL FUND AND HOUSING REVENUE ACCOUNT RESERVES AND BALANCES

APPENDIX 5b

Reserve	Use of Reserve 2019/20 to 2023/24	Balance 1/4/2019 £000	Estimated Balance 1/4/2020 £000	Estimated Balance 1/4/2021 £000	Estimated Balance 1/4/2022 £000	Estimated Balance 1/4/2023 £000	Estimated Balance 1/4/2024 £000
General Fund	A core balance of around £1.5m will be maintained as a contingency reserve.	2,019	1,818	1,818	1,818	1,818	1,818
Housing Revenue Account (HRA):							
Housing Capital Investment Reserve	Under self financing, this reserve provides the finance for investment in new housing stock	30,763	15,886	19,455	24,598	27,732	30,866
Major Repairs Reserve	Under Self Financing this reserve provides the major element of funding for capital maintenance works to the Council's housing stock.	8,099	6,377	2,220	2,752	3,278	3,799
Housing Revenue Account balance	To provide a contingency reserve to protect the Housing Revenue Account against adverse in year revenue or capital cash flows arising from unexpected major repairs etc.	1,454	1,482	1,511	1,539	1,568	1,596
Housing Early Retirements Reserve	Contributions of £20k in each year will be made. The reserve is funding £25k redundancy and early retirement costs in respect of the Asset Management Team design in 18/19.	21	1	21	41	61	81
HRA Rough Sleeping Initiative Reserve	To fund scheme at the William Wallsgrove hostel	46	-	-	-	-	-
HRA TOTAL		40,383	23,746	23,206	28,930	32,639	36,342

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	£	£	£	£	£	£	£	£	£
Microsoft Licences									
Microsoft Desktop Licences	141,215	141,215	141,215	165,928	165,928	165,928	194,965	194,965	194,965
Microsoft Server Licences	31,510	31,510	31,510	37,024	37,024	37,024	43,503	43,503	43,503
DataCentre									
ESX Servers (x 5)				60,000					
C Class (inc SAN Switch, Ethernet Switch)		30,000					33,000		
Fibre Switches (HP 24 Port)		15,000					17,500		
Storage Area Network (SAN)		125,000					130,000		
Backup Solution				100,000					
UPS	12,000					13,500			
Physical Server Replacement	26,000			20,000	15,000		25,000		20,000
Infrastructure (General)	13,500	13,500	13,500	14,500	14,500	14,500	15,000	15,000	15,000
Network									
Network Devices LAN (Core)			150,000					150,000	
Network Devices WAN (Remote Sites)			35,000					35,000	
Wireless Access Controllers		45,000							
CyberSecurity (Firewalls, IPS/IDS)			35,000					35,000	
Intrusion Prevention		5,000							
Network General	23,500	13,500	13,500	14,500	14,500	14,500	15,000	15,000	15,000
Telephony									
VoIP Telephony	75,000					80,000			
Contact Centre	8,000					8,000			
Desktop									
Desktop Infrastructure	27,000	30,000	30,000	48,000	30,000	30,000	33,000	52,000	33,000
View Servers (x 5)	60,000					60,000			
Totals	417,725	449,725	449,725	459,952	276,952	423,452	506,968	540,468	321,468

	Capital / Revenue	2015/16	2016/17	2017/18
Microsoft Licences				
MS Windows Server DataCenter (SA)	Capital	£9,500		
MS SQL Server (SA)	Capital	£16,980		
MS Exchange Server Licences	Capital	£1,117		
Additional SQL Licences	Capital			£15,000
DataCentre				
ESX Servers	Capital	£19,500		
Storage Area Network (SAN)	Capital		£110,000	
Backup Solution	Capital			
Infrastructure (General)	Capital	£12,500	£12,500	£12,500
Network				
Fibre Switches (Fabric)	Capital			£30,000
Network Devices LAN (Core)	Capital			£70,000
Network Devices WAN (Remote Sites)	Capital			£20,000
Telephony				
VoIP Telephony	Capital			£75,000
Desktop				
PC Replacements	Capital	£35,000	£35,000	£35,000
View Servers	Capital	£13,000		£7,000
Totals		£107,597	£157,500	£264,500
Reserve Capital Split		£149,573	£161,500	£267,500
Re Profile Difference		-£41,976	-£4,000	-£3,000

2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<i>£10,355</i>			<i>£11,287</i>			<i>£12,303</i>	
£27,762			£30,261			£32,984	
£1,218			£1,327			£1,447	
£13,500		£21,000			£12,500		
			£120,000				
£80,000						£80,000	
£12,500	£13,500	£13,500	£13,500	£13,500	£14,500	£14,500	£14,500
		£30,000					£35,000
					£75,000		
					£25,000		
			£75,000				
£35,000	£37,000	£37,000	£35,000	£40,000	£40,000	£40,000	£40,000
£20,000		£13,500		£6,250	£18,750		
£200,335	£50,500	£115,000	£286,375	£59,750	£185,750	£181,234	£89,500
£102,256							
£98,079							

Total

£1,698,041

Equipment Renewal Schedule February 2020, by Year**Appendix 7a**

<u>Portfolio</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2028/29</u>	<u>Grand Total</u>
Culture		731	110						841
Health and Community Protection - Environment		36	10	6		10	5		67
Neighbourhood Services	55	8	9	39					111
Strategic Leadership - CST		5						5	10
Strategic Leadership - Member Services		115			48				163
Strategic Leadership - Property Services		14							14
Strategic Leadership - Media Team			205						205
Grand Total	55	909	334	45	48	10	5	5	1411

Equipment Renewal Schedule February 2020, by Year**Appendix 7b**

Year and Description	£'000s
2019/20	
Automatic Bier Replacement	55
2020/21	909
B&K 2250 sound Level Meter/ Matron & calibrator(yellow)	10
1 Monitor Labs Nox Monitor - Mn9841 With Floppy Drive	8
1 Monitor Labs Nox Monitor - Mn9841A	8
250 ballot boxes	11
Beachamp Gardens Tennis Courts	55
Cad System	14
digital projector	40
Fujitsu fi-5750C scanner	5
Noise Equipment 2250 (Green) SLM	10
R.P.R. Ag&M - Local History Gallery Refurbishment (WDC assumed exterr	100
Refurbishments of Abbey Fields Tennis Courts	65
Replacement Carpet - St Nicholas Park LC All Weather Pitch	350
Town Hall chairs	40
Victoria Park Tennis Courts resurfacing	75
Hammer Cage Netting Edmondscote Track	6
AV system in Council Chamber.	80
3 Scanners for Individual electoral registration forms and postal vote app	24
Hearth in Cremator #1	8
2022/23	334
B&K 2250 sound Level Meter/ Matron & calibrator(red)	10
Replacement sound desk and lighting - Spa Centre	110
MFDs (Multi Functional Devices), plus Colour Copier	205
Hearth in Cremator #2	9
2023/24	45
1 Monitor Labs 03 Monitor - MI9812	6
Reline of Cremator #1	39
2024/25	48
150 packflat polling screens	48
2025/26	10
B&K 2250 sound Level Meter/ Matron & calibrator(blue)	10
2026/27	5
Portable Weather Station	5
2028/29	5
Fujitsu fi-5750C scanner	5
Grand Total	1,411

CAPITAL VARIATIONS

Appendix 8

	2019/20 £'000's	2020/21 £'000's	2021/22 £'000's	2022/23 £'000's	2023/24 £'000's	TOTAL £'000's
ORIGINAL BUDGETS PER 2019/20 BUDGET BOOK:						
Original General Fund Capital Budgets	4,199.8	448.8	576.8	551.8	Not published	5,777.2
Original Housing Investment Programme	22,156.3	4,633.2	4,636.0	4,638.9		36,064.4
TOTAL	26,356.1	5,082.0	5,212.8	5,190.7		41,841.6

ORIGINAL GENERAL FUND CAPITAL BUDGETS PER 2019/20 BUDGET BOOK	4,199.8	448.8	576.8	551.8	Not published	5,777.2
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Items slipped from 2018/19 and added to 2019/20 Budgets (see Final Accounts Report 2018/19 for detail on individual schemes - Approved by Executive 10/07/19)	2,604.0	N/A	N/A	N/A	N/A	2,604.0
Items brought forward from 2019/20 to 2018/19 (see Final Accounts Report 2018/19 for detail on individual schemes- Approved by Executive 10/07/19)	-87.0	N/A	N/A	N/A	N/A	-87.0
Overspend in 2018/19 on scanners,laptops & letter-openers for postal votes. Budget approved in 2019/20	-7.2	N/A	N/A	N/A	N/A	-7.2
Rounding adjustments	2.5	N/A	N/A	N/A	N/A	2.5
TOTAL adjustments arising from Final Accounts Report:	2,512.3	N/A	N/A	N/A	N/A	2,509.8

INCREASES TO SCHEMES:

Desktop Infrastructure		60.0				60.0
Network		10.0	50.0			60.0
Physical Server Replacement		1.0				1.0
Whitnash Community Hub	415.2	-	-	-		415.2
Leisure Refurbishments Phase 1	34.2					34.2
Leisure Centre Refurbishments Phase 2(includes legal fees)	252.1	257.2				509.3
Community Stadium Project legal fees	12.6					12.6
Scanners, laptops and letter-openers for postal votes	11.5					11.5
Project Officer Whitnash/Kenilworth Phase 2	15.8	47.4	47.4	31.5		142.1
Tach Brook Country Park			2,080.7			2,080.7
St Mary's Lands Masterplan MUGA-virements see	29.4	-	-	-	-	29.4
TOTAL Increase to Schemes:	770.8	375.6	2,178.1	31.5		3,356.0

NEW APPROVALS:

Desktop Infrastructure					48.0	48.0
Infrastructure Replacement					60.0	60.0
Infrastructure General					14.5	14.5
Backup Solution					100.0	100.0
Network					14.5	14.5
Physical Server Replacement					20.0	20.0
Power supply to new offices/MSCP	97.8	-		-	-	97.8
Rural & Urban Initiatives					150.0	150.0
Recycling & Refuse Containers					80.0	80.0
Local Football Facilities	10.0	140.0				150.0
AV System in Council Chamber at Town Hall	-	80.0				80.0
Kenilworth School HIF Grant	9,591.0	-	-	-	-	9,591.0
St Peter's New Pay On Foot System-virement from Leamington Parking Displacement (£36k) and Car Park Display Machines (£40k).	76.0					76.0
Skate Park in St. Nicholas Park-approved July 2018-virement from 2nd Warwick Sea Scouts	40.0					40.0
Health & Community Protection IT system		300.0				300.0
Financial management system		600.0				600.0
Bowling Greens (Commonwealth Games)	100.0	100.0	-			200.0
Purser Drive Path-funded from Section 106	24.0					24.0
Comonwealth Games Cycleway Upgrade		50.0				50.0
2nd Warwick Sea Scouts	89.2					89.2
2nd Warwick Sea Scouts - New Homes Bonus		350.0				350.0
Europa Way Option To Buy Former Farmhouse (Heathcote Farm)		996.8				996.8
Community Stadium Project	Item 4 / Appendix 8 / Page 17	69.0	41.6	31.2		176.9
CFS Aeroproducts Reloaction to Warwick - loan		240.0	100.0			440.0

CAPITAL VARIATIONS

Appendix 8

	2019/20 £'000's	2020/21 £'000's	2021/22 £'000's	2022/23 £'000's	2023/24 £'000's	TOTAL £'000's
Kenilworth School Loan		2,000.0				2,000.0
Station Approach Land Purchase	200.0					200.0
Leper Hospital Site Regeneration	115.2	932.8				1,048.0
TOTAL New Approvals:	10,618.3	5,718.6	141.6	31.2	487.0	16,996.7

CAPITAL VARIATIONS**Appendix 8**

	2019/20 £'000's	2020/21 £'000's	2021/22 £'000's	2022/23 £'000's	2023/24 £'000's	TOTAL £'000's
TOTAL General Fund New/Increases to Capital Approvals during 2019/20:	11,389.1	6,094.2	2,319.7	62.7	487.0	20,352.7

SLIPPAGE/BUDGET B/FWD - Changes to start dates or delays on projects mean that it is proposed to slip resources into future years/bring forward from future years - identified as part of budget review

Physical Server Replacement		25.0	-25.0			
Transforming Our Workplace	-19.5	19.5				
Whitnash Community Hub	-1,200.0	1,200.0				-
Play Area Improvements	-493.0	493.0				-
Tach Brook Country Park	-44.0	44.0				-
St John's Flood Alleviation	-100.0	100.0				-
Leamington Parking Displacement	-160.0	160.0				-
Car Park Pay & Display Machines	-16.0	16.0				-
Skate Park in St. Nicholas Park- virement from 2nd Warwick Sea Scouts	-40.0	40.0				-
2nd Warwick Sea Scouts						-
Conservation Action Programme - Warwick Town Wall	-100.0		100.0			-
Kenilworth School HIF Grant	-1,387.0	1,387.0				-
St Mary's Lands Masterplan Cycleway	-285.0	285.0				-
St Mary's Lands Masterplan Extension to Bread & Meat Close Car Park	-83.0	83.0				-
St Mary's Lands Masterplan Main Entrance Improvements	-45.0	45.0				-
St Mary's Lands Masterplan Maintenance & Management Plan	-40.0	40.0				-
Castle Farm Sports Pitch Drainage	-73.0	73.0	-	-	-	-
TOTAL General Fund Capital Slippage identified during 2019/20:	-4,085.5	4,010.5	75.0	-	-	-

SCHEMES DELETED / REDUCED /SAVINGS/VIREMENTS:

Desktop Infrastructure	-5.0	-	-50.0			-55.0
Scanners, laptops and letter-openers for postal votes	-2.3					-2.3
CCTV Replacement System	-100.0					-100.0
Leamington Parking Displacement - saving	-105.0					-105.0
Leamington Parking Displacement - virement to St. Peter's New Pay On Foot System	-36.0					-36.0
Car Park Pay & Display Machines - virement to St. Peter's New Pay On Foot System	-40.0					-40.0
Play Area Budgets - to bring inline with reserves	-107.0					-107.0
2nd Warwick Sea Scouts - virement to Skate Park in St. Nicholas Park	-40.0					-40.0
Norton Lindsey New Village Hall Grant	-88.8					-88.8
St Mary's Lands Masterplan Cycleway - virement to St. Mary's Lands MUGA	-17.4		-	-		-17.4
St Mary's Lands Masterplan Bread & Meat Close Car Park - virement to St. Mary's Lands MUGA	-7.0					-7.0
St Mary's Lands Masterplan Main Entrance - virement to St. Mary's Lands MUGA	-5.0					-5.0
TOTAL General Fund Reductions / Savings:	-553.5	-	-50.0	-	-	-603.5

PROPOSED GENERAL FUND CAPITAL PROGRAMME FOR 2020/21 BUDGET BOOK:	13,462.2	10,553.5	2,921.5	614.5	487.0	28,038.7
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General Fund Capital Programme

Appendix 9 Part 1

	Latest Budget 2019/20 £'000	Proposed Expend. 2020/21 £'000	Proposed Expend. 2021/22 £'000	Proposed Expend. 2022/23 £'000	Proposed Expend. 2023/24 £'000	TOTAL 2019/20 to 2023/24 £'000
CAPITAL PROGRAMME SUMMARY						
Strategic Leadership & CWLEP	237.4	264.5	277.0	277.0	257.0	1,312.9
Health & Community Protection	1,119.5	1,623.7	23.7	15.7		2,782.6
Culture Portfolio	879.3	673.9	23.7	15.8		1,592.7
Finance Portfolio	150.0	750.0	150.0	150.0	150.0	1,350.0
Neighbourhood Portfolio	998.1	883.0	2,160.7	80.0	80.0	4,201.8
Development Portfolio	10,077.9	6,358.4	286.4	76.0		16,798.7
TOTAL GENERAL FUND CAPITAL PROGRAMME	13,462.2	10,553.5	2,921.5	614.5	487.0	28,038.7
STRATEGIC LEADERSHIP & CWLEP						
Desktop infrastructure	39.0	87.0	30.0	30.0	48.0	234.0
Infrastructure replacement					60.0	60.0
Infrastructure general	30.0	13.5	13.5	13.5	14.5	85.0
Backup solution					100.0	100.0
Voice of IP telephone system		75.0				75.0
Storage Area Network (SAN)			170.0			170.0
Network devices LAN & WAN	20.0	23.5	63.5	233.5	14.5	355.0
Contact Centre		8.0				8.0
Physical server replacement	35.0	26.0			20.0	81.0
UPS		12.0				12.0
Transforming Our Workplace	13.6	19.5				33.1
Power supply to Covent Gardens MSPC	97.8					97.8
Scanners, laptops and letter-openers for postal votes	2.0					2.0
TOTAL STRATEGIC LEADERSHIP & CWLEP PORTFOLIO	237.4	264.5	277.0	277.0	257.0	1,312.9
HEALTH & COMMUNITY PROTECTION						
St John's flood alleviation		100.0				100.0
CCTV replacement system	900.0					900.0
Whitnash Community Hub	219.5	1,223.7	23.7	15.8		1,482.7
Health & Community Protection IT system		300.0				300.0
TOTAL HEALTH & COMMUNITY PROTECTION PORTFOLIO	1,119.5	1,623.7	23.7	15.8		2,782.7
CULTURE PORTFOLIO						
Castle Farm sports pitch drainage		73.0				73.0
Leisure refurbishments	44.9					44.9
Leisure centre refurb phase 2 Kenilworth	724.4	280.9	23.7	15.8		1,044.8
Local football facilities	10.0	140.0				150.0
AV system in Council Chamber at Town Hall		80.0				80.0
Bowling Greens - Commonwealth Games	100.0	100.0				200.0
TOTAL CULTURE PORTFOLIO	879.3	673.9	23.7	15.8		1,592.7
FINANCE PORTFOLIO						
Rural & Urban Initiatives	150.0	150.0	150.0	150.0	150.0	750.0
Financial management system		600.0				600.0
TOTAL FINANCE PORTFOLIO	150.0	750.0	150.0	150.0	150.0	1,350.0
NEIGHBOURHOOD PORTFOLIO						
Leamington parking displacement	118.9	160.0				278.9
Car park pay & display machines	67.5	16.0				83.5
St Peter's new pay on foot system	76.0					76.0
Recycling and refuse containers	79.4	80.0	80.0	80.0	80.0	399.4
Play area improvement programme	383.9	493.0				876.9
Pump Rooms Gardens restoration	195.5					195.5
Tach Brook Country Park	52.9	44.0	2,080.7			2,177.6
Purser Drive path	24.0					24.0
Commonwealth Games cycleway upgrade		50.0				50.0
Skate park in St. Nicholas Park		40.0				40.0
TOTAL NEIGHBOURHOOD PORTFOLIO	998.1	883.0	2,160.7	80.0	80.0	4,201.8
DEVELOPMENT PORTFOLIO						
Warwick Town Wall			100.0			100.0
2nd Warwick Sea Scouts' headquarters	249.1	350.0				599.1
Norton Lindsey Community Hub	38.5					38.5
Norton Lindsey new village hall	101.2					101.2
Playbox Theatre loan	11.1					11.1
Kenilworth Wardens relocation	400.0					400.0
Community Stadium project	92.5	113.8	86.4	76.0		368.7
Europa Way option to buy former farmhouse (Heathcote Farm)		996.9				996.9
CFS Aeroproducts relocation to Warwick loan	240.0	100.0	100.0			440.0
Kenilworth School loan	378.6	2,000.0				2,378.6
Kenilworth School HIF grant	8,203.9	1,387.0				9,590.9
Station Approach land purchase	200.0					200.0
St Mary's lands masterplan - cycleway		285.0				285.0
St Mary's lands masterplan - MUGA @ RCW	47.8					47.8
St Mary's lands masterplan - extension to Bread & Meat Close car park		83.0				83.0
St Mary's lands masterplan - main entrance improvements		45.0				45.0
St Mary's lands masterplan - reservoir enhancement		5.0				5.0
St Mary's lands masterplan - Jubilee Wood improvements		5.0				5.0
St Mary's lands masterplan - improve drainage to playing fields		15.0				15.0
St Mary's lands masterplan - maintenance & management plan		40.0				40.0
Leper Hospital regeneration	115.2	932.7				1,047.9
TOTAL DEVELOPMENT PORTFOLIO	10,077.9	6,358.4	286.4	76.0		16,798.7

Housing Investment Programme (HIP) 2019/20 to 2023/24

Appendix 9 Part 2

	Proposed Expend. 2019/20 £'000's	Proposed Expend. 2020/21 £'000's	Proposed Expend. 2021/22 £'000's	Proposed Expend. 2022/23 £'000's	Proposed Expend. 2023/24 £'000's
Housing Revenue Account (HRA) Related HIP Expenditure:					
Construction / Acquisition of Housing	32,083.7	4,327.5	0.0	0.0	
Improvement / Renewal Works	8,166.3	10,510.1	5,797.5	5,803.4	5,809.3
Total Housing Revenue Account Related HIP	40,250.0	14,837.6	5,797.5	5,803.4	5,809.3
Housing General Fund Related HIP Expenditure:					
Improvement Schemes (Private Sector Housing)	0.0	0.0	0.0	0.0	
Total Housing General Fund Related HIP	0.0	0.0	0.0	0.0	0.0
Total Housing Investment Programme (HIP)	40,250.0	14,837.6	5,797.5	5,803.4	5,809.3
Housing Revenue Account Related HIP Expenditure:					
Construction / Acquisition of Housing:					
Repurchase of Ex-Council Housing					
Cloister Way House Purchases	565.7				
Bremridge Close	4,101.0				
Purchase of property	10,827.0				
Purchase of property		4,327.5			
Purchase of property	3,840.0				
Construction of Property	1,750.0				
Purchase of land	11,000.0		0.0		
Total Construction / Acquisition of Housing	32,083.7	4,327.5	0.0	0.0	0.0
Improvement / Renewal Works:					
Aids & Adaptations	647.1	647.1	647.1	647.1	647.1
Roof Coverings	1,317.6	925.0	525.0	525.0	525.0
Defective Flooring	59.3	59.3	59.3	59.3	59.3
Door Entry/Security/Safety Systems	150.0	150.0	150.0	150.0	150.0
Window/Door Replacement	687.4	535.0	535.0	535.0	535.0
Kitchen & Bathroom Fittings / Sanitaryware Replacement	1,223.0	1,225.0	1,225.0	1,225.0	1,225.0
Electrical Fitments / Rewiring	612.4	612.4	612.4	612.4	612.4
Central Heating Replacement	1,239.8	1,239.8	1,239.8	1,239.8	1,239.8
Water Services	9.1	9.1	9.1	9.1	9.1
Structural Improvements	19.7	19.7	19.7	19.7	19.7
Improved Ventilation	4.7	4.7	4.7	4.7	4.7
Thermal Improvement Works	518.4	141.3	141.3	141.3	141.3
Major Garage Works	74.6	24.6	24.6	24.6	24.6
Environmental Works	75.0	75.0	75.0	75.0	75.0
Environmental Works: Tenant Participation Projects	37.7	37.7	37.7	37.7	37.7
Environmental Works: Environmental Neighbourhood Improvements	100.0				
Codependant Asbestos Removal	200.0	200.0	200.0	200.0	200.0
Special capital works		3,143.0			
Fire safety in high-rise / sheltered properties	910.0	1,175.3			
Capital Salaries for Improvement / Renewal Works	280.5	286.1	291.8	297.7	303.6
Total Improvement / Renewal Works	8,166.3	10,510.1	5,797.5	5,803.4	5,809.3
Total Housing Revenue Account Related HIP	40,250.0	14,837.6	5,797.5	5,803.4	5,809.3

General Fund Capital Programme Financing 2019/20 to 2023/24
Appendix 9 Part 3

Source	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Internal / External Borrowing	738.4	3,240.6	1,074.6	76.0		5,129.6
Capital Receipts	453.9	257.2				711.1
External Contributions	10,316.7	2,702.5	1,192.5			14,211.7
Revenue Contributions to Capital Outlay	156.3	80.0	80.0	80.0	80.0	476.3
Service Transformation Reserve	128.4	87.4	47.4	31.6		294.8
Equipment Renewal Reserve		80.0				80.0
Public Amenity Reserve	232.5	104.5				337.0
Planning Public Open Space Reserve	84.4	388.5				472.9
Local Plan Delivery Reserve	18.9	44.0				62.9
Community Projects Reserve	496.3	1,368.8	100.0			1,965.1
Car Parks R & M Reserve	143.5	61.0				204.5
Corporate Assets Reserve	97.8					97.8
Parking Displacement Reserve	118.9	115.0				233.9
ICT Replacement Reserve	124.0	264.5	277.0	277.0	257.0	1,199.5
Capital Investment Reserve	352.2	323.0	150.0	150.0	150.0	1,125.2
Total General Fund Capital Funding	13,462.2	9,117.0	2,921.5	614.6	487.0	26,602.3

Housing Investment Programme (HIP) Financing 2019/20 to 2023/24

Appendix 9 part 4

	Proposed Expend. 2019/20 £'000's	Proposed Expend. 2020/21 £'000's	Proposed Expend. 2021/22 £'000's	Proposed Expend. 2022/23 £'000's	Proposed Expend. 2023/24 £'000's	Total £'000's
Housing Revenue Account (HRA) Related HIP:						
Capital receipts: UCR	420.0					420.0
Capital Receipts: One for One replacement	3,157.0		1,500.0			4,657.0
HRA Capital Investment Reserve	18,099.7		-1,500.0	0.0		16,599.7
Major Repairs Reserve	7,624.0	10,387.6	5,674.7	5,680.4	5,685.1	35,051.8
Housing Revenue Account (RCCO)	122.3	122.5	122.8	123.0	124.2	614.8
Capital Grant						0.0
HRA Additional Borrowing	10,827.0	4,327.5				15,154.5
Housing Revenue Account Related HIP Financing	40,250.0	14,837.6	5,797.5	5,803.4	5,809.3	72,497.8
	0.0	0.0	0.0	0.0	0.0	
Housing General Fund Related HIP Financing	0.0	0.0	0.0	0.0	0.0	

Overall Housing Investment Programme (HIP) Financing:

Capital Receipts: UCR	420.0	0.0	0.0			420.0
Capital Receipts: One for One replacement	3,157.0	0.0	1,500.0			4,657.0
HRA Capital Investment Reserve	18,099.7		-1,500.0	0.0		16,599.7
Major Repairs Reserve	7,624.0	10,387.6	5,674.7	5,680.4	5,685.1	35,051.8
Housing Revenue Account (RCCO)	122.3	122.5	122.8	123.0	124.2	614.8
Capital Grant	0.0	0.0	0.0			0.0
HRA Additional Borrowing	10,827.0	4,327.5				15,154.5
					0.0	
Total Housing Investment Programme Financing	40,250.0	14,837.6	5,797.5	5,803.4	5,809.3	72,497.8

Estimated Housing Investment Programme Resources at:-	31/3/2019 £'000's	31/3/2020 £'000's	31/3/2021 £'000's	31/3/2022 £'000's	31/3/2023 £'000's	31/3/2024 £'000's
Any Purpose Capital Receipts	6,634.9	6,612.4	7,009.9	7,407.4	7,804.9	8,202.4
Capital Receipts: One for One replacement	1,757.0	0.0	1,400.0	1,300.0	2,700.0	4,100.0
HRA Capital Investment Reserve	30,660.4	16,573.7	19,268.8	24,230.9	27,364.9	30,498.9
Major Repairs Reserve	8,098.7	6,401.2	2,220.1	2,751.9	3,278.0	3,799.4
S 106	1,110.8	1,110.8	1,110.8	1,110.8	1,110.8	1,110.8
Decent Homes Grant	361.6	361.6	361.6	361.6	361.6	361.6
Total	48,623.3	31,059.7	31,371.2	37,162.5	42,620.2	48,073.1

General Fund Programme & Resources

Appendix 9 Part 5

Capital Programme 2019/20 to 2023/24

	Proposed expenditure					Total £'000
	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	
Capital summary						
Strategic Leadership & CWLEP Portfolio	256.9	149.0	302.0	277.0	237.0	1,221.9
Health & Community Protection Portfolio	1,119.5	1,323.7	23.7	15.8	-	2,482.7
Culture Portfolio	939.1	593.9	23.7	15.8	-	1,572.5
Finance Portfolio	150.0	150.0	150.0	150.0	150.0	750.0
Neighbourhood Portfolio	958.1	1,030.0	80.0	80.0	80.0	2,228.1
Development Portfolio	10,057.9	5,794.6	286.4	76.0	-	16,214.9
Total capital programme (A)	13,481.5	9,041.2	865.8	614.6	467.0	24,470.1
Capital resources brought forward						
Usable Capital receipts	9.0	-	-	-	-	
Capital Investment Reserve	1,205.7	1,127.0	950.0	950.0	950.0	
Public Amenity Reserve	337.0	104.5	-	-	-	
Equipment Renewal Reserve	620.9	603.6	668.3	733.0	811.8	
ICT Replacement Reserve [#]	76.2	93.5	70.3	-109.1	-263.5	
Total capital resources brought forward (B)	2,248.8	1,928.6	1,688.6	1,573.9	1,498.3	
Additions in year to resources						
Borrowing / leasing	738.4	-	-	-	-	738.4
Capital receipts	436.0	257.3	-	-	-	693.3
External contributions	-	-	-	-	-	-
Revenue Contributions to Capital Outlay (RCCO)	13.7	-	-	-	-	13.7
Capital Investment Reserve (net increase)	278.1	150.0	150.0	150.0	150.0	878.1
Other reserves used for capital financing	124.0	264.5	277.0	277.0	257.0	1,199.5
Total additions to capital resources in year (C)	1,590.2	671.8	427.0	427.0	407.0	3,523.0
Total available capital resources (B+C)	3,839.0	2,600.4	2,115.6	2,000.9	1,905.3	3,523.0
less: Capital programme expenditure as above (A)	13,481.5	9,041.2	865.8	614.6	467.0	24,470.1
Capital resources carried forward (B+C-A)	-9,642.5	-6,440.8	1,249.8	1,386.3	1,438.3	
Reduction in capital resources brought forward (C - A)	-11,891.3	-8,369.4	-438.8	-187.6	-60.0	-20,947.1

Note: [#] ICT Reserve is expected to have a negative balance in 2022/23

PPM Budget Setting Report: Table to be used in Exec Budget Setting Report

High Level Cost/Balance report		Sum of Budget
Capital		
Corp Operational		
Royal Spa Centre, Leamington Spa		£15,000
Pump Rooms, Leamington Spa		£50,000
Cricket Pavilion, Victoria Park, Archery Road, Leamington Spa		£78,000
Abbey End Toilets, Abbey End, Kenilworth		£2,200
Town Hall, The Parade, Leamington Spa		£80,000
Oakley Woods, Banbury Road, Bichops Tachbrook		£20,000
Riverside House, Leamington Spa		£60,000
Corporate Stock		£50,000
Corp Operational Total		£355,200
Corp Non-Operational		
First and Second Floor, 10 Hamilton Terrace, Leamington Spa		£20,000
Newbold Comyn Barn, Newbold Terrace East, Leamington Spa		£30,000
Corp Non-Operational Total		£50,000
Open Spaces		
Pageant Gardens, Castle Lane, WARWICK		£22,000
Open Spaces Total		£22,000
Car Parks		
Linen Street Multistorey Car Park, Linen Street, Warwick		£20,000
Car Parks Total		£20,000
Corp M&E		
Riverside House, Leamington Spa		£85,000
Corp M&E Total		£85,000
Capital Total		£532,200
PPM		
Corp Operational		
Pump Rooms, Leamington Spa		£23,000
South Lodge, Jephson Gardens, The Parade, Leamington Spa		£4,500
Bowls Pavilion, Victoria Park, Archery Road, Leamington Spa		£13,500
Pageant House, Jury Street, Warwick		£500
South Lodge Leamington Cemetery, 118 Brunswick Steet, Leamington Spa		£3,500
Jubilee House, 19 Smalley Place, Kenilworth		£3,500
Spencers Yard, Avenue Road, Leamington Spa		£1,600
Town Hall, The Parade, Leamington Spa		£2,000
Harbury Lane Recreational Ground, Harbury Lane, Leamington Spa		£4,300
Jephson Gardens, Leamington Spa		£1,500
Milverton Cemetery, Old Milverton Road, Leamington Spa		£2,000
Newbold Comyn Sports Pavilion, Newbold Terrace East, Leamington Spa		£3,000
Oakley Woods, Banbury Road, Bichops Tachbrook		£44,000
Leamington Closed Churchyards, Leamington Spa		£2,000
Warwick Cemetery, Warwick		£6,000
First Floor Offices (MP), Jubilee House, 19 Smalley Place, KENILWORTH		£500
Riverside House, Leamington Spa		£17,000
Restaurant - Jephson Gardens, The Parade, Leamington Spa		£3,000
North Lodge, Jephson Gardens, The Parade, Leamington Spa		£1,000
Public Open Space		£20
Corp Operational Total		£136,420
Corp Non-Operational		
Lodge Buildings, Kenilworth Cemetery, Oaks Road, Kenilworth		£3,000
26 Hamilton Terrace, Leamington Spa		£800
Tennis Courts, Victoria Park, Archery Road, Leamington Spa		£7,480
Corp Non-Operational Total		£11,280
Open Spaces		
Newbold Comyn Park, Leamington Spa		£4,000
Pageant Gardens, Castle Lane, WARWICK		£600
Jephson Gardens, Leamington Spa		£1,700
Milverton Cemetery, Old Milverton Road, Leamington Spa		£4,060
Paths & Drives, Newbold Comyn, Newbold Terrace East, Leamington Spa		£700
Riverside Walk, Leamington Spa		£150
External, Royal Spa Centre, Newbold Terrace, Leamington Spa		£300
Leamington Closed Churchyards, Leamington Spa		£7,870
Victoria Park, Leamington Spa		£207,618
York Road Open Space, York Road, Leamington Spa		£93,856
Open Spaces Total		£320,854
Car Parks		
Abbey End Car Park, Abbey End, Kenilworth		£1,000
Chandos Street Car Park, Chandos Street, Leamington Spa		£2,000
Castle Lane Car Park, Castle Lane, Warwick		£2,000
Myton Fields Car Park, Myton Road, Warwick		£1,000
New Street Car Park, New Street, Warwick		£2,000
St Marys Land (4), Sainsbury's Car Park, Warwick Road, Kenilworth		£1,000
Westgate Car Park, Puckerings Lane, Warwick		£1,000
Riverside House, Leamington Spa		£10,000

Linen Street Multistorey Car Park, Linen Street, Warwick	£24,200
St Peters Multistorey Car Park, Augusta Place, Leamington Spa	£5,000
Covent Garden Multistorey Car Park, Russell Street, Leamington Spa	£2,000
Land at Station Approach	£2,000
Car Parks Total	£53,200
Corp M&E	
Bowls Pavilion, Victoria Park, Archery Road, Leamington Spa	£10,000
Newbold Comyn Sports Pavilion, Newbold Terrace East, Leamington Spa	£4,250
Althorpe Enterprise Hub, Leamington Spa	£3,500
Corp M&E Total	£17,750
PPM Total	£539,504
Grand Total	£1,071,704

Funding Analysis	£
Expenditure	
2020/21 PPM	£1,071,704
Total Expenditure	£1,071,704
Available Funding	
2020/21 PPM Budget	-£413,000
Draw Down From Corporate Assets Reserve	-£658,704
Total Funding	-£1,071,704
2020/21 Net Financial Position (Expenditure less Funding)	£0

Corporate Assets Reserve Balance	£
2019/20 Corporate Assets Reserve Balance	£1,087,522
Plus estimated 2019/20 PPM Underspent Budget	£20,000
Less 2020/21 PPM Reserve Drawdown	-£658,704
2020/21 Closing Balance of Corporate Assets Reserve	£448,818

Warwick District Council Financial Strategy 2020/21-2024/25

1 INTRODUCTION

“Money” is one of 3 keys strands of the Council’s Fit for the Future Programme. The others are People and Services. This document supports the delivery of the **Council’s** services and the projects within the Programme, as well as supporting all Council Strategies to deliver its aims and objectives.

It considers the major funding issues facing the Council in the Medium Term (the next 5 years). Extending the Strategy beyond this period would rely on broad estimates and many uncertainties. It would not be prudent to base the Strategy on a shorter period as risks and significant issues arising in the medium term could occur before the Council has developed the means of managing these. Forecast future levels of Funding are projected alongside other known constraints and opportunities.

The Council has a Code of Financial Practice and Code of Procurement Practice which underpin the Strategy.

Monthly Budget Review Reports are considered by the Senior Management Team, with Members of the Executive being updated on a quarterly basis. Alongside this, regular updated 5 year Financial Projections are included. Full Council receive the latest 5 Year Forecast alongside this Strategy within the Budget and Council Tax Reports presented in February of each year.

2. BACKGROUND

- 2.1 The Economic Background, as provided by Treasury Advisors, Link Asset Services – their Report is reproduced as Annex 1.
- 2.2 Recent years have seen many changes to the nature of Funding Local Authorities receive from Central Government. The new Business Rate Retention Scheme was introduced from 1st April 2013. Whilst setting the NNDR Baseline, Government then allowed Council to retain a share of any growth above this Baseline. There is a safety net whereby the Authority would receive a top up payment should actual Business Rates collected fall more than 7.5% below their Baseline.

Alongside this, the proportion of Business Rates to Revenue Support Grant has increased since this scheme was introduced. The 4 year settlement announced in December 2015 and January 2016 show that by 2019/20 Revenue Support Grant will be zero, having reduced significantly over the 3 year period. **The Council’s other main** income source is its local Council Tax payers.

- 2.3 In December 2017, the government announced the intention to increase the level of business rates retained by local government from the current 50% to the equivalent of 75% from April 2020. During 2019/20 selected authorities will pilot this scheme. This Council will closely monitor further developments as the scheme evolves. The proposals surrounding the 75% Business Rate Retention show that Revenue Support Grant will cease.
- 2.4 The Financial Strategy and projections have been updated in line with the 2020/21 Government Settlement Figures announced in December 2019. The **Council's Financial Strategy is based upon the** absence of Revenue Support Grant announced by the Government and its own Business Rates forecasts using the NNDR1 and NNDR3 returns and local intelligence, including support from **"Analyse Local"**, independent Business Rates Consultants.
- 2.5 As referred to above, from 2013/14, the District Council retains 20% of any growth in business rates above the pre-determined Baseline. The Council's Baseline for 2019/20 is £3.392m. This is the amount the Council retains. If the actual amount collected varies to the Baseline, the Council will retain more or less income, working out at the Council retaining 20% of any increased revenues. Conversely, if there is any reduction in the new business rate receipts, the Council will bear 20% of this cost. There is a Safety Net whereby the Council will not be able to receive less than £3.137 million, this being within 7.5% of the Baseline retained income figure. However, this Authority has entered into Pooling arrangements. This means the Safety Net payment would be paid to the Pool rather than the actual authority falling into the Safety Net.

The Baseline has been inflated annually since the scheme commenced in 2013 until 2021, when there is **due to be a "reset" of the system**. The proposed changes to the Business Rate Scheme are discussed in more detail in Section 3.5 of the Budget Report.

The Council entered into a "pooling" arrangement with the other

Warwickshire councils. Under this arrangement the amounts due to be paid to Central Government under the Levy should greatly reduce, meaning more income will be retained locally. Whilst there are risks attached to pooling, especially if income should substantially decline, however, based on the latest projections, the Council should benefit from remaining in the pool in 2020/21.

- 2.6 The Council also receives Government Support by way of New Homes Bonus (NHB) for 2020/21 this is £3.726 million. A proportion of this is allocated to the Waterloo Housing Association as part of the WC Housing Joint Venture. Initially, NHB was funded on a 6 year rolling time limited basis. After consultation the Government phased a reduction for this from 6 (2016/17) to 4 years from 2018/19. It is paid on a rolling basis. To date the Council has not had to use New Homes Bonus to support recurring expenditure on core service provision. This prudence has proved wise so far, whilst allowing the

Council to support new schemes and replenish Reserve balances.

- 2.7 The Council are permitted to increase their share of Council Tax by either 2% or £5 (per band D equivalent) without triggering a Referendum. However, it is proposed to hold a Referendum, and to increase this by an additional £1 per week (£52 per year per band D equivalent) to £223.86 per year. The additional monies generated will be used to fund items within the Climate Emergency Agenda (Appendix 12).
- 2.8 In March 2012 the Housing Revenue Account (HRA) borrowed £136.2m to **make a one off 'buy out' payment when the Housing Subsidy system was replaced by 'Self Financing'**. This debt is serviced from HRA rental income, in place of the payments previously made to the National Housing Rent Pool under the Housing Subsidy system. A 50 year Business Plan is maintained to demonstrate the viability of the HRA and the capacity to invest in the service and provide new homes.
- 2.9 **A 'Prudential Framework' for borrowing was introduced from 2004/05. Local authorities no longer have to obtain Government approval before borrowing. Control is by prudential limits based on the authority's revenue resources.** The Council can borrow if it can afford the revenue consequences.
- 2.10 The Council reviews its budgets on a monthly basis, amending these as changes are identified, rather than reporting upon variations and updating its **current year's budgets once at part of the following year's budget setting** process. The process will be constantly reviewed to identify further efficiencies so that data can be produced in the most timely and accurate manner.
- 2.11 The Council made great strides with publishing the 2018/19 Statement of Accounts, on time and signed by external audit, following the failure to publish its 2017/18 Accounts within statutory deadline. Processes were thoroughly reviewed and scrutinised with an Action plan drawn up, with regular updates provided to members. Internally formal procedures were created, and training was provided to all people involved within the final accounts process.

3. CORPORATE STRATEGY AND FIT FOR THE FUTURE PROGRAMME

- 3.1 The Council's Organisational Purpose being:

"Warwick District: a great place to live, work and visit".

- 3.2 During 2010, the Council adopted its Fit For the Future programme as its Corporate Strategy to provide an organisation framework to progress these objectives. As well as focusing on delivering quality services that its customers' need, the programme and subsequent updates have set

challenging savings targets to be delivered. Achieving these will assist the Council in delivering its services in the future in light of uncertainty surrounding the economic climate, and future reductions in Central Government Support.

This programme needs to stay up to date and relevant in providing the strategic framework for the Council to meet the challenges it faces. Projects within the programme will be adjusted to reflect opportunities and challenges **arising from Government initiatives and legislation as well as the Council's own Local Priorities.**

These include-

The impact of Brexit on the economy and changes in legislation as Britain leaves the European Union is still uncertain.

In his Autumn Statement 2019, the Chancellor announced that the National Living Wage rise from £8.21 to £8.72 in April 2020.

3.3 As well as these initiatives, **other major issues that will affect the Council's finances over this period are:**

- (i) Monitoring the medium term financial forecast will identify this **Council's progress in** meeting its various savings initiatives and the profile of the savings still to be identified.
- (ii) The impact of pressures to improve environmental sustainability, and meet the climate change agenda.
- (iii) Energy costs which are extremely volatile.
- (iv) Major developments that may occur, such as, Kenilworth School Relocation, Europa Way and other potential strategic opportunities.
- (vi) Major investment in multi storey car parks that will require structural renewal.
- (vii) The Council completed condition surveys on its Corporate Assets. The Council continues to strive to ensure its Corporate Asset properties are maintained at a reasonable standard. So far it has been able to resource these costs. Ongoing Funding for future liabilities will need to be found.
- (viii) The potential to work with partners and realising savings by pooling resources.
- (ix) Capital receipts have reduced considerably and any for the future are extremely uncertain.
- (x) **The volatility of many of the Council's income budgets.**
- (xi) The rate of economic recovery and investment interest returns.
- (xii) Trees throughout the district need replacing for which funding will need to be sought.
- (xiii) Ongoing reviews on how the Council manages and delivers its services.
- (xiv) **Development of the Fit for the Future Programme and the Council's ability to adapt to change.**

- (xv) Efficient procurement to deliver quality services at minimum cost.
 - (xvi) Superannuation Fund and pensions changes further to the changes to the Local Government Pension Scheme introduced in April 2014. The pensions fund, in common with most others, continues to carry a projected deficit, although plans are in place to seek to ensure the fund is in surplus.
 - (xvii) In June 2016, the country voted to leave the European Union. The initial impact saw a reduction in interest rates and a drop in the pound against other currencies. As there is still a lot to be agreed in terms of the arrangement for UK withdrawal from the EU, this situation will need to be kept under review, with **the impact on the Council's** finances routinely assessed. The Council will amend its medium term financial forecasts as necessary to reflect any impact and related issues e.g. changes in legislation such as VAT.
 - (xviii) **Renewal of the Council's major contracts in 2021/22.**
- 3.4 The Council will plan replacements and renewals of equipment (including ICT Resources), and repair and maintenance in a careful manner concentrating on the sustainability of services as a first priority. In addition, the Council needs to continually review its reserves in the light of a very ambitious programme of change, and constant uncertain external pressures on the planning regime.
- 3.5 The Council continues to promote agile working and the electronic storage of records. These link to the asset management plan strategy of reducing office space needs.
- 3.6 During 2017/18, the major refurbishment of **2 of the Council's** Leisure Centres, Newbold Comyn and St Nicholas Park Leisure Centres was completed. The Council now moves to Phase 2 of its plan to develop all of its Leisure Centres and redevelop the 2 Kenilworth ones, consulting with Stakeholders prior to undertaking the development. Following the consultation, the Council has selected suitable options for each leisure centre and is progressing to RIBA stage 3 on each. From June 2017, the Council outsourced the management of its Leisure Centres. A private contractor will be able to operate in a more cost efficient way, benefitting from Mandatory Rate Relief and achieving economies of scale from operating many Leisure Centres across the country. From 2019, this Council will receive an annual concession from the Operator. There is potential to receive more income **from a "Profit Share" arrangement. In the interests of prudence, none of this 'profit share' has been factored into the Financial Forecasts.**
- 3.7 Several Major Projects are currently being worked on, with further reports due to members.
- Demolition of the old Covent Garden Car Park to enable the development of the new Multi Storey Car Park, housing and Council HQ, enhancing the parking offering to residents and visitors and delivering savings on the current HQ running costs.

- Working with partners to develop the land at Europa Way and deliver housing and a new stadium.
- Preparation for the Commonwealth Games Bowls in 2022 at Victoria Park which offers a significant opportunity to promote the Town and its attractions and support the local economy.
- Delivery of the St Marys Lands Masterplan to enhance and promote the landscape character creating a natural open green space and promote St. Mary's Lands as a visitor destination supporting the many organisations within it.
- Phase 2 of the Leisure Centres refurbishment project

4. FINANCIAL PRINCIPLES

4.1 The following are the principles (for both the General Fund and the Housing Revenue Account) that underpin the Financial Strategy:

- (i) Savings and developments will be based upon corporate priorities as set out in the **Council's Fit** for the Future programme.
- (ii) In order to achieve further savings the Council continues to explore all avenues including
 - Shared services and joint working
 - Outsourcing where other providers can deliver a minimum of the same standard of service more efficiently
 - Efficient Procurement
 - Benchmarking costs and income and understanding differences
 - Increasing fees and paying customers where there is spare capacity and looking for opportunities to maximize income
 - Accessing grants to assist with corporate priorities
 - Controlling costs
 - Workforce planning
 - More efficient and greater use of technology
- (iii) The Council has ambitions to effectively manage its resources. In setting both its Council Tax and Housing Rents, the Council takes account of its budget requirement, the support it receives from Central Government, inflation and the affordability of its local tax and rent payers.
- (iv) **The Council's base** policy for Council house rent increases is currently to follow Central Government guidance. Any diversion from this policy will be requested in the annual Rent Setting report to Council, and reflected in the HRA Business Plan.
- (v) Whilst the Council will aim for Fees and Charges to be increased so that income is at least maintained in real terms, it will be mindful of the reality of the current economic conditions and its competitors. The

Council is committed to making good use of the ability to raise funds through charges and put them to good use for the community.

- (vi) The Council still needs to develop its ability to benchmark all services across the Council.
- (vii) This Council takes a positive approach to partnership working, realising the following benefits: -
 - a) Levering in additional external funding.
 - b) Ensuring improved use of sites, whether or not in the ownership of the Council.
 - c) Ensuring the future sustainability of projects.
 - d) Sharing/Reducing costs
 - e) Strengthening the resilience of the service
 - f) Enhancing quality of services
- (viii) The Financial Strategy takes account of all revenue effects of the capital programme to ensure that the decisions taken are sustainable into the future.
- (ix) The Council will hold reserves for specific purposes, as to be agreed by Executive.
- (x) The Capital Investment Reserve shall be maintained with a minimum uncommitted balance of £1m and a General Fund Balance of £1.5m.
- (xi) Any unplanned windfalls of income, whether service specific or more general, will be reported to the Executive who will prioritise how such income is used as part of setting future balanced budgets and meeting **the Council's priorities.**

5. PROCESS & MONITORING

Preparing budgets

- 5.1 The budget setting process is consistent with the service area planning process and the Fit for the Future Programme with recent years focusing on reductions in budgets and efficiencies.
- 5.2 When the Capital Programme is approved by Council the capital schemes will still be subject to individual approval on the basis of an evaluation and Business Case **in accordance with the Council's Capital Strategy.**

Monitoring and managing budgets

- 5.4 Under the monthly “Budget Review” Process, Budgets are amended as soon as changes are identified. The Financial Code of Practice is regularly updated to incorporate any changes in practice. The Financial Code of Practice was reviewed and updated in 2015 to reflect changes in this process and procurement practices.
- 5.5 Accountants work with Service Areas to identify budget variances and changes; these are reported to the Senior Management Team on a monthly basis. Regular reports are submitted for consideration by the Executive and Scrutiny Committees. The Council continues to review and refine its current processes, putting tighter controls in place to improve the quality and accuracy of the review process.

Consultation

- 5.6 The Council has a track record of consulting both partner organisations and the public this is an important contribution to assist identifying options and in learning lessons.
- 5.7 There is extensive consultation with partners on Fit For the Future, and the Sustainable Community Strategy.
- 5.8 The Council takes a strategic 5 year approach to determine how budgets are set and service prioritised.
- 5.9 The Council has a record of consulting where appropriate on the development of individual schemes.

6 ASSUMPTIONS

- 6.1 The following assumptions will be used in bringing forward proposals on the budget
 - (i) Forecasts for Business Rates income are based upon **the Council’s** local forecasts and out-turns. The Council uses a company called Analyse Local to forecast its provision for appeals.
 - (ii) Interest projections will continue to be based on the rates projected by Link Asset Services Treasury Solutions, the treasury management advisers.
 - (iii) It is assumed general inflation will increase by 2% per annum. Where the Council is contractually bound to increase costs and the Business Rates multiplier are increased by the relevant percentages.

7. HOUSING REVENUE ACCOUNT (HRA)

- 7.1 Housing Self Financing was implemented on 1st April 2012. A 50 year HRA Business Plan has been developed to ensure sufficient funds will be available **to service the £136.2m debt taken out with the PWLB in order to 'buy' the Council out of the existing Housing Subsidy system**, provide the necessary funding to maintain the stock and enable the building of new homes over the life of the Business Plan.
- 7.2 There is a requirement to follow Central Government National Housing Rent Policy when determining rents on HRA dwellings. With effect from April 2016, the rent charged by local authorities has had to be reduced by 1% per year for 4 years. When a new tenancy begins the Council can re-let at Target Social Rent, in time bringing all social housing rents in line with 2002 Convergence policy. From April 2020 social rents policy will change, allowing the rent charged to be increased by CPI + 1% each year. The council does have discretion over the setting of garage rents, Warwick Response charges and rents for HRA owned shops and commercial properties.

8. REVENUE FORECASTS

- 8.1 Revenue forecasts will be drawn up in line with this strategy, and the strategy itself will be reviewed every year when the budget is set. The current forecasts are set out in the February 2019 Budget Report, which reported savings required as follows in order to keep future Council Tax increases to £5.00 (before the use of any one-off reserves or balances).

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Deficit-Savings Required(+)/Surplus(-) future years	330	1,025	456	574
Change on previous year	330	695	-569	118

These are indicative based on current assumptions, and assumes that savings are achieved and maintained.

- 8.1 The forecasts are reviewed throughout the year, with the Executive being informed of the latest projections as part of the Budget Process.

9. ASSET RESOURCE BACKGROUND

- 9.1 Set out below is a summary of the Council's assets and its existing plans to use its resources to invest for the future.

- 9.2 The Council's assets as shown in the balance sheet as at 31st March 2018 are summarised below: -

	No	Value £'000
Operational Assets		
HRA		
Operational Land and Buildings	7,542	377,564
Surplus Assets/Work in Progress	-	0
Vehicles, Plant, Furniture and Equipment	-	501
General Fund		
Operational Land and Buildings	119	71,905
Surplus Assets/Work In Progress	3	2,627
Vehicles, Plant, Furniture and Equipment		1,819
Community Assets	-	6,647
Infrastructure	-	2,030
Heritage Assets	-	8,270
Total	7,664	471,363
Investment Properties	88	11,000

- 9.3 A summary of the proposed capital programme for the period to March 2023 is given below. This programme gives an indication of the level of the Council's available capital resources that are to be devoted to capital expenditure during this period.

	Latest Budget 2018/19 £'000's	Proposed Expend. 2019/20 £'000's	Proposed Expend. 2020/21 £'000's	Proposed Expend. 2021/22 £'000's	Proposed Expend. 2022/23 £'000's	TOTAL 2018/19 to 2022/23 £'000's
Strategic Leadership & CWLEP	414.8	129.0	149.0	302.0	277.0	1,271.8
Health & Community Protection	647.4	600.0	0.0	0.0	0.0	1,247.4
Culture Portfolio	3,250.1	623.0	0.0	0.0	0.0	3,873.1
Finance Portfolio	200.0	150.0	150.0	150.0	150.0	800.0
Neighbourhood Portfolio	2,972.0	758.0	80.0	80.0	80.0	3,970.0
Development Portfolio	10,962.3	1,939.8	69.8	44.8	44.8	13,061.5
Housing Investment	10,598.1	22,156.3	4,633.2	4,636.0	4,638.9	46,662.5
Total Capital Programme	29,044.7	26,356.1	5,082.0	5,212.8	5,190.7	70,886.3

10. CAPITAL PRIORITIES

10.1 The main focus of the programme is:

- Realising local aspirations as expressed within the Corporate Strategy (which incorporates the Community Plan and the Council's Resource Strategies) and it's Fit for the Future Programme;
- Maintaining, and where possible enhancing, the condition of the Council's existing assets so as to reduce future maintenance liabilities and to encourage their effective use. Where appropriate this will include working in partnership with others such as the Friends of the Pump Room Gardens, Jockey Club and Golf Centre on St Marys Lands. Supporting capital schemes that provide revenue savings to the Council, in particular supporting investment in Information and Communication Technology so as to modernise activities and release resources for other purposes.

- Achieving regeneration and economic vitality in main population centres.

10.2 Key particular projects that link to the corporate strategy are: -

- Enabling developments across the district that improve the environment such as Europa Way, and the improvement of Leamington Old Town.
- To continue to maintain **the Government's "decent homes" standard.**
- To increase the number of affordable houses in the district.
- **Relocation of the Council's main office to a more efficient and cost effective building**
- Enhanced Leisure Facilities

11. FINANCING THE CAPITAL STRATEGY

11.1 The Capital Strategy needs to have regard to the financial resources available to fund it. The main sources of funding are detailed below: -

- Capital Receipts – **primarily resulting from the sale of the Council's assets** as other receipts have fallen in recent years. This income is lumpy and limited, although there are still schemes being considered that could realise further capital receipts.
- The Council is required to sell homes to eligible tenants at a significant discount under the right-to buy (RTB). A proportion of such receipts are taken by the Treasury; with the balance retained by the Council, some having to be to provide for new dwellings and the remainder the Council having flexibility over its use.
- Capital Contributions – including contributions from developers (often under Section 106 Planning Agreements and now from the Community Infrastructure Levy as well) and grants towards specific schemes.
- **Use of Council's own resources** – either by revenue contributions to capital, or use of earmarked reserves.
- Borrowing – the Council has freedom to borrow under the Prudential System provided it can demonstrate that it has the resource to service the debt.

- Leasing – the Council now requires that, where appropriate, an options appraisal is undertaken in order to identify the most efficient source of financing capital purchases. In certain cases this may take the form of either a lease.

12. REVIEW

- 12.1 This strategy will be subject to annual review to ensure that changes are included and that development issues have been implemented. It has been reviewed in the light of the Fit for the Future programme.

13. RISKS

- 13.1 Previous years have demonstrated that the Council needs to consider the risk in setting and managing its budgets.
- 13.2 The key risks that could arise and ways in which they should be managed are set out in the main February Budget report and associated appendix.
- 13.3 The Council maintains a Significant Business Risk Register which is reviewed bi-annually by the Executive and quarterly by the Senior Management Team. Each Service Area has its own Service Risk Register. These are presented for the consideration of the Finance and Audit Scrutiny Committee on a quarterly rotating basis.
- 13.4 All major projects the Council undertakes have their own separate Risk Register.
- 13.5 There is a separate section on Risk in all Committee Reports to Members.

Link Asset Services Economic Background

GLOBAL OUTLOOK. **World growth** has been doing reasonably well, aided by strong growth in the US. However, US growth is likely to fall back in 2019 and, together with weakening economic activity in China and the eurozone, overall world growth is likely to weaken.

Inflation has been weak during 2018 but, at long last, unemployment falling to remarkably low levels in the US and UK has led to an acceleration of wage inflation. The US Fed has therefore increased rates nine times and the Bank of England twice. However, the ECB is unlikely to start raising rates until late in 2019 at the earliest.

KEY RISKS - central bank monetary policy measures

Looking back on nearly ten years since the financial crash of 2008 when liquidity suddenly dried up in financial markets, it can be assessed that central banks' monetary policy measures to counter the sharp world recession were successful. The key monetary policy measures they used were a combination of lowering central interest rates and flooding financial markets with liquidity, particularly through unconventional means such as quantitative easing (QE), where central banks bought large amounts of central government debt and smaller sums of other debt.

The key issue now is that period of stimulating economic recovery and warding off the threat of deflation, is coming towards its close. A new period is well advanced in the US, and started more recently in the UK, of reversing those measures i.e. by raising central rates and, (for the US), **reducing central banks'** holdings of government and other debt. These measures are now required in order to stop the trend of a reduction in spare capacity in the economy and of unemployment falling to such low levels, that the re-emergence of inflation is viewed as a major risk. It is, therefore, crucial that central banks get their timing right and do not cause shocks to market expectations that could destabilise financial markets. In particular, a key risk is that because QE-driven purchases of bonds drove up the price of government debt, and therefore caused a sharp drop in income yields, this also encouraged investors into a search for yield and into investing in riskier assets such as equities. Consequently, prices in both bond and equity markets rose to historically high valuation levels simultaneously. This meant that both asset categories were exposed to the risk of a sharp downward correction and we did, indeed, see a sharp fall in equity values in the last quarter of 2018. It is important, therefore, that central banks only gradually unwind their holdings of bonds in order to prevent destabilising the financial markets. It is also likely that the timeframe for central banks unwinding their holdings of QE debt purchases will be over several years. They need to balance their timing to neither squash economic recovery, by taking too rapid and too strong action, or, conversely, let inflation run away by taking action that was too slow and/or too weak. **The potential for central banks to get this timing and strength of action wrong are now key risks.** At the time of writing, (early January 2019), financial markets

are very concerned that the Fed is being too aggressive with its policy for raising interest rates and is likely to cause a recession in the US economy.

The world economy also needs to adjust to a sharp change in **liquidity creation** over the last five years where the US has moved from boosting liquidity by QE purchases, to reducing its holdings of debt (currently about \$50bn per month). In addition, the European Central Bank ended its QE purchases in December 2018.

UK. The flow of positive economic statistics since the end of the first quarter of 2018 has shown that pessimism was overdone about the poor growth in quarter 1 when adverse weather caused a temporary downward blip. Quarter 1 at 0.1% growth in GDP was followed by a return to 0.4% in quarter 2 and by a strong performance in quarter 3 of +0.6%. However, growth in quarter 4 is expected to weaken significantly.

At their November quarterly Inflation Report meeting, the MPC repeated their well-worn phrase that future Bank Rate increases would be gradual and would rise to a much lower equilibrium rate, (where monetary policy is neither expansionary or contractionary), than before the crash; indeed they gave a figure for this of around **2.5% in ten years' time, but declined to give a medium term forecast. However,** with so much uncertainty around Brexit, they warned that the next move could be up or down, even if there was a disorderly Brexit. While it would be expected that Bank Rate could be cut if there was a significant fall in GDP growth as a result of a disorderly Brexit, so as to provide a stimulus to growth, they warned they could also raise Bank Rate in the same scenario if there was a boost to inflation from a devaluation of sterling, increases in import prices and more expensive goods produced in the UK replacing cheaper goods previously imported, and so on. In addition, the Chancellor could potentially provide fiscal stimulus to support economic growth, though at the cost of increasing the budget deficit above currently projected levels.

It is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. Getting parliamentary approval for a Brexit agreement on both sides of the Channel will take well into spring 2019. However, in view of the hawkish stance of the MPC at their November meeting, the next increase in Bank Rate is now forecast to be in May 2019, (on the assumption that a Brexit deal is agreed by both the UK and the EU). The following increases are then forecast to be in February and November 2020 before ending up at 2.0% in February 2022.

Inflation. The Consumer Price Index (CPI) measure of inflation has been falling from a peak of 3.1% in November 2017 to 2.1% in December 2018. In the November Bank of England quarterly Inflation Report, inflation was forecast to still be marginally above its 2% inflation target two years ahead, (at about 2.1%), given a scenario of minimal increases in Bank Rate.

As for the **labour market** figures in October, unemployment at 4.1% was marginally above a 43 year low of 4% on the Independent Labour Organisation measure. A combination of job vacancies hitting an all-time high, together with

negligible growth in total employment numbers, indicates that employers are now having major difficulties filling job vacancies with suitable staff. It was therefore unsurprising that wage inflation picked up to 3.3%, (3 month average regular pay, excluding bonuses). This meant that in real terms, (i.e. wage rates less CPI inflation), earnings are currently growing by about 1.2%, the highest level since 2009. This increase in household spending power is likely to feed through into providing some support to the overall rate of economic growth in the coming months. This tends to confirm that the MPC was right to start on a cautious increase in Bank Rate in August as it views wage inflation in excess of 3% as increasing inflationary pressures within the UK economy.

In the **political arena**, the Brexit deal put forward by the Conservative minority government was defeated on 15 January. It is unclear at the time of writing, how this situation will move forward. However, our central position is that **Prime Minister May's government will endure, despite various setbacks, along the route to reaching an orderly Brexit** though the risks are increasing that it may not be possible to get full agreement by the UK and EU before 29 March 2019, in which case this withdrawal date is likely to be pushed back to a new date. If, however, the UK faces a general election in the next 12 months, this could result in a potential loosening of monetary and fiscal policy and therefore medium to longer dated gilt yields could rise on the expectation of a weak pound and concerns around inflation picking up.

USA. President Trump's massive easing of fiscal policy is fuelling a (temporary) boost in consumption which has generated an upturn in the rate of strong growth which rose from 2.2% (annualised rate) in quarter 1 to 4.2% in quarter 2 and 3.5%, (3.0% y/y), in quarter 3, but also an upturn in inflationary pressures. The strong growth in employment numbers and the reduction in the unemployment rate to 3.9%, near to a recent 49 year low, has fed through to an upturn in wage inflation which hit 3.2% in November. However, CPI inflation overall fell to 2.2% in **November and looks to be on a falling trend to drop below the Fed's target of 2%** during 2019. The Fed has continued on its series of increases in interest rates with another 0.25% increase in December to between 2.25% and 2.50%, this being the fifth increase in 2018 and the ninth in this cycle. However, they did also reduce their forecast for further increases from three to two. This latest increase compounded investor fears that the Fed is over doing the speed and level of increases in rates and that it is going to cause a US recession as a result. There is also much evidence in previous **monetary policy cycles of the Fed's series of increases** doing exactly that. Consequently, we have seen stock markets around **the world falling under the weight of fears around the Fed's actions, the trade war** between the US and China and an expectation that world growth will slow.

The tariff war between the US and China has been generating a lot of heat during 2018, but it is not expected that the current level of actual action would have much in the way of a significant effect on US or world growth. However, there is a risk of escalation if an agreement is not reached soon between the US and China.

Eurozone. Growth was 0.4% in quarters 1 and 2 but fell back to 0.2% in quarter 3, though this was probably just a temporary dip. In particular, data from Germany has been mixed and it could be negatively impacted by US tariffs on a significant part of its manufacturing exports e.g. cars. For that reason, although growth is still expected to be in the region of nearly 2% for 2018, the horizon is less clear than it seemed just a short while ago. Having halved its quantitative **easing purchases of debt in October 2018 to €15bn per month, the European Central Bank ended all further purchases in December 2018.** The ECB is forecasting inflation to be a little below its 2% top limit through the next three years so it may find it difficult to warrant a start on raising rates by the end of 2019 if the growth rate of the EU economy is on a weakening trend.

China. Economic growth has been weakening over successive years, despite repeated rounds of central bank stimulus; medium term risks are increasing. Major progress still needs to be made to eliminate excess industrial capacity and the stock of unsold property, and to address the level of non-performing loans in the banking and credit systems. Progress has been made in reducing the rate of credit creation, particularly from the shadow banking sector, which is feeding through into lower economic growth. There are concerns that official economic statistics are inflating the published rate of growth.

Japan - has been struggling to stimulate consistent significant GDP growth and to get inflation up to its target of 2%, despite huge monetary and fiscal stimulus. It is also making little progress on fundamental reform of the economy. It is likely that loose monetary policy will endure for some years yet to try to stimulate growth and modest inflation.

Emerging countries. Argentina and Turkey are currently experiencing major headwinds and are facing challenges in external financing requirements well in excess of their reserves of foreign exchange. However, these countries are small in terms of the overall world economy, (around 1% each), so the fallout from the expected recessions in these countries will be minimal.

INTEREST RATE FORECASTS

The interest rate forecasts provided by Link Asset Services in paragraph 3.2 are **predicated on an assumption of an agreement being reached on Brexit between the UK and the EU.** On this basis, while GDP growth is likely to be subdued in 2019 due to all the uncertainties around Brexit depressing consumer and business confidence, an agreement is likely to lead to a boost to the rate of growth in 2020 which could, in turn, increase inflationary pressures in the economy and so cause the Bank of England to resume a series of gentle increases in Bank Rate. Just how fast, and how far, those increases will occur and rise to, will be data dependent. The forecasts in this report assume a modest recovery in the rate and timing of stronger growth and in the corresponding response by the Bank in raising rates.

- In the event of an **orderly non-agreement exit**, it is likely that the Bank of England would take action to cut Bank Rate from 0.75% in order to help

economic growth deal with the adverse effects of this situation. This is also likely to cause short to medium term gilt yields to fall.

- If there was a **disorderly Brexit**, then any cut in Bank Rate would be likely to last for a longer period and also depress short and medium gilt yields correspondingly. It is also possible that the government could act to protect economic growth by implementing fiscal stimulus.

However, there would appear to be a majority consensus in the Commons against any form of non-agreement exit so the chance of this occurring has now substantially diminished.

The balance of risks to the UK

- The overall balance of risks to economic growth in the UK is probably neutral.
- The balance of risks to increases in Bank Rate and shorter term PWLB rates, are probably also even and are broadly dependent on how strong GDP growth turns out, how slowly inflation pressures subside, and how quickly the Brexit negotiations move forward positively.

One risk that is both an upside and downside risk, is that all central banks are now working in very different economic conditions than before the 2008 financial crash as there has been a major increase in consumer and other debt due to the exceptionally low levels of borrowing rates that have prevailed for ten years since 2008. This means that the neutral rate of interest in an economy, (i.e. the rate that is neither expansionary nor deflationary), is difficult to determine definitively in this new environment, although central banks have made statements that they expect it to be much lower than before 2008. Central banks could therefore either over or under do increases in central interest rates.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- **Brexit** – if it were to cause significant economic disruption and a major downturn in the rate of growth.
- **Bank of England monetary policy** takes action too quickly, or too far, over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.
- A resurgence of the **eurozone sovereign debt crisis**, possibly in **Italy**, due to its high level of government debt, low rate of economic growth and vulnerable banking system, and due to the election in March of a government which has made a lot of anti-austerity noise. The EU rejected the initial proposed Italian budget and demanded cuts in government spending which the Italian government initially refused. However, a fudge was subsequently agreed, but only by *delaying* the planned increases in expenditure to a later year. This can have therefore only been kicked down the road to a later time. The rating agencies have started on downgrading Italian debt to one notch above junk level. If Italian debt were to fall below investment grade, many investors would be unable to hold it. Unsurprisingly, investors are becoming increasingly concerned by the words and actions of the Italian government and consequently, Italian bond yields have risen – at a time when the

government faces having to refinance large amounts of debt maturing in 2019.

- Weak capitalisation of some **European banks**. Italian banks are particularly vulnerable; one factor is that they hold a high level of Italian government debt - debt which is falling in value. This is therefore undermining their capital ratios and raises the question of whether they will need to raise fresh capital to plug the gap.
- **German minority government.** In the German general election of **September 2017, Angela Merkel's CDU party was left** in a vulnerable minority position dependent on the fractious support of the SPD party, as a result of the rise in popularity of the anti-immigration AfD party. Then in October 2018, the results of the Bavarian and Hesse state elections radically undermined the SPD party and showed a sharp fall in support for the CDU. As a result, the SPD is reviewing whether it can continue to support a coalition that is so damaging to its electoral popularity. After the result of the Hesse state election, Angela Merkel announced that she would not stand for re-election as **CDU party leader at her party's convention in December 2018**, (a new party leader has now been elected). However, this makes little practical difference as she is still expected to aim to continue for now as the Chancellor. However, there are five more state elections coming up in 2019 and EU parliamentary elections in May/June; these could result in a further loss of electoral support for both the CDU and SPD which could also undermine her leadership.
- **Other minority eurozone governments.** Spain, Portugal, Ireland, the Netherlands and Belgium all have vulnerable minority governments dependent on coalitions which could prove fragile. Sweden is also struggling to form a government due to the anti-immigration party holding the balance of power, and which no other party is willing to form a coalition with. The Belgian coalition collapsed in December 2018 but a minority caretaker government has been appointed until the May EU wide general elections.
- **Austria, the Czech Republic and Hungary** now form a strongly anti-immigration bloc within the EU while **Italy**, in 2018, also elected a strongly anti-immigration government. Elections to the EU parliament are due in May/June 2019.
- Further increases in interest rates in the US could spark a **sudden flight of investment funds** from more risky assets e.g. shares, into bonds yielding a much improved yield. Throughout the last quarter of 2018, we saw sharp falls in equity markets interspersed with occasional partial rallies. Emerging countries which have borrowed heavily in dollar denominated debt, could be particularly exposed to this risk of an investor flight to safe havens e.g. UK gilts.
- There are concerns around the level of **US corporate debt** which has swollen massively during the period of low borrowing rates in order to finance mergers and acquisitions. This has resulted in the debt of many large corporations being downgraded to a BBB credit rating, close to junk status. Indeed, 48% of total investment grade corporate debt is now rated at BBB. If such corporations fail to generate profits and cash flow to reduce their debt levels as expected, this could tip their debt into junk ratings which will

increase their cost of financing and further negatively impact profits and cash flow.

- **Geopolitical risks**, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.

Upside risks to current forecasts for UK gilt yields and PWLB rates

- **Brexit** – if both sides were to agree by 29 March a compromise that quickly removed all threats of economic and political disruption and so led to an early boost to UK economic growth.
- **The Fed causing a sudden shock in financial markets** through misjudging the pace and strength of increases in its Fed Funds Rate and in the pace and strength of reversal of QE, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, which could then spill over into impacting bond yields around the world.
- The **Bank of England is too slow** in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- **UK inflation**, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

Council Tax Referendum

Operational Issues

Budget Report – Executive February 2020

The main recommendation in the report is for setting an excessive level of Council Tax.

The report includes details of how the anticipated extra income will be allocated. This will be on Climate Emergency **initiatives that are above of the Council's core** recurring Budget.

The report covers how the cost of the referendum will be paid for. Assuming the vote is in favour of the increase, it will be possible for this to be funded from the additional council tax income from the excessive increase.

The report addresses the issues if the vote is not in favour of the increase. It would be imprudent not to include these details in the report, and should be **included as a potential risk which could have a major impact on the Council's** finances.

Costs

Financially, the costs to the Council will include: -

The cost of the referendum (estimated £300k).

The cost of re-billing (estimated £200k). These costs will need to include the costs of: -

- Software changes
- Printing and postage of bills
- Additional staff costs to answer telephones, billing, recovery etc.
- Staff overtime

Impact upon Service

The Council Tax service may be impacted for months. Whilst the Council may be able to set substitute council tax relatively quickly, it could be some months before new bills can be sent out.

The main delay and cost is likely to be the software provider writing the software. In the days of Council **Tax Capping (1990's and early 2000's)** when several authorities were impacted each year, it is understood bills were often not issued until the Autumn.

With the delay in new bills being sent, this is likely to impact the service in several ways. Whilst these will undoubtedly have a cost to the Council, this will be more of an opportunity cost which it is not possible to easily quantify: -

- Increased correspondence and telephone contacts from council tax payers. Council tax has been subject to significant processing delays in recent years. In recent months there have been significant improvements. However, this has taken substantial effort by the whole team. If the correspondence levels do increase, it may be many years before processing times return to an acceptable level. Additional staff are likely to be sought to help manage this.
- Complexities in calculating the raising bills for those having a change in circumstance over this period.
- In addition to Council Tax, the impact on Council Tax Reduction (council tax benefit), and the calculations of awards will need to be updated. This would also result in more contact from our CTR recipients, who are often the more vulnerable.
- Potential delays to recovery processes will in due course result in increased arrears. This in turn will increase the eventual level of write-offs. Again, there are likely to be additional costs here.

Numbers going to bailiffs and the impact on the most vulnerable

Over the last 3 financial years c.2,000 Council Tax cases have been passed to **the Council's** Enforcements Agents; with an excessive increase to the Council Tax this could place further hardship on a number of customers and increase this figure. If the vote in the referendum was unsuccessful, this could cause a huge delay on recovery and prevent legal action from being taken until much later in the financial year, this could result in cases not being passed to the Enforcement Agents until the following financial year, when customers are then also having to pay their current liability. On the most vulnerable customers, the impact of this would be hugely negative.

Impact of phone service demand on the rest of the organisation's customers

During normal main billing time (March & April) Revenues & Benefits already receive the highest number of calls, and have the largest percentage of unanswered calls (15-21%). Should the vote be unsuccessful, it is expected that this level would continue for the period until new revised bills could be issued. As highlighted previously, if this took until the Autumn, this could mean 6-7 months of increased calls and high percentages of unanswered calls, resulting in a very poor customer experience. During these busy periods, customers who have been unable to get through on the Council Tax or Benefits line have resorted to using other departments contact numbers within the Council, who then have their lines tied up with calls they cannot transfer due to phone lines being constantly full.

The 85% cap means that the most vulnerable will have to use their living cost income to meet the extra council tax

Benefit rates have been frozen now since 2016 in addition to various caps placed on the total benefits that can be received, but during that time Council Tax has continued to increase annually placing an added burden to these customers. Those on maximum Council Tax Reduction will be due to pay 15%

of any increase in Council Tax (with pensioners still eligible for up to 100% reduction). The DWP have announced that there will be a 1.7% increase to benefits from April 2020, however the outcome of the impending general election could have an effect on this. A single person over 25 on JSA would currently receive £73.10 a week and on an average Band D would pay £278.36 (15%) Council Tax. In 2020 JSA could increase to £74.35, however with the proposed excessive Council Tax increase, their Council Tax liability would increase to £296.32 (15%) (subject to final council tax increases by all preceptors giving a weekly increase of 34p, this equates to a third of their potential benefit increase solely on Council Tax.

Cost of likely additional temporary staff needed to meet extra demand

An untrained temporary member of staff would cost around £500+vat per week to employ. An experienced and pre-trained member of temporary staff would command nearer £900+vat a week. Based on the assumed increases in workload it could be very conservatively anticipated that at least 2 extra staff for dealing with phone calls (this would allow us to increase the number of lines coming in to the department) and at least 3 extra staff for the back office Revenues Team to deal with all correspondence and the associated recovery issues would be required. At these rates, additional staff for 6 months would cost in the range £65k-£117k.

Potential health and well-being impact on staff dealing with queries should the vote be lost

As Council Tax is a very emotive subject, the reaction to the proposed increase, the referendum and the outcome of the referendum would be huge. Complaints and opinions from tax payers would be constant and this will have a negative effect on staff. Morale and motivation would be greatly challenged when faced with this level of increase in negative contacts, potentially this would lead to higher sickness levels. During busiest times, currently reduced numbers of staff are allowed to be on Annual Leave, however it would be unfair to impose this for a longer period, yet in order to meet the increased work volumes, this would be a consideration that would have to be made, again causing a negative impact on the staff in the department.

Having a large backlog in correspondence in recent years has been very demoralising for staff; the team have been pleased to see the more recent improvements that they have achieved. The expected increase in correspondence and potential backlog in correspondence will have a negative impact on staff.

Warwick District Council**Council Tax 2020/21****Substitute Calculations****1. Summary**

By opting for an increase in Council tax of £52.00 per annum per band D property the Council will breach the principles of excessiveness as defined by the Secretary of State. This means that the Council, in proposing an excessive increase in council tax **must hold a local referendum and obtain a "yes" vote** before being able to maintain the increase. An authority proposing to set an excessive council tax level is also required to make substitute calculations which will take effect if the proposed amount of Council tax is rejected in a referendum, this is presented in this report.

Members are required to agree the substitute level of council tax and other changes to the recommendations in the main Budget report which will take effect if the proposed amount of council tax in the main report is rejected.

2. Recommendations

The Executive recommend to Council to approve the following recommendations to apply in place of the original specific recommendations (as referenced as applicable) within the Budget report to apply if the proposed amount of council tax is rejected in a referendum: -

- 2.1 The proposed Budget for 2020/21 with Net Expenditure of £17,300,716 taking into account the changes detailed in section 3.3, with a deficit of £1,600,100 prior to use of reserve, as summarised in Appendix B. (Replaces recommendation 2.4)
- 2.2 Subject to approval of the above Budget for 2020/21, the Council Tax charges for Warwick District Council for 2020/21 before the addition of Parish/Town Councils, Warwickshire County Council and Warwickshire Police and Crime Commissioner precepts, for each band is agreed by Council as follows (3.6.7) (replaces recommendation 2.5): -

	£
Band A	114.57
Band B	133.67
Band C	152.76

Band D	171.86
Band E	210.05
Band F	248.24
Band G	286.43
Band H	343.72

- 2.3 Approve the 2020/21 New Homes Bonus of £3,726,100 is allocated as follows, (replaces recommendation 2.12): -

New Homes Bonus – 2020/21 Allocation	£
Waterloo Housing Association	125,800
Commonwealth Games Reserve	150,000
Sea Scout's Headquarters	350,000
Masters House	250,000
Climate Change Programme Director - 3 yr post	105,000
Public Amenity Reserve	140,000
Leisure Options Reserve - Kenilworth Leisure interim development costs	370,000
Financial Management System	600,000
H&CP System	300,000
General Fund Early Retirements Reserve	15,000
Food waste collection implementation and setup	533,000
Council Tax Referendum	500,000
Project Legal Costs	98,000
Service Transformation Reserve	189,300
Total Allocated	3,726,100

- 2.4 Agree changes to other appendices within the main Budget Report are made to reflect the changes to the Budget proposed within this report.

3. Reasons for Recommendations

- 3.1 The Council's net General Fund budget for 2020/21 for service provision, excluding any allocation to the Climate Change Reserve is £17,300,716, as shown within Appendix B. This is the sum to be financed from retained business rates, Government Grant and Council Tax. Within this budget, no allocation is being made to the Climate Change Reserve.
- 3.2 Subject to approval of the above Budget 2020/21, the Council Tax charges for Warwick District Council for 2020/21 before the addition of Parish/Town Councils, Warwickshire County Council and Warwickshire Police and Crime Commissioner precepts, for each band is agreed by Council as follows (3.6.7) (replaces recommendation 2.5): -

	£
Band A	114.57
Band B	133.67
Band C	152.76
Band D	171.86
Band E	210.05
Band F	248.24
Band G	286.43
Band H	343.72

- 3.3 The Council's New Homes Bonus for 2020/21 is proposed to be allocated as follows: -

New Homes Bonus – 2020/21 Allocation	£
Waterloo Housing Association	125,800
Commonwealth Games Reserve	150,000
Sea Scout's Headquarters	350,000
Masters House	250,000
Climate Change Programme Director - 3 yr post	105,000
Public Amenity Reserve	140,000

Leisure Options Reserve - Kenilworth Leisure interim development costs	370,000
Financial Management System	600,000
H&CP System	300,000
General Fund Early Retirements Reserve	15,000
Food waste collection implementation and setup	533,000
Council Tax Referendum	500,000
Project Legal Costs	98,000
Service Transformation Reserve	189,300
Total Allocated	3,726,100

3.4 The changes to the New Homes Bonus allocations in this report to the Budget report are as follows: -

- Climate Change Director (£105,000). It is proposed to fund the first year of this post from 2020/21 NHB, and the two subsequent years from NHB for 2021/22 and 2022/23.
- Masters House. £250,000 funded from 2020/21 New Homes Bonus and the remaining £250,000 from 2021/22 NHB.
- Leisure Options Reserve – Kenilworth Leisure Centre. £370,000 funded from 2020/21 New Homes Bonus and the remaining £370,000 from 2021/22 NHB.
- Referendum (£500,000) – the cost of holding the Council Tax referendum and subsequent impact on re-billing for Council Tax are proposed to be funded from NHB.
- Allocation to Service Transformation Reserve (£189,300).

3 It will be noted that it is proposed to commit some future New Homes Bonus for 2021/22 and 2022/23. As discussed within the Budget report (paragraph 3.7.3), based on the Government proposals for NHB, the Council **will expect to receive "legacy"** NHB payments for both of these years. The amounts expected and proposed allocations are shown below: -

	2021/22	2022/23
	£000	£000
Total Proposed Allocation	2,226	1,278
Future commitments		
CommonWealth Games	150	150
Waterloo	88	45
Masters House	250	
Climate Change Programme Director - 3 year post	105	105
Kenilworth Rugby Club - replenish prior year funded from	300	
Kenilworth Leisure - interim costs during development	370	
Total commitments	1,263	300
Balance	963	978

As referred to in the Budget report, there is a possibility that these NHB legacy payments are not agreed as part of future Local Government Financial Settlements, in which case the Council will need to seek alternative sources of funding or to seek to cease these allocations.

- 3.5 The changes to the Budget, level of Council Tax and use of New Homes Bonus, will impact on many of the appendices included with the main Budget Report. In addition to Appendix 2 (General Fund Budget Summary, included with this report), these will include changes in respect the Medium Term Financial Strategy (Appendix 3), Reserves (Appendix 5), Capital (Appendices 8 and 9).

WARWICK DISTRICT COUNCIL

GENERAL FUND SUMMARY

	NET EXPENDITURE			
	Actual 2018/19 £	Original Budget 2019/20 £	Latest Budget 2019/20 £	Original Budget 2020/21 £
Portfolio Service Expenditure:				
Business (Development Services)	2,782,442	1,820,000	11,998,400	1,883,700
Cultural Services	10,107,599	5,012,300	4,459,100	3,908,400
Development Services	317,983	126,500	648,200	327,900
Finance	2,233,530	2,911,600	2,748,800	2,988,400
Health & Community Protection	3,062,768	3,388,900	4,101,300	2,738,700
Housing Services - General Fund	1,390,564	1,519,600	1,846,200	1,940,100
Neighbourhood Services	6,201,987	6,252,400	6,615,800	6,656,600
Strategic Leadership	2,430,133	3,067,600	4,508,300	4,076,200
NET COST OF GENERAL FUND SERVICES	28,527,006	24,098,900	36,926,100	24,520,000
Replacement of Notional with Actual Cost of Capital				
- Deduct Notional Capital Financing Charges in Estimates	(3,328,021)	(8,271,500)	(17,488,400)	(6,521,200)
- Add Cost of Loan Repayments, Revenue Contributions and Interest Paid	108,726	603,800	361,500	466,800
Revenue Contributions to Capital	525,755	2,266,000	1,615,700	1,807,700
Contributions to / (from) Reserves	4,655,989	1,702,500	1,347,283	13,316
Net External Investment Interest Received	(583,032)	(472,300)	(669,800)	(508,100)
IAS19 Adjustments	(1,545,889)	(1,667,400)	(2,308,400)	(2,477,800)
Accumulated Absences Account	(17,781)	-	-	-
Contributions to / (from) General Fund Balance	(704,570)	(201,393)	6,624	-
Surplus / (Savings Required)	-	-	-	-
NET EXPENDITURE FOR DISTRICT PURPOSES	27,638,183	18,058,607	19,790,607	17,300,716
Less: Revenue Support Grant	(306,736)	-	-	-
Less Business Rates	(7,780,771)	(5,268,000)	(7,000,000)	(4,161,000)
Less: General Grants	(2,515,798)	(3,374,000)	(3,374,000)	(3,726,100)
Collection Fund (Surplus) / Deficit	-	(143,000)	(143,000)	185,000
EXPENDITURE BORNE BY COUNCIL TAX - WARWICK DISTRICT COUNCIL	17,034,878	9,273,607	9,273,607	9,598,616
Aggregate Parish Council Expenditure	1,412,612	1,522,679	1,522,679	To Follow
COMBINED DISTRICT AND PARISH EXPENDITURE BORNE BY COUNCIL TAX	18,447,490	10,796,286	10,796,286	9,598,616
Warwickshire County Council Expenditure	72,805,334	79,575,948	79,575,948	To Follow
Warwickshire Police and Crime Commissioner	10,890,249	12,670,470	12,670,470	To Follow
TOTAL EXPENDITURE BORNE BY COUNCIL TAX	102,143,073	103,042,704	103,042,704	9,598,616
BAND D EQUIVALENT COUNCIL TAX:				
Warwick District Council	319.07	166.86	166.86	171.86
Parish and Town Councils (Average)	26.46	27.40	27.40	To Follow
DISTRICT & PARISH BAND D EQUIVALENT COUNCIL TAX	345.53	194.26	194.26	171.86
Warwickshire County Council	1,363.68	1,431.81	1,431.81	To Follow
Warwickshire Police Authority	203.98	227.98	227.98	To Follow
TOTAL BAND D EQUIVALENT COUNCIL TAX	1,913.19	1,854.05	1,854.05	171.86
Council Tax Base (Band D Equivalents)	53,388.87	55,577.17	55,577.17	55,851.37

ANDREW DAY
Leader of the Executive

MIKE SNOW
Responsible Financial Officer



Title	Housing Revenue Account (HRA) Budget 2020/21 and Housing Rents
For further information about this report please contact	<p>Lisa Barker Tel: 01926 456403 Lisa.barker@warwickdc.gov.uk</p> <p>Victoria Bamber Tel: 01926 456804 Victoria.bamber@warwickdc.gov.uk</p>
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	<p>Executive 9th January 2019 Item 4: Housing Revenue Account base budgets 2019/20</p> <p>Executive 7 February 2018: Housing Revenue Account (HRA) Budget 2018/19 and Housing Rents</p>
Background Papers	As above

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 1,107)
Equality Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Bill Hunt
Heads of Service		Lisa Barker (Head of Housing) & Mike Snow (Finance)
CMT		
Section 151 Officer		Mike Snow
Monitoring Officer		Andrew Jones
Finance		Andrew Rollins
Portfolio Holder		Councillor Matecki
Consultation & Community Engagement		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 This report presents to Members the latest Housing Revenue Account (HRA) budgets in respect of 2019/20 and 2020/21.
- 1.2 The information contained within this report makes the recommendations to **Council in respect of setting next year's budgets**, the proposed changes to council tenant housing rents, garage rents and other charges for 2020/21.

2. Recommendations

The Executive is asked to recommend to Council:

- 2.1 That rents for all tenanted dwellings (excluding shared ownership) be increased by CPI +1% for 2020/21.
- 2.2 That HRA dwelling rents for all new tenancies created in 2020/21 are set at either Target Social (Formula) Rent for Social rent properties, or at Warwick Affordable rent for Affordable rents properties.
- 2.3 That members note that shared ownership rents are increased by RPI plus 0.5% in line with the lease agreement
- 2.4 That garage rents for 2019/20 are increased by 10% per year for 5 years from 2020/21.
- 2.5 That the latest 2019/20 and 2020/21 Housing Revenue Account (HRA) budgets are agreed (Appendix 3).
- 2.6 That the latest sheltered housing Heating, Water and Lighting full recovery recharges for 2020/21 are noted (Appendix 4)
- 2.7 That the MCHLG Rough Sleeping Initiative Grant Bid budgets are agreed (Appendix 5)

3. Reasons for the Recommendations

3.1 National Housing Rent Policy

- 3.1.1 In July 2015 the Government announced that with effect from April 2016, the rents charged for existing tenants by local authority housing landlords should be reduced by 1% per year, for four years. 2019/20 was the final year of this reduction.
- 3.1.2 The 1% rent reduction per annum also applied to supported housing, with 2019/20 being the final year of this reduction.
- 3.1.3 From April 2020, a new policy will come into effect, with Councils allowed to increase rents by CPI (1.7% at September) + 1% per annum.
- 3.1.4 For new tenancies, landlords are permitted to set the base rent as the Target Social Rent (also known as Formula Rent). In the Councils case this represents a small increase over the social rent charged for tenanted properties and is

projected to increase rental income by around £6,000 in 2020/21. These tenancies will then be subject to agreed rental policy to comply with the Welfare Reform and Work Bill 2016.

- 3.1.5 Approval of the Councils request to charge affordable rents from Homes England in relation to properties at Sayer Court Leamington, and Bremridge Close, Barford, enables the Council to charge Warwick Affordable Rent Levels. New tenancies established in these properties during 2020/21 would be charged at the full Warwick Affordable Rent Value.
- 3.1.6 Rents on new affordable housing schemes within the HRA will have rents charged in line with the planning permission and grant approvals from Homes England.
- 3.1.7 Details of current rents and those proposed as a result of these recommendations are set out in Appendix 1. **A comparison of the Council's** social rents with affordable and market rents is set out in Appendix 2.
- 3.1.8 The recommendations ensure that the Council is operating in compliance with national policy and guidance on the setting of rents for General Needs and Supported Housing properties.

3.2 **Shared Ownership**

- 3.2.1 During 2019/20, the Council took ownership of 4 shared ownership properties at Bremridge Close Barford, Prior to these 15 shared ownership dwellings were purchased in 2015 at Great Field Drive in Southwest Warwick.
- 3.2.2 Shared owners are required to pay rent on the proportion of their home which they do not own.
- 3.2.3 **The shared ownership properties' rent increases are not governed by national Policy.**
- 3.2.4 The Council adopted the Homes and Communities Agency (HCA) template lease agreement which includes a schedule on rent review. Schedule 4 of the lease agreement determines that the rent will be increased by RPI (2.2% at November 2019) + 0.5% from April 2020.

3.3 **Garage Rents**

- 3.3.1 Garage rent increases are not governed by national guidance. Any increase that reflects costs of the service, demand, market conditions and the potential for income generation can be considered. The HRA Business Plan base assumption is that garage rents will increase by 10% for a 5-year period from 2020/21 and then in line with inflation. However, the Council does not have in place a formal policy for the setting of rents for garages.
- 3.3.2 There are waiting lists for a number of garage sites, whilst other sites have far lower demand; where appropriate these sites are being considered for future redevelopment as part of the overall garage strategy for the future.

- 3.3.3 Two different rent charges apply to garages depending upon whether the renter is an existing WDC tenant or not. There are also parking spaces and cycle sheds which are charged for.
- 3.3.4 Market Research shows that in the private sector, garages are being marketed in the district with rents ranging from £40-£85 per month (local market valuations last reviewed January 2020). The average monthly rent for a Council garage is currently £42.47.
- 3.3.5 Consideration has been made of the level of increase that could be applied to the garages. Unlike housing rents in recent years, there had been no requirement to reduce garage rents, in 2019/20 members approved a £4 rise in garage rents. From 2020/21 it is proposed to adopt an increase of 10% per year over a 5-year period being recommended across all chargeable areas.
- 3.3.6 The location of many of our garage sites and quality of the land, landscape and garage condition constrain the levels of rent that can reasonably be achieved. It is considered that many sites require investment to improve their condition, provide greater community benefits, extend the life or accommodate the development of additional affordable housing. The Housing Service has completed a review of garage sites to determine their optimum potential as an asset of the HRA. Most sites will simply require some form of fairly modest improvement such as to roofs or to the hardstanding. Others may require more significant work or may benefit from a more strategic redesign and realignment with contemporary expectations. In addition, the garages and external areas at key high rise sites are in need of some redesign and modernisation. The proposal is to undertake a detailed redesign of the external environments at the high rise blocks and to detail the requirements for improving sites as they are discounted for their potential for new development.
- 3.3.7 Any additional income generated from Garage Rents for the service will help to alleviate the loss of rental income from dwellings and ensure the continuous viability of the Housing Revenue Account Business Plan.
- 3.3.8 Should members approve the recommendation, projected income for 2020/21 will increase by a net £67,040 compared to 2019/20.
- 3.3.9 Alongside the rent increase, a review of garage voids has indicated that on average 15% of the total garage stock is void throughout the year, worth approximately £130,000 in potential income. Work to review each site to potentially reduce the level of voids and possibly attract additional income is in progress.
- 3.3.10 Garage rents will increase by 10% per year from April 2020. Tenants weekly charge will increase by £0.89 per week from £8.91 to £9.80. Non-tenants also pay VAT on the charge, so it will increase by £1.07 per week, from £10.69 to £11.76.

3.4 **Housing Revenue Account (HRA) budgets**

- 3.4.1 The Council is required to set a budget for the HRA each year, approving the level of rents and other charges that are levied. The Executive makes recommendations to Council that take into account the base budgets for the HRA and current Government guidance on national rent policy.

- 3.4.2 The dwelling rents have been adjusted to take account of the loss of rent resulting from actual and anticipated changes in property numbers for 2019/20 and 2020/21. This includes additional rental income from 6 new build properties already Purchased at Bremridge Close and a further 19 which are due to be purchased and subsequently let to tenants, and changes based on the number of Right-To-Buy sales in 2019/20, and those forecast for 2020/21.
- 3.4.3 The total increased income generated from inflating rents in line with Government Rent Setting Policy in 2020/21 is estimated to be £742,000. This increase is attributed to the different elements of the HRA Housing Stock and Garages as follows:
- General Social Housing Stock rents will increase by CPI (1.7% at September) + 1% per annum for a 5-year period from 2020/21, this change to rent policy generates an increase of £658,715
 - Affordable Housing Stock rents will also increase by CPI (1.7% at September) + 1% per annum which equates to an increase of £14,400 in 2020/21
 - Shared ownership property rents will increase by RPI + 0.5% in accordance with the terms of the lease. As at November 2019, RPI was 2.2% +0.5% totalling a 2.7% increase, therefore the income budget has been increased by £2,038
 - The garages rental income budget has been increased by £67,040 to take into account the 10% per annum increase in charges for 20120/21 and current level of voids
- 3.4.4 Full details of the Housing Revenue Account Budget will be included within the Budget Book; a summary is provided in appendix 3.
- 3.4.5 The Housing Employee Restructure approved at 20th December Employment Committee resulted in a funding requirement approved by Executive on an assessment of the maximum cost of the new structure calculated on every member of the team being paid at the highest possible point of their agreed pay scale. This total maximum cost of £530,215 represents an increased to the Housing Revenue Account of £542,769 and a saving to the General Fund of £12,554. This increase has been included in the HRA employee budgets in Appendix 3, the team structure will be reviewed mid-year 2020/21 to assess an accurate budgetary position of the restructure employee costs once all posts have been appointed to.
- 3.4.6 The Council has submitted a grant bid for MHCLG's **Rough Sleep Initiative Grant** to fund 6 Rough Sleeping Interventions as a national measure to reduce the number of Rough Sleepers in Warwickshire during the 12-month period of 2020/21. The Interventions are listed on Appendix 5 and are expected to commence in April 2020. The final Grant Allocations are expected to be announced by MHCLG late in January 2020 with budgets replicating the Grant Claim being included in Appendix 3. The budgets are mixed between the General Fund and Housing Revenue Account due to the nature of the schemes with any shortfall in Grant Award being met from the 2020/21 MHCLG Flexible Homelessness Support Grant award. The Total Intervention costs are estimated

at £678,275 with £660,028 being funded via the Grant Bid and the remaining £18,247 being funded using the existing 2020/21 MHCLG Flexible Homelessness Support Grant award. A further Bid has been made to Warwickshire County Council to support the Homeless Interventions of £100,000, at the time of writing this report the outcome of this bid is unknown. If the bid is successful, then this would negate the need to use the MHCLG Flexible Homelessness Support Grant award and budgets would be reduced accordingly.

- 3.4.7 The Housing Investment Programme is presented as part of the separate February 2019 report '**General Fund 2020/21 Budget and Council Tax**'.
- 3.4.8 The recommendations will enable the proposed latest Housing Investment Programme to be carried out and contribute available resources to the HRA Capital Investment Reserve for future development whilst maintaining a minimum working balance on the HRA of at least £1.5m in line with Council policy.

4. Policy Framework

- 4.1 The Housing Revenue Account (HRA) budget is a financial expression of the **Council's housing policies, having regard** to the available resources and rent setting consequences. This report is in **accordance with the Council's Financial Strategy**.

4.2 Fit for the Future

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects. This report shows the **way forward for implementing a significant part of one of the Council's Key projects**.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities. Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces. All communities have access to decent open space. Improved air quality. Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy. Increased employment and income levels. Vibrant town centres. Improved performance / productivity of local economy.
Impacts of Proposal		
Ensure housing standards and services are suitable	Ensure HRA budgets are sufficient to maintain	Ensure rents are set in accordance with national

for tenants, leaseholders and shared owners, meeting their needs and contributing to their health and well-being.	HRA owned open spaces and the neighbourhoods around Council owned homes.	policy at lower than market rents rates to enable the cost of living for tenants to be reduced, allowing more money to be spent in the wider economy.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools. All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours.	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes. Increase the digital provision of services.	<u>Intended outcomes:</u> Better return/use of our assets. Full Cost accounting Continued cost management. Maximise income earning opportunities. Seek best value for money.
Impacts of Proposal		
The HRA budgets provide the necessary resources to achieve these outcomes	Enable tenants' needs to be met, and support improvement of services relating to Council Housing Stock.	Rent charges proposed ensure that debt can be serviced alongside the strategy outlined in the HRA Business Plan.

A key element of Fit for the Future is ensuring that the Council achieves the required savings to enable it to set a balanced budget whilst maintaining service provision. The HRA is subject to the same regime to ensure efficiency within the service.

4.3 **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies. Improving **housing standards in residents' homes directly and positively contributes to the** Housing and Health-and-Wellbeing desired outcomes. It also contributes to the Housing and Homelessness Strategy objective of improving the management and maintenance of existing housing.

4.4 **Changes to Existing Policies**

The budgets proposed are in accordance with existing policies. The report does not propose any changes to the policies regarding rent setting.

4.5 **Rents Policy**

4.5.1 This report recommends following the latest Central Government rent guidance. This is also the rent policy assumed in the current HRA Business Plan.

4.5.2 As agreed in June 2014, void homes are re-let at Target Social Rent, in line with the latest Central Government rent guidance.

5. Budgetary Framework

- 5.1 The HRA is a key component of the Council's budget framework and the budgets proposed are in accordance with the long term HRA Business Plan.
- 5.2 The CPI + 1% rent increase for tenanted properties is budgeted for within the latest HRA Business Plan pending approval in February 2020.
- 5.3 The recommended budgets maintain the minimum working balance on the HRA expected under current Council policy, increasing by inflation each year.
- 5.4 The HRA Business Plan will continue to be reviewed throughout 2020/21 to take account of any subsequent changes to national policy or adjustments needed to reflect changes to existing spending priorities.

6. Risks

- 6.1 The risks, and appropriate control mechanisms, for the 2019/20 HRA Budget and the rent increase process are considered below.
- 6.2 When setting the HRA budget for 2019/20, a sensitivity analysis of assumptions relating to these risks and their potential impact on the budget is as follows: -
 - 0.5% change in void housing rent loss = £125,000 increase or decrease to rental income.
 - Currently only the element of anticipated capital receipts from Right to Buy (RTB) sales specifically reserved for provision of affordable housing has been included for HRA use in future years. It is assumed that the remainder of receipts, known as RTB Any Purpose receipts, will continue to be used to fund other capital projects. Each sale currently generates an **average 'usable capital receipt' for the Council of around £82,900** (of which £32,300 is RTB Any Purpose, and £46,600 RTB 1-4-1 receipts). This is calculated after a share is paid to the Treasury under capital receipt 'pooling' regulations, and transaction costs are deducted.
 - On average the loss of rental income due to RTB sales is £4,700 per property for a full year; so in the year of sale the initial losses will be approximately half of this, £2,350, for each home sold, assuming RTB sales are spread fairly evenly throughout the year.
 - In some circumstances, ex-RTB properties must be offered to the Council in advance of the property being advertised on the market. A modest number of properties are repurchased each year, mitigating the rental loss. Furthermore, the Council has agreed proposals to build new council housing replacing those sold through the RTB.
 - The implementation of Universal Credit as a replacement to Housing Benefit has raised an issue whereby every 5-6 years 53 Mondays fall in a financial year, such a year occurred in 2019/20 with the next occurrence being circa 2024/25. This presents an issue as 53 rent debits are raised, rather than the usual 52, which causes issues with tenants in receipt of Universal Credit, which cannot account for a 53-week year effectively leaving the tenant short over the year by 1 weeks rent. This could have impacted up to

780 claimants, with an estimated maximum loss of £70,200 potential income to the HRA during a 53-week year although this loss would not be immediately apparent due to the Councils tenant arrears policy and Universal Credit has not been fully implemented with a large number of tenants still receiving Housing Benefit. This issue will be monitored, the LGA are continuing to make representations to both DWP and MHCLG in regards to a long-term solution to this issue.

- 6.3 Were any, or all, of these possibilities to arise the impact could be accommodated within the proposed HRA budget for 20120/21 and HRA Business Plan.
- 6.4 The Housing Revenue Account faces a number of financial pressures arising from changes to national policy and legislation:
- The legislative 1% HRA rental income reduction policy applicable over the last four financial years reduced income levels from £25.8m in 2015-2016 when the policy was implemented to circa £24.8m in 2019/20.
 - It was confirmed in October 2017 that from April 2020 HRA rental income will be able to be increased by CPI (at September) + 1% each year for a five-year period.
 - The introduction of Universal Credit, which began its roll out in October 2018, may lead to additional challenges in recovering rent as residents adjust to the new systems. The HRA bad debt provision in the latest base budgets has been set to take consideration of this change.
- 6.5 Officers will closely monitor the changes discussed in paragraph 6.4 above. As and when more details become available, Budgets and the Business Plan will be updated to reflect this, with Members being notified accordingly.

7 Alternative Options

7.1 Garage Rents

- 7.1.1 The Council has discretion over the setting of Garage rents.
- 7.1.2 It would be possible to set Garage rents higher than those proposed to maximise income; however significantly higher rents may make Garages harder to let and so reduce income. Similarly, rents could also be reduced but this would reduce income to the HRA Budget when it is needed.

7.2 Dwellings

- 7.3 The Council does have the discretion to decrease rents for existing tenants. However, following the negative impact of the four year fixed 1% rental income reduction any decreases would further reduce the level of income for the HRA, which in turn could impact upon the viability of future projects.
- 7.4 The Council does not have the discretion to change the rent schedule for existing shared ownership dwellings, which is determined by the existing terms of the lease.

8 Background

- 8.1 The Executive received a report on HRA budget setting at its meeting in December 2019, detailing Government and Council Policy that has driven the budget process.
- 8.2 However, rents for 2020/21 need to be considered and agreed before the final budgets can be set. The background to each of these items is summarised below.
- 8.3 These rents, along with any other changes that have arisen since the previous report, impact on the setting of the final HRA budget.

8.4 Housing Rents and Government Policy

- 8.4.1 In July 2015 the Government announced that with effect from April 2016, the rent charged by local authorities should be reduced by 1% per year for four years ceasing in 2019/20. The Government expects void properties to be re-let at Target Social Rent so in time bringing all social housing rents into line with the original aims of the 2002 convergence policy.
- 8.5 It was confirmed in October 2017 that from April 2020 HRA rental income will be able to be increased by CPI (at September) + 1% each year for a five-year period.
- 8.5.1 A summary of average target rents compared to the 2019/20 rents for current tenants recommended in this report is included in Appendix 1.
- 8.5.2 A comparison with market rents currently charged for properties with 1 to 4 bedrooms in the WDC area has been included in Appendix 2. For example, the current average weekly market rent for a 3-bedroom home in the area is £253, whilst the proposed average 2020/21 rent for current WDC tenants living in a 3-bedroom home is £98.65. Proposed 2020/21 rents are on average only 41% of the cost of equivalent current local market rents. This means that the **Council's** housing service reduces the cost of living for tenants, allowing more money to be spent in the wider economy and reducing the social security costs of helping lower income tenants afford their rent.

8.6 Housing Revenue Account (HRA)

- 8.6.1 **Councils with housing stock are required to maintain a separate 'ring-fenced'** Housing Revenue Account (HRA) for all expenditure and income related to council housing. By law councils cannot approve a budget that would lead to a deficit HRA balance.
- 8.6.2 2019/20 and 2020/21 budgets were last considered and approved in the December 2019 report '**Housing Revenue Account (HRA) base budgets 2019/20', which detailed the latest** 2019/20 revised budget and base 2020/21 budget, identifying variances from the initial 2019/20 budget.
- 8.6.3 A summary of the latest 2019/20 and 2020/21 budgets can be found in Appendix 3.

- 8.6.4 The Capital works in the Housing Investment Programme (HIP) are presented as part of the separate February 2020 **report 'General Fund 2020/21 Budgets and Council Tax'**.

9 Sheltered Housing Heating, Lighting and Water Charges

- 9.1 Costs for electricity, gas, water and laundry facilities are provided at some sheltered housing schemes and are recovered as a weekly charge. These utility charges are not eligible for Housing Benefit. Tenants are notified of these charges at the same time as the annual rent increase. Appendix 4 contains the charges for 2020/21 which will commence on the 1st April 2020.
- 9.2 The agreement of heating lighting and water charges was delegated to the Head of Housing and Head of Finance in consultation with the relevant portfolio **holders in the Executive report 'Heating, Lighting and Water Charges 2018/19 – Council Tenants' on 7th February 2018**. A policy of full cost recovery is adopted.
- 9.3 Recharges are levied to recover costs of electricity, gas and water supply usage to individual properties within one of the sheltered and the 5 very sheltered housing schemes as noted in Appendix 4.
- 9.4 The costs of maintaining communal laundry facilities are also recharged at those sites benefitting from these facilities under the heading of miscellaneous charges. A new communal Laundry contract has been procured for 2020/21 which will provide tenants with new Laundry Equipment and an improved repair, service and maintenance contract.
- 9.5 The gas and electricity used to deliver communal heating and lighting is supplied under the provisions of the **Council's energy supply contracts**.
- 9.6 Photovoltaic cells (solar panels) were installed on James Court, Tannery Court and Yeomanry Court in April 2012. The electricity generated reduces consumption from the national grid.
- 9.7 A biomass heating system has been installed in Tannery Court, providing environmental benefits of using a more sustainable fuel. The capital cost of **installation was partly repaid by the Government's Renewable Heat Incentive** scheme.
- 9.8 The charges necessary to fully recover costs for electricity, gas, water and laundry facilities in 2020/21 are calculated annually from average consumption over the last three years, updated for current costs, average void levels and adjusted for one third of any over-recover or under-recovery in previous years. The use of an average ensures that seasonal and yearly variations are reflected in the calculation.
- 9.9 The total cost to the Council in 2020/21 has been calculated at a total of £197,860 which has been included in the Supporting People Service Charges budget in Appendix 3 and will be recovered by being recharged to the tenants of applicable Sheltered Housing Schemes in full.

Average Weekly Rents - Formula, Current and Proposed Social Rents

Number of Bedrooms	Current Number of WDC Homes (Target Formula Applicable)	2019/20		2020/21		2020/21 Average Difference between 'Target' (Formula) Rent (F) and Proposed Rent (A)		2020/21 Proposed Average Increase in Weekly Rent CPI 1.7% + 1%	
		F Average 'Target' (Formula) Rent	A Average Weekly Rent	F Average 'Target' (Formula) Rent	A Proposed Average Weekly Rent				
Studio	53	£64.53	£61.22	£66.28	£62.90	£3.37	5.37%	£1.68	2.7%
1	1,468	£82.35	£77.16	£84.57	£79.29	£5.29	6.67%	£2.12	2.7%
2	1,908	£90.35	£84.86	£92.79	£87.19	£5.60	6.42%	£2.33	2.7%
3	1,880	£103.48	£96.06	£106.28	£98.70	£7.58	7.67%	£2.64	2.7%
4	57	£115.56	£104.79	£118.68	£107.67	£11.01	10.23%	£2.88	2.7%
5	4	£160.76	£118.27	£165.10	£121.52	£43.58	35.86%	£3.25	2.7%
Averages Based on all HRA Social Rent Stock	5,370	£92.96	£87.20	£95.47	£89.60	£5.88	6.56%	£2.40	2.7%

Warwick Affordable Rent (Bremridge Close & Sayer Court)

Number of Bedrooms	Type	No of Properties	2019/20 Rent Per Week					2020/21 Rent Per Week				
			Average Target Social Rent	Average Market Rent	Average Affordable Rent***	Average Warwick Affordable Rent *** (existing tenancies)	Average Warwick Affordable Rent (new tenancies from 1/4/19)	Average Target Social Rent	Average Market Rent **	Average Affordable Rent***	Average Warwick Affordable Rent *** (existing tenancies)	Average Warwick Affordable Rent (new tenancies from 1/4/20)
Sayer Court												
1	Apartment	33	£88.20	£159.00	£127.20	£102.32	£107.70	£90.58	£156.00	£124.80	£105.08	£107.69
2	Apartment	43	£98.93	£201.00	£160.80	£124.09	£129.86	£101.60	£196.00	£156.80	£127.44	£129.20
2	Bungalow	3	£103.70	£201.00	£160.80	£135.23	£132.25	£106.50	£196.00	£156.80	£138.88	£131.65
3	Bungalow	2	£127.08	£259.00	£207.20	£158.63	£167.14	£130.51	£253.00	£202.40	£162.91	£166.46
Bremridge Close*****												
2	House	2	£94.15	£193.14	£154.51	£124.33	£124.33	£96.69	£196.00	£156.80	£127.69	£126.75
3	House	2	£114.16	£222.15	£177.72	£145.94	£145.94	£117.24	£253.00	£202.40	£149.88	£159.82
2	Bungalow	2	£94.15	£193.14	£154.51	£124.33	£124.33	£96.69	£196.00	£156.80	£127.69	£126.75
		87										

*

**

The average market rent is based on independent valuations prepared upon completion of Sayer Court (2016) and Brenridge Close (2019) by a RICS registered valuer. Should a property become vacant and subsequently re-let, a revaluation of the property will be carried out in accordance to the same Regulatory standards.

The average market rent is based on median weekly rents data from Hometrack at the point of the housing stock being adopted by the HRA. Should a property become vacant and subsequently re-let, a revaluation of the property will be carried out by a RICS registered valuer.

Affordable rent is calculated at 80% of the market rent

Warwick affordable rent is calculated at the midpoint of affordable rent and target social rent

Bremridge Close affordable rents properties are subject to a service charge of £7.39 per week

Appendix 2

Comparison to Local Market Rents

Number of Bedrooms	2019/20 WDC Current Average Weekly Rent	2020/21 WDC Proposed Average Weekly Rent	Current Local Average Weekly Market Rent *	Difference between Proposed WDC Rent and Market Rent	Proposed 2020/21 WDC Rent as a % of Market Rent	2019/20 WDC Current Average Formula (Target) Rent	2020/21 WDC Proposed Average Formula (Target) Rent	Difference 2019/20 WDC Formula Rent to Market Rent	2019/20 WDC Formula Rent as a % of Market Rent	Affordable Rents at 80% of Market Rent	LHA Local Housing Allowance Limit ** (Dec 2019)
1 Bedroom	£77.16	£79.25	156.00	76.75	51%	£82.35	£84.57	71.43	54%	£124.80	£126.34
2 Bedroom	£84.86	£87.15	196.00	108.85	44%	£90.35	£92.79	103.21	47%	£156.80	£159.52
3 Bedroom	£96.06	£98.65	253.00	154.35	39%	£103.48	£106.28	146.72	42%	£202.40	£187.25
4 Bedroom	£104.79	£107.62	354.00	246.38	30%	£115.56	£118.68	235.32	34%	£283.20	£246.50
Average 2020/21 Proposed WDC Rent as a % of Market Rent					41%						

* Median local average private market rents (as at December 2019) from Hometrack

** LHA (Local Housing Allowance) is the cap for housing benefit for those who rent privately, subject to other eligibility criteria.

Rates shown are for the Warwickshire South Broad Rental Market Area, December 2019.

LHA does not apply to council tenants; it is shown to illustrate the highest rents that can be supported by housing benefit in the private rented sector.

Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

Appendix 3 - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £	Variance 2019/20 £	Variance 2020/21 £
<u>S7000 HOUSING REVENUE AC</u>						
EXPENDITURE						
PPM Non-Op	1,800	-	-	-	-	-
Housing Repairs Supervision	876,389	890,000	890,000	907,800	-	17,800
HRA Repairs and Maintenance	5,857,087	5,162,500	5,407,800	6,441,600	245,300	1,279,100
Electricity	(3,080)	400	400	400	-	-
Gas	2,864	-	-	2,500	-	2,500
R+M(r) Responsive Main Contract	194	-	-	-	-	-
R+M(r) Mansafe Lines etc	2,070	-	-	-	-	-
Rates	3,051	-	34,900	35,800	34,900	35,800
Council Tax	151,001	137,100	137,100	139,800	-	2,700
Water Charges-Metered	53,726	40,000	40,000	40,800	-	800
Premises	6,945,103	6,230,000	6,510,200	7,568,700	280,200	1,338,700
Oth Hired & Con Serv	1,348	-	-	-	-	-
Debt Recovery Agency Costs	-	3,900	3,900	4,000	-	100
Contributions To Provisions	85,017	72,900	72,900	74,400	-	1,500
Bad Debts Provision	205,335	380,200	380,200	387,800	-	7,600
Supplies and Services	291,700	457,000	457,000	466,200	-	9,200
Consultants Fees	6,600	-	-	-	-	-
Third Party Payments	6,600	-	-	-	-	-
Housing Services	-	-	-	-	-	-
Supervision & Management - General	2,322,533	3,022,700	3,023,900	3,592,000	1,200	569,300
Supervision & Management - Special	2,021,489	2,215,400	2,340,000	2,643,400	124,600	428,000
Support Services	4,344,022	5,238,100	5,363,900	6,235,400	125,800	997,300
Notional Interest	13,214,729	152,400	282,000	290,000	129,600	137,600
Loss On Impairment/Revaluation Of Assets	1,376,788	-	-	-	-	-
Depreciation on Council Dwellings	6,046,428	6,100,000	5,374,000	5,654,000	(726,000)	(446,000)
Depreciation on Other HRA Properties	522,246	541,800	541,800	541,800	-	-
Depreciation on Equipment	48,035	10,700	10,700	10,700	-	-
Capital Charges	21,208,226	6,804,900	6,208,500	6,496,500	(596,400)	(308,400)
GROSS EXPENDITURE CARRIED FORWARD	32,795,651	18,730,000	18,539,600	20,766,800	(190,400)	2,036,800

Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £		
S7000 HOUSING REVENUE AC (Continued)						
GROSS EXPENDITURE BROUGHT FORWARD	32,795,651	18,730,000	18,539,600	20,766,800		
INCOME						
Fees+Charges General	-	-	-	(5,500)	-	(5,500)
Other Licences	(3,870)	(4,100)	(4,100)	(4,200)	-	(100)
Heating Charges	(146,304)	(149,400)	(149,400)	(152,400)	-	(3,000)
Service Charges	(200,466)	(200,000)	(200,000)	(204,000)	-	(4,000)
Service Charges Supporting People	(104,047)	(100,000)	(100,000)	(197,800)	-	(97,800)
Water Charges	(33,064)	(31,100)	(31,100)	(31,700)	-	(600)
Service Charges Leasehold	(754)	-	(2,000)	-	(2,000)	-
Rents-Housing	(24,451,879)	(24,290,200)	(24,290,200)	(24,948,900)	-	(658,700)
Rents-Shared Ownership	(62,003)	(73,700)	(73,700)	(75,800)	-	(2,100)
Rent Sayer Court	(495,891)	(490,700)	(490,700)	(505,100)	-	(14,400)
Use and Occupation - Homeless	(39,309)	-	-	-	-	-
Rents-Garages	(634,325)	(695,100)	(695,100)	(762,200)	-	(67,100)
Rents-Others	(313,056)	(320,000)	(331,000)	(353,700)	(11,000)	(33,700)
General Fund	(37,900)	(37,900)	(37,900)	(38,700)	-	(800)
GROSS INCOME	(26,522,868)	(26,392,200)	(26,405,200)	(27,280,000)	(13,000)	(887,800)
NET INCOME FROM SERVICES	6,272,783	(7,662,200)	(7,865,600)	(6,513,200)	(203,400)	1,149,000
Interest-Balances	(335,090)	(213,300)	(276,900)	(304,200)	(63,600)	(90,900)
Capital Charges - Adj	-	(100,000)	(100,000)	(100,000)	-	-
Approp HRA Resource Equiv to Depn to MRR	6,616,709	-	-	-	-	-
NET OPERATIONAL INCOME	12,554,402	(7,975,500)	(8,242,500)	(6,917,400)	(267,000)	1,058,100
APPROPRIATIONS:						
Reversal of Notional Interest	(13,214,729)	(152,400)	(282,000)	(290,000)	(129,600)	(137,600)
External Interest	4,765,564	4,765,600	4,765,600	4,765,600	-	-
Approp from CAA to Offset HRA Resources	(6,616,709)	-	-	-	-	-
Capital financing	2,557,601	-	-	-	-	-
Cap Fin-Rev Contr to Cap Outlay(GF+HIP)	77,950	119,600	119,600	119,600	-	-
Cont from Reserves	66,295	8,000	8,000	8,000	-	-
Contrib HRA Capital Invest Reserve (Dr)	3,998,270	3,616,400	4,013,000	2,695,100	396,600	(921,300)
Recognised gains/losses -asset sales	2,521,510	-	-	-	-	-
F Assets sales b/s val trf to I & E a/c	1,862,835	-	-	-	-	-
Capital financing	(2,557,601)	-	-	-	-	-
Cont from Reserves	(36,100)	(100,000)	(100,000)	(100,000)	-	-
Rec gains/losses - fa - reversal	(2,521,510)	-	-	-	-	-
NCA impair/Revals losses charged to rev	(1,376,788)	-	-	-	-	-
F Asset sales trf from I & E to CAA a/c	(1,862,835)	-	-	-	-	-
Employee benefits accruals (cr)	(2,543)	-	-	-	-	-
Net IAS19 Charges for Retirement Benefits	(695,725)	(878,800)	(878,800)	(878,800)	-	-
Employers Contribs payable to Pension Fd	308,014	402,000	402,000	402,000	-	-
Pensions Interest+Rate of Return Assets	143,600	165,700	165,700	165,700	-	-
TAKEN FROM / (TO) BALANCES	(28,500)	(29,400)	(29,400)	(30,200)	-	(800)
Balance Brought Forward	(1,425,000)	(1,453,500)	(1,453,500)	(1,482,900)	-	(29,400)
BALANCE CARRIED FORWARD	(1,453,500)	(1,482,900)	(1,482,900)	(1,513,100)	-	(30,200)

Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

Variations:

Premises:

Housing Repairs Supervision	-	17,800
HRA Repairs and Maintenance		
Housing Repairs - Major - see section below	245,200	1,270,400
Housing Repairs - Responsive - see section below	100	8,700

Supervision & Management:

Changes in Supervision & Management - General	1,200	569,300
Changes in Supervision & Management - Special	124,600	428,000

Contributions to / (from) Reserves:

Changes in contribution to HRA Capital Investment Reserve due to all other changes	396,600	(921,300)
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Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £	Variance 2019/20 £	Variance 2020/21 £
S7010 HSG SUP+MAN GENERAL						
DIRECT EXPENDITURE						
Employees	6,988	7,300	14,900	(2,900)	7,600	(10,200)
Premises	187,210	195,200	97,800	100,700	(97,400)	(94,500)
Supplies and Services	108,617	101,900	93,400	96,100	(8,500)	(5,800)
Third Party Payments	162,904	376,200	427,900	408,100	51,700	31,900
TOTAL DIRECT EXPENDITURE	465,718	680,600	634,000	602,000	(46,600)	(78,600)
DIRECT INCOME						
Other Income	(78,430)	(41,000)	(41,000)	(41,800)	-	(800)
Other Grants and Contributions	(37,051)	(20,000)	(20,000)	(20,400)	-	(400)
Fees and Charges	(129,593)	(130,800)	(130,800)	(133,400)	-	(2,600)
TOTAL DIRECT INCOME	(245,074)	(191,800)	(191,800)	(195,600)	-	(3,800)
NET DIRECT (INCOME) / EXPENDITURE	220,645	488,800	442,200	406,400	(46,600)	(82,400)
Support Services	2,978,277	3,423,900	3,471,700	4,093,400	47,800	669,500
Recharges	(876,389)	(890,000)	(890,000)	(907,800)	-	(17,800)
NET (INCOME) / EXPENDITURE TO SUMMARY	2,322,533	3,022,700	3,023,900	3,592,000	1,200	569,300
					-	-

Variations:

Third Party Payments

Consultants Fees for new housing development projects	51,700	31,900
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Support Services:

Revised allocations	47,800	669,500
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Recharges

Revised allocations	-	(17,800)
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Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £		
S7200 HOUSING SERVICES						
DIRECT EXPENDITURE						
Employees	1,553,931	1,735,000	1,739,600	2,255,100	4,600	520,100
Premises	-	-	-	-	-	-
Transport	14,876	18,300	18,200	18,400	(100)	100
Supplies and Services	170,727	205,800	248,500	227,400	42,700	21,600
Third Party Payments	74,991	239,700	217,700	224,000	(22,000)	(15,700)
TOTAL DIRECT EXPENDITURE	1,814,525	2,198,800	2,224,000	2,724,900	25,200	526,100
DIRECT INCOME						
Other Income	(47,279)	(43,300)	(60,800)	(62,800)	(17,500)	(19,500)
Fees and Charges	(15,823)	(47,000)	(47,000)	(47,900)	-	(900)
TOTAL DIRECT INCOME	(63,101)	(90,300)	(107,800)	(110,700)	(17,500)	(20,400)
NET DIRECT (INCOME) / EXPENDITURE	1,751,424	2,108,500	2,116,200	2,614,200	7,700	505,700
Support Services	634,462	578,000	678,100	844,500	100,100	266,500
Recharges	(2,385,886)	(2,686,500)	(2,794,300)	(3,458,700)	(107,800)	(772,200)
NET (INCOME) / EXPENDITURE TO SUMMARY	-	-	-	-	-	-

Variations:

Employees:

Market supplement	9,500	9,900
Pay Award	-	30,500
3 posts moved to Compliance Management	(86,000)	(141,300)
Extension of fixed term posts	16,000	-
Redundancy payments	40,700	-
Staff changes in Housing Strategy	-	(16,000)
Reduction due to staff on secondment	-	(11,200)
IAS19 charges	25,600	13,800

Third Party Payments:

Legal fees transferred elsewhere	(20,000)	(20,400)
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Support Services:

Revised allocations	100,100	266,500
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Recharges:

Revised allocations	(107,800)	(772,200)
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Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £	Variance 2019/20 £	Variance 2020/21 £
<u>S7015 HSG SUP+MAN SPECIAL</u>						
0	610,705	711,800	734,400	911,200	22,600	199,400
S7430 VERY SHELTERED HOUSING	(40,766)	64,700	87,000	70,800	22,300	6,100
S7440 HOUSING SUPPORT	77,504	81,400	83,300	24,800	1,900	(56,600)
S7450 CENTRAL HEATING	170,080	165,600	181,100	194,100	15,500	28,500
S7460 COMMUNITY CENTRES	12,620	8,800	18,800	39,500	10,000	30,700
S7620 HSG OPEN SPACES	625,073	570,400	615,600	622,700	45,200	52,300
S7630 HSG COMMUNAL AREAS	388,387	359,400	362,000	414,000	2,600	54,600
S7635 ESTATE SUPERVISORS	177,886	204,000	208,500	317,000	4,500	113,000
7928 REPM FIRE RISK ASSESSMENTS- COMMUNAL	-	49,300	49,300	49,300	-	-
NET EXPENDITURE TO HRA SUMMARY	2,021,489	2,215,400	2,340,000	2,643,400	124,600	428,000
DIRECT EXPENDITURE						
Employees	684,963	737,800	749,800	915,600	12,000	177,800
Premises	11,913	6,900	11,500	12,100	4,600	5,200
Transport	1,011	5,900	2,900	2,900	(3,000)	(3,000)
Supplies and Services	202,913	230,600	254,000	246,200	23,400	15,600
Third Party Payments	642	300	300	300	-	-
TOTAL DIRECT EXPENDITURE	901,444	981,500	1,018,500	1,177,100	37,000	195,600
DIRECT INCOME						
Other Grants and Contributions	(14,227)	-	(35,200)	(13,300)	(35,200)	(13,300)
Other Income	(68,708)	(50,200)	(52,900)	(51,200)	(2,700)	(1,000)
Fees and Charges	(370,415)	(383,900)	(388,900)	(400,700)	(5,000)	(16,800)
TOTAL DIRECT INCOME	(453,350)	(434,100)	(477,000)	(465,200)	(42,900)	(31,100)
NET DIRECT (INCOME) / EXPENDITURE	448,094	547,400	541,500	711,900	(5,900)	164,500
Support Services	162,611	164,400	192,900	199,300	28,500	34,900
NET EXPENDITURE TO SUP+MAN SPECIAL	610,705	711,800	734,400	911,200	22,600	199,400

Variations:

Employees:

Housing Liaison Officer - funded by WCC	17,500	-
Pay award	-	12,700
Transferred to Tenancy Management	(5,100)	-
End of salary protection	(4,500)	(7,800)
Staff turnover saving	(14,500)	(11,000)
IAS19 Pension adjustment	23,700	28,800

Other grants and Contributions

Funding for Housing Liaison Officer	(17,500)	-
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Support Services:

Revised allocations	28,500	34,900
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Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £	Variance 2019/20 £	Variance 2020/21 £
S7430 VERY SHELTERED HOUSING						
DIRECT EXPENDITURE						
Employees	185,955	531,000	292,100	375,500	(238,900)	(155,500)
Premises	20,322	-	23,100	20,100	23,100	20,100
Transport	53	-	-	400	-	400
Supplies and Services	35,497	-	238,900	109,600	238,900	109,600
Third Party Payments	-	-	2,500	1,000	2,500	1,000
TOTAL DIRECT EXPENDITURE	241,827	531,000	556,600	506,600	25,600	(24,400)
DIRECT INCOME						
Government Grants	(177,776)	(466,300)	(422,800)	(350,000)	43,500	116,300
Other Grants and Contributions	(100,000)	-	(5,800)	-	(5,800)	-
Rents	-	-	(42,000)	(68,100)	(42,000)	(68,100)
Other Income	(5,396)	-	-	(18,300)	-	(18,300)
TOTAL DIRECT INCOME	(283,172)	(466,300)	(470,600)	(436,400)	(4,300)	29,900
NET DIRECT (INCOME) / EXPENDITURE	(41,345)	64,700	86,000	70,200	21,300	5,500
Support Services	579	-	1,000	600	1,000	600
NET EXPENDITURE TO SUP+MAN SPECIAL	(40,766)	64,700	87,000	70,800	22,300	6,100

Variations:

Employees

IAS19 Pension adjustment	(51,200)	-
Staff budgets transferred to Security	(186,500)	-
All staffing budgets reduced to zero as no grant for next year	-	(531,000)

Supplies and Services

Security	200,000	-
Legal fees	20,100	-

Government Grants

Budgets corrected across all categories of income	43,500	-
No grant confirmed for next year	-	116,300

Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £	Variance 2019/20 £	Variance 2020/21 £
<u>S7440 HOUSING SUPPORT</u>						
DIRECT EXPENDITURE						
Employees	57,308	60,500	62,000	2,400	1,500	(58,100)
Premises	11,092	13,500	9,200	10,300	(4,300)	(3,200)
Transport	320	300	300	300	-	-
Supplies and Services	104	100	100	100	-	-
	<u>68,825</u>	<u>74,400</u>	<u>71,600</u>	<u>13,100</u>	<u>(2,800)</u>	<u>(61,300)</u>
NET DIRECT (INCOME) / EXPENDITURE						
Support Services	8,680	7,000	11,700	11,700	4,700	4,700
	<u>77,504</u>	<u>81,400</u>	<u>83,300</u>	<u>24,800</u>	<u>1,900</u>	<u>(56,600)</u>
NET EXPENDITURE TO SUP+MAN SPECIAL						

S7450 CENTRAL HEATING

DIRECT EXPENDITURE						
Premises	167,904	163,300	178,800	191,800	15,500	28,500
Supplies and Services	1,768	1,900	1,900	1,900	-	-
	<u>169,672</u>	<u>165,200</u>	<u>180,700</u>	<u>193,700</u>	<u>15,500</u>	<u>28,500</u>
TOTAL DIRECT EXPENDITURE						
Support Services	408	400	400	400	-	-
	<u>170,080</u>	<u>165,600</u>	<u>181,100</u>	<u>194,100</u>	<u>15,500</u>	<u>28,500</u>
NET EXPENDITURE TO SUP+MAN SPECIAL						

Variations:

Premises

Water

15,500

15,800

Electricity

-

(9,400)

Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £	Variance 2019/20 £	Variance 2020/21 £
<u>S7460 COMMUNITY CENTRES</u>						
DIRECT EXPENDITURE						
Premises	6,793	5,300	5,300	5,900	-	600
Supplies and Services	6,547	4,200	14,200	34,300	10,000	30,100
TOTAL DIRECT EXPENDITURE	13,340	9,500	19,500	40,200	10,000	30,700
DIRECT INCOME						
Other Income	(720)	(700)	(700)	(700)	-	-
TOTAL DIRECT INCOME	(720)	(700)	(700)	(700)	-	-
NET DIRECT (INCOME) / EXPENDITURE	12,620	8,800	18,800	39,500	10,000	30,700
NET EXPENDITURE TO SUP+MAN SPECIAL	12,620	8,800	18,800	39,500	10,000	30,700

S7620 HSG OPEN SPACES

DIRECT EXPENDITURE						
Premises	25,445	30,200	29,200	30,700	(1,000)	500
Supplies and Services	4,820	3,000	4,000	3,100	1,000	100
Third Party Payments	423,826	407,800	427,400	434,400	19,600	26,600
TOTAL DIRECT EXPENDITURE	454,091	441,000	460,600	468,200	19,600	27,200
Support Services	170,982	129,400	155,000	154,500	25,600	25,100
NET EXPENDITURE TO SUP+MAN SPECIAL	625,073	570,400	615,600	622,700	45,200	52,300

Variations:

Third Party Payments

Cleansing Services Contract Inflation	1,600	5,600
Grounds Maintenance Contract Inflation	18,000	20,400

Support Services

Revised allocations	25,600	25,100
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Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £	Variance 2019/20 £	Variance 2020/21 £
S7630 HSG COMMUNAL AREAS						
DIRECT EXPENDITURE						
Premises	323,944	293,300	295,100	344,300	1,800	51,000
Supplies and Services	121	600	600	600	-	-
TOTAL DIRECT EXPENDITURE	324,065	293,900	295,700	344,900	1,800	51,000
Support Services	64,323	65,500	66,300	69,100	800	3,600
NET EXPENDITURE TO SUP+MAN SPECIAL	388,387	359,400	362,000	414,000	2,600	54,600

Variations:

Premises:

Review of cleaning contract	1,800	55,800
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S7635 ESTATE SUPERVISORS

DIRECT EXPENDITURE						
Employees	167,588	167,500	173,700	283,900	6,200	116,400
Premises	6,003	16,300	16,100	15,600	(200)	(700)
Transport	14,140	14,200	12,500	12,700	(1,700)	(1,500)
Supplies and Services	5,403	6,300	6,500	6,400	200	100
Third Party Payments	1,261	-	-	-	-	-
TOTAL DIRECT EXPENDITURE	194,395	204,300	208,800	318,600	4,500	114,300
DIRECT INCOME						
Fees and Charges	(12,859)	-	-	-	-	-
TOTAL DIRECT INCOME	(12,859)	-	-	-	-	-
NET DIRECT (INCOME) / EXPENDITURE	181,537	204,300	208,800	318,600	4,500	114,300
Support Services	23,775	26,700	26,700	25,900	-	(800)
Recharges	(27,426)	(27,000)	(27,000)	(27,500)	-	(500)
NET EXPENDITURE TO SUP+MAN SPECIAL	177,886	204,000	208,500	317,000	4,500	113,000

	ACTUAL 2017/18 £	ORIGINAL BUDGET 2018/19 £	LATEST BUDGET 2018/19 £	ORIGINAL BUDGET 2019/20 £	Variance 2018/19 £	Variance 2019/20 £
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7928 REPM FIRE RISK ASSESSMENTS- COMMUNAL

DIRECT EXPENDITURE						
Premises	-	49,300	49,300	49,300	-	-
TOTAL DIRECT EXPENDITURE	-	49,300	49,300	49,300	-	-
NET EXPENDITURE TO SUP+MAN SPECIAL	-	49,300	49,300	49,300	-	-

Appendix A - HRA 2019/20 Latest Budget and 2020/21 Base Budget

	ACTUAL 2018/19 £	ORIGINAL BUDGET 2019/20 £	LATEST BUDGET 2019/20 £	ORIGINAL BUDGET 2020/21 £	Variance 2019/20 £	Variance 2020/21 £
S7900 HOUSING REPAIRS - MAJOR						
7900 REPM PAINTING & DECORATIONS	102,855	100,000	297,000	595,000	197,000	495,000
7901 REPM CONCRETE REPAIRS	23	40,000	40,000	40,000	-	-
7903 REPM COMMUNAL FLOORING/CARPETS	13,915	-	-	-	-	-
7905 EMR REPM COMMUNAL FLOORING CARPETS	10,700	-	-	-	-	-
7910 REPM ELECTRICAL REPAIRS	528,014	573,500	573,500	573,500	-	-
7912 REPM GAS/HEATING MAINTENANCE	824,050	594,700	594,700	594,700	-	-
7914 REPM HRA LIFT MAINTENANCE	61,430	37,300	37,300	37,300	-	-
7916 REPM DOOR ENTRY & SECURITY MAINTENANCE	106,729	60,000	60,200	60,200	200	200
7918 REPM SHOP MAINTENANCE	101,300	10,700	10,700	10,900	-	200
7920 REPM HRA STAIRLIFT MAINTENANCE	34,825	81,700	81,700	81,700	-	-
7922 REPM LEGIONELLA TESTING	15,985	34,600	34,600	34,600	-	-
7923 EMR MOBILITY SCOOTER STORE (REPM FIRE PR	69,416	-	-	-	-	-
7926 REPM FIRE PREVENTION WORKS	47,404	200,000	248,000	967,000	48,000	767,000
7927 SHELTERED SCHEME FIRE ALARM SYSTEMS	-	-	-	-	-	-
7929 EMR SHELTERED SCHEMES ALARM SYSTEMS	-	-	-	-	-	-
7930 REPM HRA PATHS AND SURFACING	110,247	100,000	100,000	100,000	-	-
7940 REPM HRA ASBESTOS WORKS	493,692	400,000	400,000	408,000	-	8,000
NET EXPENDITURE TO HRA SUMMARY	2,520,586	2,232,500	2,477,700	3,502,900	245,200	1,270,400

Variations:

Painting and Decorations

Completion of external decoration programme - earmarked reserve from 2018/19	197,000	-
Increase in planned works	-	495,000

Fire Prevention Works

Fire risk assessments - earmarked reserve from 2018/19	48,000	-
Increase in planned works	-	767,000

S7950 HOUSING REPAIRS - RESPONSIVE

7960 REPR VOID REPAIR CONTRACT	1,667,719	1,271,500	1,271,500	1,280,100	-	8,600
7964 REPR OUT OF HOURS CONTRACT	(27,632)	-	-	-	-	-
7966 REPR DAY TO DAY REPAIRS CONTRACT	1,651,241	1,499,800	1,499,900	1,499,900	100	100
7968 REPR GARAGES: RESPONSIVE REPAIRS	45,107	158,700	158,700	158,700	-	-
NET EXPENDITURE TO HRA SUMMARY	3,336,435	2,930,000	2,930,100	2,938,700	100	8,700

Appendix 4 - 2020/21 Sheltered Heating, Lighting and Miscellaneous Charges


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

Heating, Lighting and Miscellaneous Recharges	Current Charge per Week 2019/20	Proposed Charge per Week 2020/21	Proposed Increase/ (Decrease) per week 2020/21
Acorn Court, Stockton Grove, Lillington, Royal Leamington Spa	£	£	£
No's 1-12, 14-41	11.06	11.95	0.89
No's 43, 44, 46, 47 (Misc. Charge Only)	0.60	1.85	1.25
Tannery Court, Bertie Road, Kenilworth			
No's 1, 2, 4-6, 7a, 8-12, 22a, 14-40	10.45	13.10	2.65
No. 3	14.35	18.75	4.40
Yeomanry Close, Priory Road, Warwick			
No's 1-12, 14-32	10.36	10.65	0.29
James Court, Weston Close, Warwick			
No's 1-12, 14-26	9.15	9.00	-0.15
Chandos Court, Chandos Street, Royal Leamington Spa			
No's 1-12, 11a, 25a, 14-46	10.96	13.50	2.54
Radcliffe Gardens, Brunswick Street, Royal Leamington Spa			
Bedsits and 1 Bed Flats	8.08	7.85	-0.23
2 Bedroom Flats	12.26	11.75	-0.51

Water Recharges Weekly Cost Analysis	Acorn Court	Tannery Court	Yeomanry Close	James Court	Chandos Court
	£	£	£	£	£
Charge payable for 2019/20 per week	4.96	3.93	2.96	2.57	3.75
Proposed weekly charge 2020/21 per week	4.08	4.56	3.32	2.62	4.29
Difference between 2019/20 & 2020/21	-0.88	0.63	0.36	0.05	0.54

Appendix 5 - MCHLG Rough Sleeping Initiative Grant Bid

Intervention	Intervention Description	General Fund /HRA	Estimated Cost	Grant Bid & Existing Grant Funding	Net Impact to WDC
Intervention 1: Rough Sleeping Co-ordinator (1FTE)	Homelessness Co-ordinator post - 1 Year, 1 FTE, Salary Grade D Scale point 28	GF	£ 49,055.00	-£ 49,055.00	£ -
Intervention 2: Outreach Workers (2FTE)	2x FTE Outreach Workers for 1 year. Currently one worker covers WDC area and one worker covers Stratford on Avon DC area, the latter role will be the navigator position. It has been agreed with SDC that this arrangement will continue.	GF	£ 60,000.00	-£ 60,000.00	£ -
Intervention 3: 18 Units of Supported Housing	The Supported Housing provision is designed to operate 18 units of accommodation using 5 WDC HRA. Each property houses residents in shared accommodation, with a total of 18 units. This is a scheme that is already in place and is also currently being provided	GF	£ 22,033.00	-£ 22,033.00	£ -
Intervention 4: Hostel provision	WDC already have a 22-unit hostel operational with the ability to increase the units by a further 8 beds for SWEP totalling 30 units of accommodation in cold weather. The model for the Hostel has been revised to reflect changes since the last RSI Bid A contribution of £350,000 would partially fund this shortfall with the plan being that the remaining balance of £18,246.63 will be funded from an allocation of the 2019/20 Flexible Homelessness Support Grant which will fully offset the cost. A bid has also been made to Warwickshire County Council to contribute financially to this scheme which may mean that it is not necessary to use the Flexible Homeless Support Grant. .	HRA	£ 368,246.63	-£ 350,000.00	£ 18,246.63
Intervention 5: Housing First - Brighter Futures	The Brighter Futures Housing First scheme will use 7 units of accommodation, 4x provided by WDC and 3x from a Local HA of which the tenants will be supported by the Navigator Support Worker for 12 months.	GF	£ 55,000.00	-£ 55,000.00	£ -
Intervention 6: Health post	Warwickshire County Council (WCC) will be piloting an integrated physical health outreach service for people who sleep rough across Warwickshire, this forms a separate bid under WCC's Cold Weather Fund Bid (CWF) and up to March 2020. WCC have requested that WDC bid for RSI funding beyond March 2020 to March 2020. WDC have incorporate this within the RSI Grant Bid with the Grant Income to be transferred directly to Warwickshire County Council upon award.	N/A	£ 123,940.00	-£ 123,940.00	£ -
Total Cost to WDC			£ 678,274.63	-£ 660,028.00	£ 18,246.63
2020/21Flexible Homelessness Support Grant	Existing FHSG will be used to ensure the interventions have a neutral financial impact to the Council. A bid has also been made to Warwickshire County Council to contribute financially to this scheme which may mean that it is not necessary to use the Flexible Homeless Support Grant. .	N/A		-£ 18,246.63	-£ 18,246.63
Total Financial Impact			£ 678,274.63	-£ 678,274.63	£ -

 Executive 12th February 2020		Agenda Item No. 6
Title	Warwick District Climate Emergency Action Programme	
For further information about this report please contact	Marianne Rolfe/Chris Elliott Marianne.rolfe@warwickdc.gov.uk Chris.elliott@warwickdc.gov.uk Tel. No: 01926 456003	
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 June 2019 16 Minute Number Executive 13 November 2019 72 Minute Number	
Background Papers	Report to Executive in November 2019.	

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 1092
Equality Impact Assessment Undertaken	No

Once the action plan is agreed then assessments may be needed for individual actions as part of their implementation.

Officer/Councillor Approval

Officer Approval	Date	Name
Chief Executive	13/01/20	Chris Elliott
Head of Service	13/01/20	Marianne Rolfe
CMT	20/01/20	Chris Elliott, Andrew Jones, Bill Hunt
Section 151 Officer	13/01/20	Mike Snow
Monitoring Officer	13/01/20	Andrew Jones
Finance	13/01/20	Mike Snow
Portfolio Holder(s)	20/01/20	Alan Rhead

Consultation & Community Engagement

The report is the outcome of work initiated and overseen by the Climate Emergency Working Party (CEWP).

Final Decision?	No
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Suggested next steps (if not final decision please set out below)

The Climate Emergency Action Programme (CEAP) is dependent on agreement to proposals within the proposed Budget for 20/21 and so will need Full Council's approval. A further report will be needed if the funding proposals are not agreed to assess how the CEAP may be otherwise be implemented; and, if the funding proposals are approved, a report making allocations for the year ahead will be required. Other reports on various aspects will also be required.

Glossary of Acronyms

CEAP – Climate Emergency Action Programme

CEWP – Climate Emergency Working Party

CEPB – Climate Emergency Programme Board

CAF – Climate Action Fund

WP1 – Work Package 1

WP2 – Work Package 2

WP3 – Work Package 3

HRA – Housing Revenue Account

EPC – Energy Performance Certificate

1. **Summary**

- 1.1 The report notes the reports of ATI Projects Ltd (ATI) which provide the **background to the Council's** work and seeks agreement to the proposed Climate Emergency Action Programme (CEAP) parts 1, 2, and 3 attached:
- 1.1.1 Part 1 – outstanding actions from the November 2019 report - Appendix 1;
 - 1.1.2 Part 2 – **proposed carbon management plan for the Council's operations** to become carbon neutral by 2025 within scope 1 and 2 - Work Packages 1 and 2 within Appendix 2;
 - 1.1.3 Part 3 – proposed roadmap for facilitating the District towards zero net emissions by 2030 – Work Package 3 within Appendix 2 and illustrative proposals as set out in Appendix 3.
- 1.2 The report also seeks agreement on a number of other actions including developing Part 3 with greater community, business and partner involvement. All of the steps are proposed in order to comply with **the Council's** commitments in a motion unanimously agreed in June 2019 declaring a Climate Emergency and stating the aim of the Council becoming a net-zero carbon organisation by 2025 and facilitating the District reducing to net zero emissions by 2030.

2. **Recommendations**

- 2.1 The Executive asks Council to reiterate its conviction that there are real and present dangers for the residents, communities, businesses, and the environment of the District arising from Climate Change. The declared emergency requires clear, direct and prompt action in response. The Council therefore **reiterates its commitment to achieve the Council's stated aim** in summary of becoming a net zero carbon organisation by 2025 and to facilitate reducing the District's **carbon emissions as close to zero by 2030**.
- 2.2 The Executive informs Council that the proposed Climate Emergency Action Programme (CEAP) will also help to deliver other important improvements to the quality of life in the District by:
- i) Helping to reduce household energy bills and fuel poverty by improving the energy efficiency of houses;
 - ii) Helping to reduce congestion and improve air quality by working formally with Warwickshire County Council to agree a resourced Sustainable Transport Strategy;
 - iii) Helping to improve health and well-being through better housing standards and encouraging more active lifestyles;
 - iv) Helping to improve the natural '**green**' environment by improving the **area's biodiversity** through tree planting and creating new habitat areas;
 - v) Helping to improve the local economy and create more jobs and businesses by helping companies to reduce energy costs and encouraging **a cluster of "environmental enhancing industries and companies"** in the District.
- 2.3 The Executive recommends to Council that it recognises the significant organisational and financial task that implementing the CEAP represents; and as a consequence, it creates a Climate Action Fund (CAF) as a ring-fenced account using the revenue generated by the proposed additional Council Tax charge set out in the report on the Budget for 2020/21, elsewhere on this Executive agenda.

- 2.4 The Executive recommends to Council in the light of recommendation 2.3 above, if agreed, that each year within the **Council's accounts and other annual** reporting that a full account is given of the CAF as a ring fenced fund setting out its income and expenditure, actions and outcomes so they can be reported to the public in an open and transparent way.
- 2.5 The Executive notes the progress regarding the status of the recommendations agreed in the 13th November 2019 Executive report as set out at Appendix 1 and agrees that the outstanding actions be taken forward and considered as Part 1 of the CEAP.
- 2.6 The Executive notes the report by ATI attached as Appendix 2 forming the **background to the Council's work and recommendations for it to implement.**
- 2.7 That, the Executive recommends to Council that:
- (i) subject to the proposals relating to the financing of the CEAP being agreed by Full Council and the subsequent public Referendum, the Work Packages 1 and 2 (WP1 and WP2) of Appendix 2, relating to the establishment of the Programme and to the **Council's own carbon** management plan, be agreed as Part 2 of the CEAP, to be funded from the CAF;
 - (ii) if the funding proposal is not agreed, another report be brought to the Executive and Council exploring the feasibility of how/if Part 2 may be implemented;
 - (iii) that the revenue savings generated through this part of the Action Plan be recycled into the Climate Action Fund (CAF) every year.
- 2.8 That the Executive recommends to Council that:
- (i) subject to the proposals relating to the financing of the CEAP being agreed by Full Council and subsequent Public Referendum, it adopts Work Package 3 of Appendix 2 as Part 3 of the CEAP which sets out the planned next steps needed to formulate a district wide action plan and agrees some interim steps, with Appendix 3 containing examples of the projects and actions to be considered; and
 - (ii) If the funding proposal is not agreed, then another report be brought to the Executive and Council exploring how/if Part 3 may be implemented.
- 2.9 The Executive agrees:
- (1) that the Climate Emergency Working Party (CEWP) continues but as the Climate Emergency Programme Board (CEPB) with the remit of:
 - (i) recommending the steps to, and overseeing the process of, partner, community and business engagement in developing and implementing Part 3 of the CEAP;
 - (ii) recommending to Executive and Council an annual action plan and the allocation of funding to particular actions;
 - (iii) monitoring and reporting progress on implementing the whole CEAP on at least a quarterly basis to Executive and Scrutiny Committees and annually to Council, with the public reports being made available on an agreed periodic basis to inform the residents, communities and businesses in the District of progress towards the CEAP objectives.
 - (2) that the proposed CEPB is supported by an officer Programme Director and Programme Team operating **according to the Council's usual governance** arrangements.

- (3) that Formal Terms of Reference and Structure of the above governance arrangements to be presented to the Executive for consideration by the end of March 2020.
- (4) that the wider Governance Structure illustrated in Diagram 1 at paragraph 3.12 be considered by the proposed CEPB and that it brings forward proposals for consideration by the Executive by the end of March 2020.
- (5) the proposed CEPB be asked to report in recognition of 2.9, (1), (i) above, before the end of March 2020 on the proposals for the engagement of the community, business and partners.
- (6) the proposed CEPB be asked upon the proposals relating to the financing of the CEAP being agreed by Full Council and subsequent Public Referendum, to bring forward a report for consideration by the Executive setting out the proposed financial allocations to deliver year one of the CEAP including proposals relating to the additional officer resource and associated required budget need to deliver the CEAP.
- (7) the proposed CEPB be asked to undertake a review of all external funding **opportunities to supplement the Council's own funding proposals to tackle** the Climate Emergency and to implement the agreed CEAP be undertaken and support via the proposed CEPB be offered to proposals to bid for such identified funding.
- (8) the proposed CEPB be asked to undertake a systematic review of the **totality of the Council's policies and services over the next 5 years to ensure** they are consistent with the intention of the Council being a net-zero carbon organisation by 2025 and to facilitate the District towards being net-zero in carbon emissions by 2030.

2.10 The Executive agrees that the content of the CEAP be communicated to the community at large, businesses and to partner organisations as a matter of urgency.

2.11 The Executive agrees that the Housing Revenue Account Business Plan be reviewed and brought to the Executive for approval in March 2020 to include provision of circa £18m over the period up to 2030 to ensure all **the Council's** housing stock has a minimum energy Performance Certificate (EPC) rating of C and for any properties that cannot be brought up to EPC C rating, for either technical reasons or at an acceptable cost, to be subject to an options appraisal **through the Council's Asset Management Strategy**.

2.12 The Executive formally asks Warwickshire County Council to work with this Council to develop a Sustainable Transport Strategy urgently and to resource it appropriately; and in parallel, that this Council instigates a Local Plan Review putting the mitigation/prevention of the effects of climate change at its heart.

3 Reasons for the Recommendations

Recommendations 2.1 and 2.2

3.1 Since the Council declared its Climate Change Emergency in June 2019 and began its work in response, the impact of climate change is being regularly reported. In addition to extensive media coverage of the extreme weather in the southern hemisphere, causing events such as the extensive and continuing bush fires and dust storms and flooding in Australia, reports on severe flooding in eastern African countries, violent typhoons affecting Asian counties and the declaration of a state of emergency in Newfoundland after continuous snowfall for a month have also been

prominent. In the last few weeks renewed attention has been given to the loss of ice in Antarctica and the threat posed by the potential catastrophic collapse of glaciers and ice sheets in the west of the continent. Prominent experts and campaigners continue to highlight the dangers of climate change and the risks of not implementing the Paris Accord and the **discussions that will be held at the United Nation's Climate Change Conference (COP26)** in Glasgow in November of this year are increasingly seen as being crucial to minimising those risks.

- 3.2 As the Council approaches a major milestone in being able to map how it will make itself carbon neutral by 2025 and how it may start work on enabling and influencing the District to become as close as possible to carbon neutral by 2030, it is important to remember the reasons for the **Council's unanimous declaration of a Climate Emergency and the purposes** of the proposed actions in response to that. It is therefore suggested that a public reiteration by the Council of its continuing commitment will be important.
- 3.3 Alongside tackling the Climate Emergency it is important to recognise that the proposed steps also offer important additional benefits to the residents, communities, businesses and partner agencies in Warwick District. These benefits include:
1. Improving the energy efficiency of houses in the District to get as many as possible up to at least EPC level C by 2030. This will not only reduce carbon emissions but will enable many households to reduce their energy bills saving them money which is especially important for low income households and to reduce fuel poverty. The evidence shows that very significant savings could be made by households.
 2. Adopting a Sustainable Transport Strategy will help address both the frequent congestion on the roads of the District and the significantly poor air quality. In particular parts of the District, especially Leamington, Warwick and Kenilworth town centres. Such pollution impacts harmfully on the health of many people and can also have a negative impact on the visitor economy.
 3. Improving housing standards, making them warm and dry; and, encouraging more active lifestyles like walking and cycling to undertake particular journeys will also help to improve the physical and mental health and well-being of local residents.
 4. Undertaking offsetting works such as planting trees and creating new wildlife habitats, will as well as enhancing the local recreational experience also increase biodiversity, **help the District's "green" natural environment and enhance its resilience.**
 5. Encouraging companies to improve their energy efficiency to reduce carbon emissions will also help them to minimise business costs and **enhance profitability; promotion of the District as a cluster for "green"** low carbon companies will enable the creation of more jobs as well as stimulating innovation to tackle the Climate Emergency.

Recommendations 2.3 and 2.4

- 3.4 The CEAP will enable significant and widespread benefits for the District. However, it needs to be recognised that implementing this Action Programme represents a very significant organisational and financial task for the Council. Without additional resources both financial and staffing wise it will not be possible. The Budget report elsewhere on this agenda

sets out a proposal to levy an additional level of Council Tax which on a Band D property amounts to an extra £1 per household per week. Overall this should generate an additional £3 million a year. It is proposed that this additional revenue be put into a ring-fenced account only to be used for tackling the Climate Emergency and be known as the Climate Action Fund (CAF).

- 3.5 It is important that this additional revenue and expenditure is reported openly and transparently so that residents can see the clear linkage between the money raised, upon what and where it is used; and to what **effect. This should be done within the context of the Council's annual accounts and annual report** which can then be properly audited and publicised.

Recommendations 2.5 and 2.6

- 3.6 The Executive considered and agreed a series of recommendations on 13th November 2019 relating to the Climate Emergency. Those recommendations and updates on progress are set out at Appendix 1. It is suggested that the outstanding actions (noted with an asterix) be continued and form a Part 1 of the overall CEAP.
- 3.7 The ATI report commissioned as part of the November Executive recommendations is attached at Appendix 2 and it should be formally noted that it forms the background to the **Council's work**.

Recommendation 2.7

- 3.8 Contained within the ATI report at Appendix 2 is WP1 and WP2 which set out what the Council needs to do to set up its Programme (WP1) and to achieve **a carbon neutral position for the Council's own carbon footprint** by 2025 at WP2. These form part 2 of the CEAP and is costed on a basis agreed by the CEWP. In order to implement its contents, the funding proposal set out in the Annual Budget report elsewhere on the Executive agenda also needs to be agreed. If it is not agreed, then another report will need to be brought forward to consider the viability of implementing the proposals in the CEAP.
- 3.9 It is proposed that if the CAF is established following a referendum then it be used in order to fund the works set out in WP2. This will have the benefit of ensuring that the Council can achieve its stated aim of carbon neutrality by 2025 but given that it also generates significant revenue savings it would enable those savings to be kept ring fenced into the CAF so expanding its financial capability for enabling and influencing the District to become carbon neutral. Such a step would add almost £0.5m more to the Fund annually from 2025 from energy and fuel savings made.

Recommendation 2.8

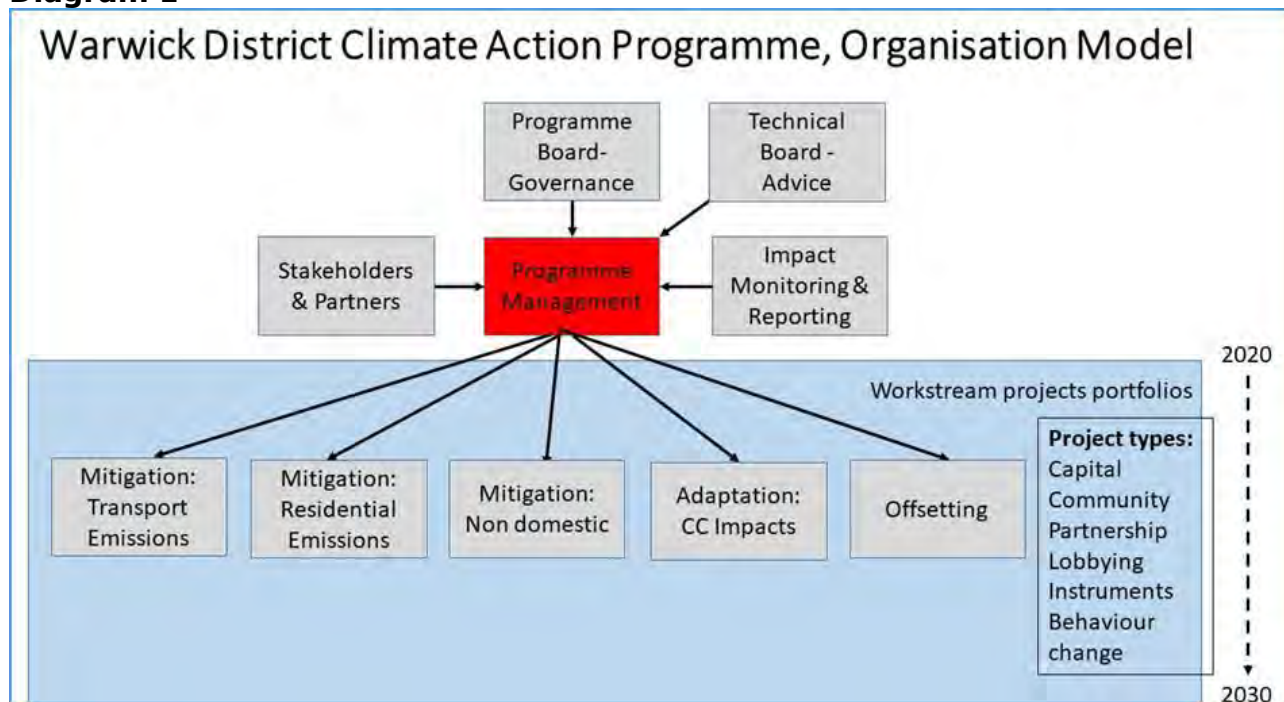
- 3.10 WP3 within the ATI report at Appendix 2 starts to address how the Council can undertake its community leadership role in order to facilitate the District's carbon footprint reduction programme. More time is needed to develop a fully-fledged action plan for the District as it requires more the engagement, co-operation and support from the community at large, and with the business community and partner organisations. However, the key themes and some interim steps are suggested in Appendix 3. It is suggested that WP3 and Appendix 3 form part 3 of the CEAP. However, to

be able to implement its contents the funding proposal set out in the Annual Budget report elsewhere on the Executive agenda also needs to be agreed. If it is not agreed, then another report will need to be brought forward on **the viability of implementing the CEAP's proposals**.

Recommendation 2.9

- 3.11 The CEWP so far has taken the lead member role in ensuring that work has **been undertaken to meet the Council's declaration of June 2019**. It is suggested that the Working Party continue its work but as the Climate Emergency Programme Board (CEPB) especially on working up the proposals **for tackling the District's carbon footprint; agreeing the proposals for partner, community and business engagement; agreeing the annual action plan and the proposed allocation of funding for it; and reporting on progress to the Executive, Scrutiny and Council**. This Member activity it is proposed will be supported by an officer support structure led by the proposed Programme Director and a Programme Team operating on the usual basis for the Council running projects and programmes.
- 3.12 Alongside such steps it is proposed that formal Terms of Reference and structure of the above governance arrangements be presented to the Executive for consideration by the end of March 2020. And similarly that the wider Governance Structure illustrated in Diagram 1 below be considered by the proposed CEPB and that it brings forward proposals for consideration by the Executive also by the end of March 2020.

Diagram 1



- 3.13 The Working Party has an outstanding work item on partner, community and business engagement to report back upon and it is suggested that this be concluded soon and reported to the March Executive for approval. Such engagement will be important if a net carbon neutral position for the District is to be achieved by 2030.

- 3.14 Given that funding for the CAF will only be certain if the precept is approved by the public referendum, it is not yet possible to precisely allocate funds to particular actions. However, once confirmed it is suggested that the proposed CEPB present a report to the Executive for its agreement with its recommendations for the funding of Year One of the CEAP.
- 3.15 **In addition, the Council's ability to undertake** any part of the action plan is severely limited by the constraint on staffing capacity. In order to gear up to deliver District wide initiatives then Year One of a ten-year plan to enable the District to be carbon neutral by 2030 needs to allow for the build-up of staffing capacity. The report referred to in paragraph 3.14 above should also detail how this issue will be addressed including the cost.
- 3.16 The actions proposed within the CEAP are a mixture of capital and revenue financial items. The Council in the Annual Budget report elsewhere on this Executive agenda sets out a significant proposal that if agreed would generate circa £3 million a year. The proposal elsewhere within this report is that this sum be ring fenced for Climate Emergency work within the CEAP and be known as the Climate Action Fund. If the proposal to ring fence savings made **as a result of energy and fuel efficiency savings across the Council's estate** (excluding council homes) i.e. from the part 2 (WP2) of the CEAP, is agreed, then over a 10-year period the Council will have access to a Council controlled funding pot of circa £33m. However, even this will not be sufficient to fund all aspects of the CEAP. Therefore, the opportunity should be taken to undertake a review of external funding opportunities and to submit bids as and when appropriate referencing to the proposed Climate Emergency Programme Board for member approval. As an ambition and to reflect the realities of match funding bids, the Council should be seeking to triple its own investment and so achieve an overall funding supply of at least circa £100m over 10 years.
- 3.17 In addition to reviewing the other funding opportunities, the Council should review its policies and services to ensure that across all of its activities it should be consistent with its revised central plank of achieving carbon neutrality for the Council by 2025 and for the District by 2030. The proposed CEPB should lead this work supported by the Programme Director and team and be carried out over the next 5 years as it is a significant task in itself

Recommendation 2.10

- 3.18 A key part of engagement will be to foster an understanding of what the Council has agreed as an CEAP both for its own carbon footprint and for that relating to the District. Therefore, it is suggested that the contents of this report and of the November 2019 report be disseminated to the wider partner, community and business community as soon as possible.

Recommendation 2.11

- 3.19 One of the proposed steps is that the Council invest heavily in its own Council housing stock in order to improve its energy efficiency up to at least EPC level C; thereby saving carbon and of course significant energy costs to tenants. However, significant sums are involved and will be needed to be funded from the Housing Revenue Account (HRA). It is proposed that this be incorporated

within the proposed HRA Business Plan which is proposed to be updated and presented for approval in March 2020 by the Executive. The proposed improvements will represent an investment of circa £18m over the next 10 years. This proposal also enables the Council to comply with the requirements **of the Fuel Poverty Act. The Council's housing stock represents approximately 1/12th** of the whole District housing stock so undertaking this action is a significant step for the District as well as for the Council.

Recommendation 2.12

- 3.20 The report from ATI indicates that in terms of tackling the District's carbon emissions that the most significant source is transport. While the District Council has various roles to play in relation to transport it needs the County Council as the Highway Authority and other relevant transport bodies e.g. Transport for West Midlands, to commit to developing a Sustainable Transport Strategy and to implement it as a priority. It is proposed that the District Council make a formal request to this end.
- 3.21 The other key policy element in relation to transport and wider environmental implications that land use policy for which the District Council is the strategic planning authority. The Local Plan for Warwick District contains a commitment within it to commence a review by 2021. It is proposed therefore that work be started in 2020 on the review to run in parallel, if possible, with the Sustainable Transport Strategy.

4. Policy Framework

National framework

- 4.1 There is a national commitment enshrined in legislation to enable the country as a whole to be carbon neutral by 2050. The delivery mechanisms for this to be achieved have yet to be set out in full. At the time of finalizing this report the Government has just published an Environment Bill. The contents as currently set out do not conflict with anything that is proposed within this report but this will be kept under review as the legislative details emerge.

Fit for the Future (FFF)

- 4.2 It is proposed elsewhere on this Executive agenda that the Council agree and recommend to Council a Strategic Business Strategy which represents an update in effect of the Fit for the Future **Strategy. The Council's vision has been** amended to of making it a Great Place to Live, Work and Visit – carbon neutral by 2030.
- 4.3 In order to achieve the aims of the FFF Business Strategy contains several Key projects and proposals. This report shows the way forward for implementing the central plank of the Business Strategy.

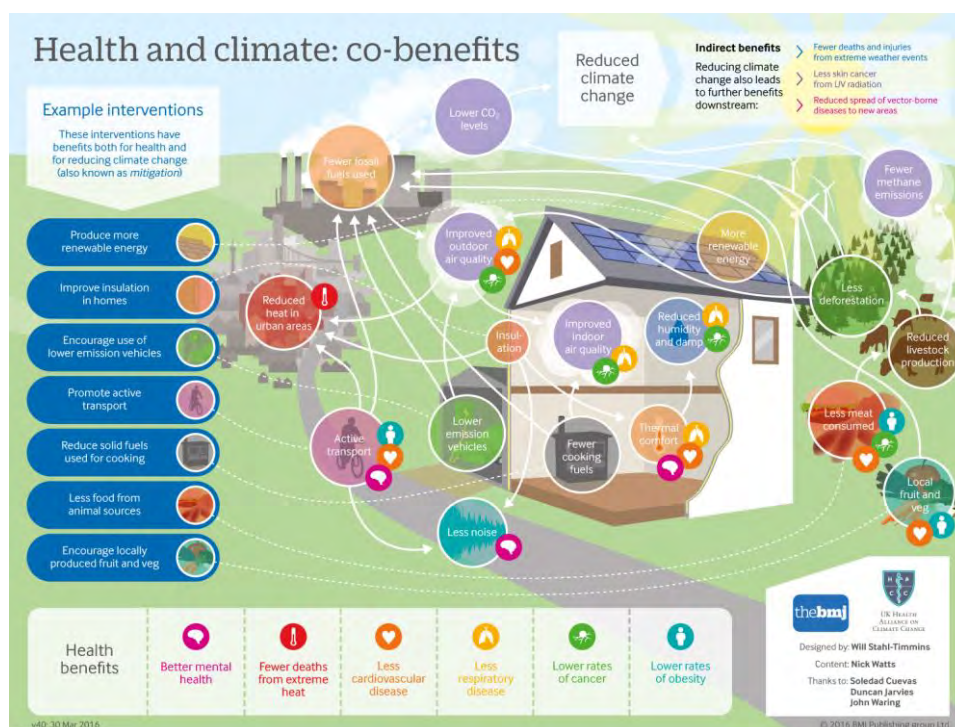
The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation **to the Council's** revised FFF Business Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
The report provides an update to the direction regarding the Council's climate emergency declaration actions. The actions taken will impact upon the health of residents of the district, the homes in the District and its communities.	The report provides an update to the direction regarding the Council's climate emergency declaration actions. The actions taken will also impact positively on air quality and open spaces.	The report provides an update to the direction regarding the Council's climate emergency declaration actions. The actions taken represent an opportunity to decarbonise the local economy and to create a cluster of such companies and so create more jobs.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The report provides an update to the direction regarding the Council's climate emergency	The report provides an update to the direction regarding the Council's climate emergency	The report provides an update to the direction regarding the Council's climate emergency

declaration actions. The actions taken will aim to engage and empower staff to make a difference.	declaration actions. The digital transformation of the Council running alongside the CEAP will help to deliver more carbon effective services.	declaration actions. However the actions proposed would enable its assets to be more effective and efficient energy wise and would deliver a significant level of savings and maximise funding investment into the District.
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4.4 **Supporting Strategies** - Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are the Sustainability Approach. However, Climate Change links to, affects and is affected by, many of the Council's other strategies and policies.

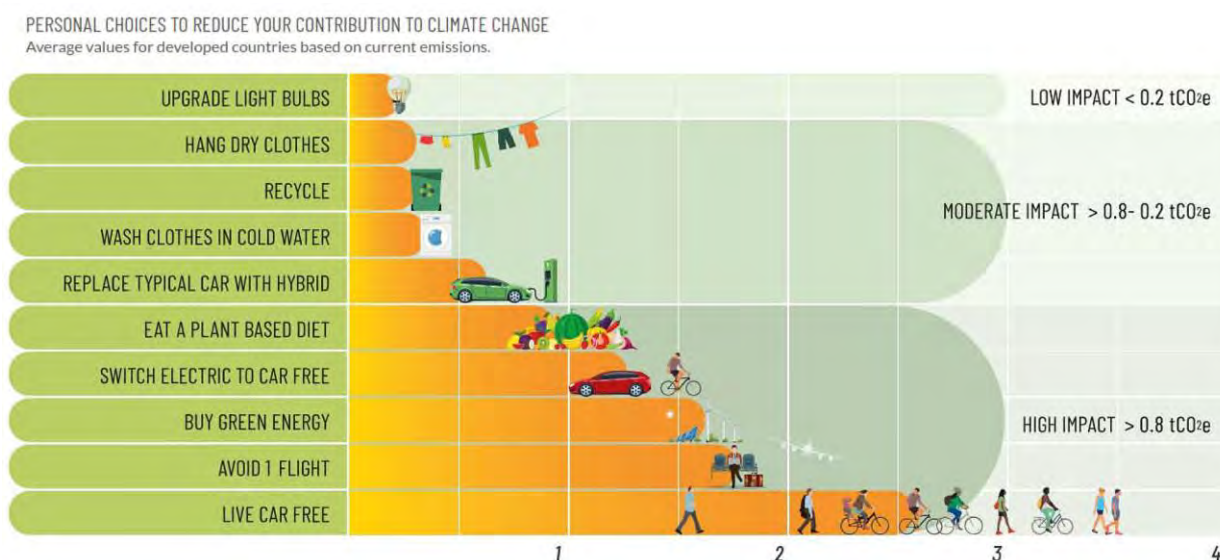
Health and Well Being - The infographic below illustrates how tackling Climate Change may also benefit the health of the local community. Recognising this important linkage, a bid to the Local Government Association has been made in which local authorities and the various health bodies will aim to improve the health of the local community by tackling many of the environmental issues that cause ill health. This will also enable the Council to engage with the health bodies themselves to tackle their own carbon footprint.



Economy – the Council has no overall agreed economic strategy but is developing one. There is however the Coventry and Warwickshire Local Enterprise Partnership's Strategy and a Local Industrial Strategy that is of relevance. The area is already attracting and, with the CEAP, could become a recognised cluster for companies delivering products and services to deliver carbon reductions, helping to create a thriving green economy. The Council's economic strategy when developed should therefore recognise and seek to maximise this opportunity. It will also be the case that many companies may need advice on how to reduce their carbon footprint in an economic and

efficient way. This is a responsibility the Council may have to address, working with other partners, going forward as part of the WP3 - Part 3 CEAP.

Community Engagement – In addition to organisations taking steps to reduce carbon footprint, individuals, families and communities also have a responsibility. The infographic below illustrates the range of steps that could be taken and which can reduce carbon footprints to varying degrees. The Council will need to engage with the local community to assist people in taking such steps. WP3 - Part 3 of the CEAP will require significant behavioural and cultural change from residents and communities.



A Fuel Poverty Strategy is scheduled to report to the Executive for consideration in March 2020. The Fuel Poverty Act requires housing to be brought up to at least **EPC level C by 2030**. This is proposed for the Council's own housing stock and as WP3 - Part 3 of the CEAP enabling all houses in the District to attain at least this same level of energy efficiency will be important.

The Councils' Leisure Strategy encourages residents to pursue a more active lifestyle. The Council can do this in a number of ways but in relation to carbon reduction encouraging more residents to walk or cycle for some of their journeys represents a significant opportunity. This could be achieved by making parks and open spaces more pedestrian and cycling friendly and by securing such provision within new developments.

Housing and Homelessness Strategy and HRA Business Plan – will be updated to reflect the proposed recommendations of this report.

- 4.5 **Changes to Existing Policies** - If the Climate Emergency declaration is to be successful then it will **require a root and branch review of all of the Council's** strategies and policies to ensure that they contribute towards and do not contradict this central direction of carbon neutrality. Members should not underestimate the impact of such a review since it will range from impacting on the Local Plan Review, required by 2021 to the Council's procurement strategy. Fundamentally this will affect everything the Council does and how it does it. This root and branch review is a task that should be part of the proposed CEPB's work. The Board would then bring reports back for wider member consideration and approval.

- 4.6 **Impact Assessments** – There are no specific impacts from this report which require assessment at this time. However, the individual actions may require individual impact assessments at the appropriate time.

5. Budgetary Framework

- 5.1 Part 1 of the CEAP has no additional cost as it involves staff time which is already provided for.
- 5.2 Part 2 of the CEAP is fully costed and is set out in WP2 in Appendix 2 to this report. Overall it is anticipated it will cost over £3m over 5 years but could by that time generate energy and fuel savings of circa £0.5m.
- 5.3 Part 3 of the CEAP as set out in WP3 in Appendix 2 and as illustrated by examples in Appendix 3, needs further development but given that the size of the **District's carbon footprint (at around 1million tonnes CO2e – Scatter phase 1 analysis 2019)** compared with **the Council's** own carbon footprint as an organisation (3,000 tonnes CO2e) then it has to be recognised that additional financial resources will be required to support the ambition for net zero carbon emissions by 2030. The proposal considered as part of the Annual Budget report elsewhere on the Executive agenda proposes that a Council Tax levy outside of the guidelines set by the government and it is proposed within this report that the revenue so generated be ring-fenced for development and delivery of the CEAP and known as the Climate Action Fund. It is also proposed that the ongoing savings generated by WP2 forming part 2 of the CEAP be added to the CAF. These steps should generate circa £33m over 10 years and if successful in achieving match funding, it could be expected that this sum is at least tripled to circa £100m over 10 years.
- 5.4 In order to deliver the CEAP additional staffing and/or consulting assistance will be required and the costing for this will need to be factored into the Programme delivery costs.
- 5.5 The cost implications of improving the energy efficiency of the Council housing stock are to be taken into account in the Housing Revenue Account Business Plan when it is considered by the Executive in March 2020. Likewise, the other housing related proposals in WP3 especially will require further evaluation as to affordability and timing of delivery.

6. Risks

- 6.1 The report seeks to outline the **Council's action** programme for ensuring the carbon neutrality of the Council as an organisation by 2025 and outline the approach to be taken in order to facilitate the District becoming net carbon zero by 2030.
- 6.2 Following the agreement of the CEAP and of the referendum, a risk register will be completed to sit alongside the plan in order to ensure that the risks associated with such a complex programme are properly managed.
- 6.3 As outlined in the November 2019 Executive report, it is recognised that the process will need to be an iterative one in order to address the gaps as they emerge to ensure that the Council can meet its 2025 and 2030 declaration.

- 6.4 It needs also to be recognised that the Town, District and County Councils will be required to work in effective, collaborative and mutually supportive partnerships with various other agencies, businesses and the communities in order to achieve the declaration.
- 6.5 The CEAP will require additional financial and staff resources to deliver it. Lack of provision of either or both, will as indicated in the recommendations mean a review of the plan and how/if the actions within it can be achieved including the timescale currently envisaged.
- 6.6 The proposed method of financing the CEAP is exceptional and carries significant risks. These are principally a failure to gain public support through effective engagement, possible failure of the proposal to be put to referendum, and the consequential financial, reputational, and service impacts for the Council. The opportunity is that success would bring considerable resources to bear upon a vitally important issue. Funding the CEAP in other ways, given the scale of the task, could have equal risks in terms of public acceptability, reputation, **and on the Council's** financial position and service capability as seeking additional funding from a new precept.
- 6.7 It is also true that there is a significant risk in failing to act. This can be financial in terms of greater risk of floods, damage to properties and cost of repair, cost of adaptation and so on, aside from the more direct issue of the impact of Climate Change upon how our local community leads its life.
- 6.8 The Council as a housing landlord is also under the obligation to improve the energy efficiency of its existing council owned housing properties over the next 10 years under the Fuel Poverty Act. There are a series of risks attached to being able to achieve this aim within the timescale which will require a more detailed risk log.
- 6.9 There is the potential risk that the need to accommodate the costs of housing related activities set out in WP2 and WP3 could impact on other, existing aspirations to improve the current Council housing stock and develop new affordable housing. This risk will be mitigated through a careful and robust review of the HRA Business Plan.

7. Alternative Option(s) considered

- 7.1 The Council motion is not a legal requirement and consequently there is no legal duty for the Council to undertake actions and activities in support of the target. However, the Council agreed a motion in June 2019 that established expectations and this report sets out the proposals to address the **Council's** own emissions and to facilitate the District becoming effectively carbon neutral.
- 7.2 WP1, 2 and 3 within the ATI report at Appendix 2 provide a comprehensive programme which is designed to address the climate change emissions of the Council by 2025. It is an option for Councillors to review the climate change emergency commitments proposed, and/or the deadlines involved reflecting a difference in resource availability. However, given the contents of paragraph 7.3 this option has presently been discounted.

7.3 The CEAP as it stands cannot be delivered without either additional resources being raised or the Council diverting resources from other services and activities. Diverting £3m a year of money from other Council services and activities from a net General Fund budget of only £18m a year would have a significant harmful effect upon them which the Council has successfully avoided throughout all the time of austerity. Smaller sums could be diverted with **smaller but still harmful impacts but it would make the Council's 2025 and District 2030 carbon neutral commitments probably impossible to achieve.** Seeking to fund the CEAP via other revenue generating activities may be possible but certainly not within the same timescales and it would take some years for those activities to be put in place and to generate income thus having **an impact on the timeliness of being able to deliver on the Council's** commitments. It is likely that such income generation would be more modest than proposed by the additional precept so also having an implication on what could be delivered and by when.

Appendix 1: Climate Emergency – Progress Update on Executive Recommendations

Recommendations from November 2019	Actions / Progress and Responsibilities
2.1 The Executive agrees the high level steps to develop and implement the Climate Change Action Plan.	The proposed Action Programme is attached to this Executive report.
2.2 The Executive agrees to include as an addition to the Council vision “Making Warwick District a Great place to live, work and visit” the words “carbon neutral by 2030” when recommending the final version of Business Strategy to Council.	<p>The draft Business Strategy is reported for Executive approval at the February 2020 committee. Once approved, arrangements have been had to progress the communication of the new vision and Strategy accordingly.</p> <p>The Climate Emergency logo has been amended to include ‘carbon neutral by 2030’</p>
2.3 The Executive notes the identified carbon footprint of the Council and of the District area as set out and agrees that the measures identified be used to prioritise actions and provide the baseline against which to monitor progress in reaching carbon neutrality by the intended dates on an annual basis.	<p>No further action required.</p> <p>The District baseline data has been further ratified by ATI Projects Ltd and is outlined in the attached report.</p>
2.4 The Executive agrees the strategic direction for addressing the Climate Change Emergency declaration as set out.	No further action required as was agreed at Executive November 2019
2.5 The Executive notes the planned next steps to complete a detailed Climate Change Action Plan with specific costed and measured actions to reduce to zero, the Council’s carbon footprint by 2025 and the District’s carbon footprint by 2030 with the aim of reporting in February 2020 along with the Council’s Business Strategy and Budget proposals. This is to be accompanied by a specific risk register for the action plan.	<p>The proposed Action Programme is attached to this Executive report.</p> <p>The risk register will be developed once a decision has been made. *</p>

<p>2.6 The Executive notes and supports the work that has and is currently being undertaken by the Council currently to address the impacts of Climate Change, to improve air quality and to encourage sustainable measures and behaviours.</p>	<p>No further action required. Noted at Executive November 2019.</p>
<p>2.7 The Executive tasks the Climate Change Emergency Working Party (CCEWP) to report on the most appropriate approaches to engaging the wider resident, business, public and voluntary communities and organisations in the District to support the adoption of measures that will respond to the Climate Change Emergency and lead to the District being close to net zero carbo by 2030, and to report back with its conclusions and recommendations by February 2020. This work on engagement will also relate to recommendation 2.11.</p>	<p>Current progress contained within the Executive report papers. Further work is required. *</p>
<p>2.8 The Executive asks the County Council Pension Fund (and the other Council Member organisations of the Pension Fund for their support) to provide annual impact reports on the tonnes of carbon dioxide generated by its investments funds and that in addition it be requested to adopt a strategy for disinvesting from fossil fuel investments by a stated date.</p>	<p>Decisions are to be taken by the relevant pension committee based upon the need to meet pension fund objectives and having regard to the broad employer base and membership of the fund.</p> <p>The fund has an approach to ESG set out in its investment strategy statement and this statement is being reviewed in March 2020. The fund is also looking at setting a climate change strategy at the same time or incorporating regard to climate change explicitly into the ESG statement. The fund has also adopted the Responsible Investment Policies of Border to Coast - who now manage all of our actively managed listed equities and some of our alternatives funds. *</p>
<p>2.9 The Executive requests that a report be commissioned and provided to it no later than March 2020, which:</p> <p>a) reviews all investments held by Warwick District Council, identifying funds which invest</p>	<p>The Annual Treasury Management Strategy Statement will be reported to March Executive. This will consider where the Council's investments are in relation to fossil fuel.</p> <p>The 2020/21 Treasury Strategy will propose an approach to the Council divesting from direct ownership of fossil fuels companies or commingled</p>

<p>in direct ownership of fossil fuel companies or commingled funds that include fossil fuel public equities and corporate bonds and to report its findings;</p> <p>b) evaluates a potential approach for the Council's Investment Strategy for 2020/21 and beyond, of divesting from direct ownership of fossil fuels companies or commingled funds that include fossil fuel public equities and corporate bonds by no later than 2025.</p>	<p>funds that include fossil fuel public equities and corporate bonds by no later than 2025. *</p>
<p>2.10 The Executive asks partner agencies (e.g. the other Councils in the sub region and Warwickshire Wildlife Trust) to consider how the Coventry, Solihull and Warwickshire Bio-Diversity Action Plan may be usefully updated to reflect the Climate Change Emergency Declarations.</p>	<p>The Bio Diversity Action Plan is likely to be overtaken by the proposed Environment Act. The WWT has commented that the climate crisis is something that will be considering as part of the future development and implementation of the BAP. The situation goes further than that though as the climate and ecological crisis affects a much broader set of species that are prioritised by BAP species and habitat plans. The climate crisis has the potential to impact all species in our region. Therefore, WDC will continue to explore collaborations with key partners (e.g. the other Councils in the sub region and Warwickshire Wildlife Trust) through the Local Nature Partnership and other strategic partnerships to identify opportunities that address the climate and ecological crisis in a holistic way (e.g. natural flood management, tree planting and wildlife habitat creation). *</p>
<p>2.11 The Executive engages with the principal public agencies and largest employers, within the District, as listed in Paragraph 3.25 of the report, to support the Climate Change Emergency by them declaring an Emergency. The CCEWP to advise on the engagement process to be deployed as part of its work within recommendation 2.7.</p>	<p>Conversations are being had to engage and work with the districts largest employers to support climate change emergency. The activities required to implement this recommendation is ongoing.</p> <p>Meetings held to date with: WCC; Warwickshire Police; Warwick University; South Warwickshire General Foundation Hospital Trust; South Warwickshire CCG and Warwickshire College. They are at different stages pf progress but all indicate a willingness to travel in the same direction and some feel that working together will help. *</p>



Taking Action on Climate Change

**“Making Warwick District a great place to live, work and visit
– and carbon neutral by 2030”**

Executive Summary

Abstract

Warwick District Council declared a climate emergency in June 2019 and made a commitment to reducing carbon emissions across the Council’s own estate and influencing climate action planning, mitigation and adaptation across Warwick District. Development of a Climate Emergency Action Programme is the first step to formalizing an approach over the next decade, which can bring social, environmental and economic benefits to the communities and businesses across Warwick District and place Warwick District Council in the forefront of addressing climate change.



in association with



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Consultants' Note:

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Executive Summary

A Climate Emergency Action Programme (CEAP)

1. Warwick District Council (WDC) has committed to reducing its own organizational carbon footprint to a net zero target by 2025. This translates to a reduction of 2,948 tonnes CO₂ equivalent (CO₂e) over 5 years from April 2020 (ref: One Carbon World).
2. WDC sees an opportunity to be an influencer of change within Warwick District and plans to support local communities, organisations and businesses in the implementation of measures designed to reduce the CO₂e footprint from its current (2018-19) level of 1,060,131 tonnes CO₂e (ref: SCATTER analysis) to net zero by 2030.
3. This Report is in the form of a Climate Emergency Action Programme to address these two declarations and contains a Carbon Management Plan for the Council's own estate and a Climate Emergency Action Roadmap for Warwick District.
4. The Climate Action Programme acknowledges the effectiveness of current carbon reduction activities being undertaken by the Council both within its own estate and across the District. The Programme must also address adaptation and mitigation and identify the Council's role in their delivery.
5. Measures to reduce the carbon footprint of the Council and District and adapt service delivery to address the impacts of extreme weather events will significantly reduce financial risk and generate very real savings to the public finances in the future as well as delivering on corporate responsibilities to the environment and to communities.
6. It will be critical to widen the engagement with the Warwick district community (individuals, residential, commercial, and institutional) to raise awareness of the need to respond to the Climate Emergency and to encourage commitment and ownership of the challenge.

A Carbon Management Plan for the Council

7. A Carbon Management Plan (Work Package 2) has been designed to reduce the Council's own carbon footprint (2,948 tonnes ref: One Carbon World) to net zero over 5 years with costs measures and actions, energy saving and carbon reduction outcomes based on currently available data and assessment tools.

8. Considerable efforts have already been made within the Council to cut energy costs and reduce the Council's carbon emissions. However, to meet the net zero target by 2025 a more concentrated programme of activity and investment is required.
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16. To meet the net zero carbon target of 2030 for Warwick District, it will require a strategic director with the responsibility to engage and build cooperation with local organisations and businesses, and lead a Climate Emergency Action Team.
17. Adopting a sustainable procurement strategy will be essential to ensure that the Council's projects and contracts align closely with the carbon management plan and contribute to CO2e reduction targets. A formal review of the current strategy, policies and processes would support carbon monitoring and performance across the Council's activities.

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It is understood that it is the Council's intention to acknowledge the importance of this work through the appointment of a Strategic Director for Climate Change to lead the planning and development of the Climate Emergency Action Programme. The Director will be supported by a Climate Emergency Action Team comprising a group of committed individuals and organisations as well as key Council members and officers.

Early stage workstreams:

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- Establish the data set and models using Scatter Phase 2 (from March 2020)
- Identify key stakeholders and establish a Climate Action Programme Team and Technical Advice Board
- Establish the Climate Emergency Action Programme and review plans and targets on a regular basis
- Identify workstreams, stakeholders and partners
- Approve the preparation of an annual 'budget' for carbon performance in parallel with established systems for annual reporting on the Council's financial budget.
- Consider the communication strategies to be used with special focus upon the Warwick District plan
- Develop proposals for a Citizens' Assembly as a means of engaging and consulting local residents
- Establish a Climate Action Fund to support measures which address carbon reduction, adaptation, mitigation, fuel poverty and social equality

Work Package 2 – Carbon Management Plan for the Council

Council Workstreams – to target net zero by 2025

Energy efficiency (non-domestic)

- Carry out energy audits across the whole Council non-residential property portfolio and implement low cost / no cost carbon reduction measures e.g. public buildings; car parks
- Review sub-metering installations as part of an improved energy monitoring strategy
- Source 100 per cent of all electricity purchased by the Council via a 'green tariff'
- Expand the energy awareness campaign amongst council staff and contractors to reduce energy use
- Consider voltage optimization technology to reduce energy consumption
- Reduce energy losses by retro-fit technologies and use of more energy efficient building fabric
- Examine installation of low emission heating for key public buildings e.g. heat pumps; heat network
- Convert rural pathways lighting columns and other public spaces to LED e.g. car parks
- Identify suitable locations for solar photovoltaic (PV) panels on council owned buildings

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- Upgrade the whole council fleet to hybrid (HEV) or full battery electric vehicles (BEV)
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- Expand opportunities for flexible working

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- Measure waste produced by the Council operations so that it can be reduced and managed
- Reduce printing and paper waste through increase in digital systems and services
- Introduce low emission transport specifications into new waste collection contracts
- Consider how the Council can assist contractors to move to Ultra Low Emission Vehicles through ensuring depots have sufficient power supply and charging infrastructure

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- Install water saving technology within all commercial buildings within the Warwick District Council portfolio. This could include water outlet rationalisation adaptors to taps and showers and water pressure regulating systems
- Explore the potential for rain water harvesting systems and treatment

- Inform and encourage all Council staff to reduce water usage by adopting an awareness campaign

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- Strengthen sustainable procurement policies to purchase/lease energy efficient materials, services and technologies
- Incorporate carbon reduction requirements into new tender contracts including electric vehicles (EVs)
- Ensure new build and refurbishment contracts meet high sustainability standards set by the Council and adhere to these during construction
- Ensure contracted out service proposals e.g. leisure centre operations; cleaning services, include and deliver high levels of sustainability and demonstrate commitment to carbon reduction

Biodiversity / greenspaces

- Phase out peat use, redesign mowing regimes and support adaptation measures such as tree planting for carbon sequestration and 'cooling-off' benefits
- Use Council owned land to increase biodiversity and carry out tree planting
- Continue to work with Environment Agency, WCC, business organisations and community groups to develop flood mitigation measures and tree planting schemes across the district
- Ensure that the Local Plan sets developments and land use standards that reduce carbon and increase sustainability

Work Package 3 – Warwick District Climate Emergency Action Roadmap

The Council does not have direct control over most of the Greenhouse Gas Emissions (GHG) throughout the District. However, the Council is in a key position to enable and influence communities, businesses, institutions and individuals, raise awareness of carbon and other GHG emissions and identify what they can do collectively to mitigate against climate change. The Council can also enable and incentivise such actions and initiatives using Council budgets and / or external grants and loans. The role and influence of planning policy should not be underestimated in realising net zero carbon ambitions for the District by 2030.

The key sector priorities for action are transport (particularly in the shorter term the reduction of private use petrol and diesel cars), and the reduction of gas usage for space heating in both domestic and non-domestic buildings.

Warwick District Workstreams

Project Establishment – the Climate Emergency Programme Team should:

- Develop the District's Climate Emergency Action Plan and costings for a 10-year programme to meet net zero targets. The roadmap for the District presented in WP3 is intended as an initial input into the planning work to be undertaken by the Climate Emergency Action Programme team once appointed.
- Adopt SCATTER Phase 2 once it is released and identify other data sources to link actions to carbon reductions year on year, to confirm priority of measures, to prepare emissions budgets and to adjust reduction targets.
- Establish budgets and secure funding for the programme delivery
- Identify availability of Section 106 and CIL (IFS) along with external grants and loans to match fund carbon neutral initiatives and sustainable transport solutions
- Establish a responsive local monitoring, forecasting and reporting method for GHG emissions enabling collation of data and emissions reporting across the District. This needs to cover energy use and account for changes in land use from activities like tree planting. The impact of the Local Plan needs to be accounted for both in terms of transport and housing.

Influence of Planning

In the coming decade, Warwick will have to improve the efficiency of all its buildings to reduce the demand for energy. Low carbon and/or renewable heating, energy reduction and an increase in the adoption of energy efficiency technologies in both commercial and domestic buildings will be required. Actions could be to:

- Ensure that the planning system, led by the Local Plan, sets developments and land use standards aimed at reducing carbon emissions and building sustainable communities
- The population of the District is likely to increase over the next 10 years, the Local Plan has an important role to play in minimizing the impact on emissions of that increase but in transport and housing
- Develop a spatial strategy that minimises the need to travel by placing new developments in locations that are accessible to services by sustainable modes of transport and/or ensures new developments integrate a wide range services
- Plan ahead for large scale infrastructure investments e.g. new transport hubs and interchanges; green power generation sites – moving radically away from trying to address congestion in the traditional ways
- Develop and implement policies that will deliver improved net zero carbon building standards - subject to national policy
- Consider how town centres can develop as a focus for communities – for leisure, work and retail – and ensure these are accessible by means other than the private car
- Ensure that green open spaces and cycle / pedestrian pathways are part of the design of new housing and regeneration development

- Ensure carbon reduction features and BREEAM standards are included in major development schemes
- Encourage innovation and green design through supplementary planning documentation (SPD)

Transition to Low Emission Transport

In 2017, nearly a third of Warwick's total CO2 emissions (32.9%) came from transport and mostly road transport from cars, vans, lorries and buses. Action is needed to reduce car journeys, increase cycling and walking, and improve public transport and more low emission vehicles. Such action will achieve better air quality, mobility and health for citizens. Actions could be to:

- Encourage the shift from petrol and diesel cars to electric vehicles (EVs) thereby reducing emissions from commuting and short journey use
- Expand the network of electric vehicle (EV) chargepoints across the Warwick district as part of a county-wide scheme
- Encourage taxi fleet conversion to EVs – using external grant schemes to support additional costs of vehicle purchasing, and working with WCC to provide suitable re-charging points
- Promote modal transport shifts from the use of cars to cycling, walking and public transport through increase of safe routes and encouraging work-based changing facilities where locations permit
- Engage local employers and encourage the introduction and investment in Green Travel Plans promoting low emission commuting schemes, best practice and remote working / home working.
- Work with WCC, local businesses and other organisations e.g. Transport for West Midlands; Sustrans; Chiltern Railways on a Sustainable Transport Strategy for the District and region which would have wider and more integrated transport emission benefits
- Require buses and taxis to be low emission/alternative fuel by 2030
- Examine differential parking charges for low emission vehicles in council car parks

Improve Council owned housing

As a responsible landlord, the Council will need to invest in council homes to enable tenants to reduce their energy bills, have warmer homes and lower their carbon footprint. Actions could be to:

- Review all Council homes to identify current standards and provide funding to expand the property retrofit programme needed to bring council homes to the required EPC level 'C' by 2030 (Fuel Poverty Act FPA)
- Examine the business case and other benefits of going beyond FPA requirements on all the Council's residential portfolio i.e. achieving EPC 'B' or higher
- Extend the Council's pilot scheme to test alternative construction methods for new low energy council homes

- All new council housing to be built to the highest energy standards (EPC 'A' or 'B')
- Consider the installation of solar PV on council owned homes following a roof and energy usage survey
- Complete a Fuel Poverty Action Plan; identify the measures that might alleviate fuel poverty by 2030

Manage Energy Use – Households

In the coming decade, Warwick District will have to improve the efficiency of all buildings to reduce the demand for energy and convert to low carbon and/or renewable heating. Actions could be to:

- Invest in community engagement campaigns which will encourage and target carbon emission reduction e.g. gas heating – with particular focus upon 'hard-to-heat' properties
- Early priorities will be to reduce household emissions resulting from gas heating through building efficiency improvements and switching to green energy
- Facilitate and incentivise energy efficiency measures to households in fuel poverty
- Extend energy advice campaigns to reduce household energy consumption and energy costs
- Provide a Climate Action Fund designed to incentivise and 'pump prime' initiatives, and develop feasibility studies, pilot schemes and campaigns that encourage energy efficiency and carbon reduction actions amongst residential communities and individual households.

Develop Business and Economic Opportunity

Warwick District is already an attractive location for business relocation and inward investment. The Council could promote the District as a new hub for low carbon technology and service industries – representing an economic growth opportunity. Actions could be to:

- Continue to encourage and expand inward investment and relocation of innovative low carbon technology enterprises engaged in the low carbon energy, transport and construction sectors
- Work with businesses and corporate organisations to initiate and share Circular Economy initiatives
- Ensure that business infrastructure is resilient to the risks of Climate Change

Manage Energy Use – Commercial and Institutional

Action will be needed to become more energy efficient and significantly expand local low carbon sources of energy with the capacity to store energy and encourage new energy generating technologies. Actions could be to:

- Encourage commercial and institutional organisations to develop their own carbon reduction action plans and share their work with other high energy users.
- Encourage a collective approach to reducing energy use and generating renewable energy
- Develop a district-wide Net Zero Campaign based on energy efficiency
- Explore the feasibility of suitable alternatives to natural gas heating and establish pilot and demonstration schemes
- Provide a Climate Action Fund designed to incentivise and ‘pump prime’ initiatives, feasibility studies, pilot schemes and campaigns that encourage energy efficiency and carbon reduction actions amongst businesses

Include Adaptation

Forward planning rather than reacting to extreme weather events as they occur is essential. This process of adjusting to changes in climate should be part of any long-term business strategy by WDC to implement adaptation policies alongside carbon reduction work. Actions could be to:

- Ensure that forward planning within the Council and across the district is the norm rather than as a reaction to extreme weather events as they occur.
- Encourage businesses, institutions and community organisations to include adaptation measures within their long-term business strategy alongside carbon reduction activities and investments.
- Prepare case studies of best practice from within and outside of Warwick district.

Build Local Strategic and Delivery Partnerships

The carbon footprint can only be reduced to net zero by 2030 by a concerted effort by many stakeholders and partners across the District. WDC is in a strong position to lead, coordinate and influence. Actions could be to:

- Build effective partnerships with private and commercial stakeholder groups to design and deliver a district-wide carbon reduction plan
- Engage and collaborate with regional and national organisations to deliver low carbon initiatives
- Encourage the involvement of community groups and individuals through the establishment of a Citizens Assembly
- Acknowledge the role that the younger generation can play in raising awareness and stimulating action around climate change through cooperation with educational institutions, youth groups and the Youth Parliament

Lobby Government

The Council should also work alongside other councils and organisations to lobby government for more resource and powers to enable delivery of climate action programmes, and include the following messages:

- Government should set the highest priority to addressing Climate Change and fund accordingly
- Climate change impact should be at the heart of government policy, regulation and investment
- Government should set high standards for upgrade of existing homes and the building of new homes, with special focus upon social housing
- Increase financial incentives that encourage people to adopt renewable technologies – especially for low income households
- Statutory reporting of carbon emissions within the public sector should be re-introduced
- Support energy efficiency, renewable energy, power supply innovation and ensure that there is strategic grid enforcement procedures in place
- Support a national funding incentive scheme for householders to enable them to install renewable energy measures and energy efficiency measures
- Deliver a major commitment and investment to encourage a modal shift in transport to include electric vehicles, sustainable public transport, cycling and walking.



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Taking Action on Climate Change

**“Making Warwick District a great place to live, work and visit
– and carbon neutral by 2030”**

Abstract

Warwick District Council declared a climate emergency in June 2019 and made a commitment to reducing carbon emissions across the Council’s own estate and influencing climate action planning, mitigation and adaptation across Warwick District. Development of a Climate Emergency Action Programme is the first step to formalizing an approach over the next decade, which can bring social, environmental and economic benefits to the communities and businesses across Warwick District and place Warwick District Council in the forefront of addressing climate change.



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Consultants’ Note:

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Executive Summary

A Climate Emergency Action Programme (CEAP)

1. Warwick District Council (WDC) has committed to reducing its own organizational carbon footprint to a net zero target by 2025. This translates to a reduction of 2,948 tonnes CO2 equivalent (CO2e) over 5 years from April 2020 (ref: One Carbon World).
2. WDC sees an opportunity to be an influencer of change within Warwick District and plans to support local communities, organisations and businesses in the implementation of measures designed to reduce the CO2e footprint from its current (2018-19) level of 1,060,131 tonnes CO2e (ref: SCATTER analysis) to net zero by 2030.
3. This Report is in the form of a Climate Emergency Action Programme to address these two declarations and contains a Carbon Management Plan for the Council's own estate and a Climate Emergency Action Roadmap for Warwick District.
4. The Climate Action Programme acknowledges the effectiveness of current carbon reduction activities being undertaken by the Council both within its own estate and across the District. The Programme must also address adaptation and mitigation and identify the Council's role in their delivery.
5. Measures to reduce the carbon footprint of the Council and District and adapt service delivery to address the impacts of extreme weather events will significantly reduce financial risk and generate very real savings to the public finances in the future as well as delivering on corporate responsibilities to the environment and to communities.
6. It will be critical to widen the engagement with the Warwick district community (individuals, residential, commercial, and institutional) to raise awareness of the need to respond to the Climate Emergency and to encourage commitment and ownership of the challenge.

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- Work with WCC, local businesses and other organisations e.g. Transport for West Midlands; Sustrans; Chiltern Railways on a Sustainable Transport Strategy for the District and region which would have wider and more integrated transport emission benefits
- Require buses and taxis to be low emission/alternative fuel by 2030
- Examine differential parking charges for low emission vehicles in council car parks

Improve Council owned housing

As a responsible landlord, the Council will need to invest in council homes to enable tenants to reduce their energy bills, have warmer homes and lower their carbon footprint. Actions could be to:

- Review all Council homes to identify current standards and provide funding to expand the property retrofit programme needed to bring councils homes to the required EPC level 'C' by 2030 (Fuel Poverty Act FPA)
- Examine the business case and other benefits of going beyond FPA requirements on all the Council's residential portfolio i.e. achieving EPC 'B' or higher
- Extend the Council's pilot scheme to test alternative construction methods for new low energy council homes

- All new council housing to be built to the highest energy standards (EPC 'A' or 'B')
- Consider the installation of solar PV on council owned homes following a roof and energy usage survey
- Complete a Fuel Poverty Action Plan; identify the measures that might alleviate fuel poverty by 2030

Manage Energy Use – Households

In the coming decade, Warwick District will have to improve the efficiency of all buildings to reduce the demand for energy and convert to low carbon and/or renewable heating. Actions could be to:

- Invest in community engagement campaigns which will encourage and target carbon emission reduction e.g. gas heating – with particular focus upon 'hard-to-heat' properties
- Early priorities will be to reduce household emissions resulting from gas heating through building efficiency improvements and switching to green energy
- Facilitate and incentivise energy efficiency measures to households in fuel poverty
- Extend energy advice campaigns to reduce household energy consumption and energy costs
- Provide a Climate Action Fund designed to incentivise and 'pump prime' initiatives, and develop feasibility studies, pilot schemes and campaigns that encourage energy efficiency and carbon reduction actions amongst residential communities and individual households.

Develop Business and Economic Opportunity

Warwick District is already an attractive location for business relocation and inward investment. The Council could promote the District as a new hub for low carbon technology and service industries – representing an economic growth opportunity. Actions could be to:

- Continue to encourage and expand inward investment and relocation of innovative low carbon technology enterprises engaged in the low carbon energy, transport and construction sectors
- Work with businesses and corporate organisations to initiate and share Circular Economy initiatives
- Ensure that business infrastructure is resilient to the risks of Climate Change

Manage Energy Use – Commercial and Institutional

Action will be needed to become more energy efficient and significantly expand local low carbon sources of energy with the capacity to store energy and encourage new energy generating technologies. Actions could be to:

- Encourage commercial and institutional organisations to develop their own carbon reduction action plans and share their work with other high energy users.
- Encourage a collective approach to reducing energy use and generating renewable energy
- Develop a district-wide Net Zero Campaign based on energy efficiency
- Explore the feasibility of suitable alternatives to natural gas heating and establish pilot and demonstration schemes
- Provide a Climate Action Fund designed to incentivise and ‘pump prime’ initiatives, feasibility studies, pilot schemes and campaigns that encourage energy efficiency and carbon reduction actions amongst businesses

Include Adaptation

Forward planning rather than reacting to extreme weather events as they occur is essential. This process of adjusting to changes in climate should be part of any long-term business strategy by WDC to implement adaptation policies alongside carbon reduction work. Actions could be to:

- Ensure that forward planning within the Council and across the district is the norm rather than as a reaction to extreme weather events as they occur.
- Encourage businesses, institutions and community organisations to include adaptation measures within their long-term business strategy alongside carbon reduction activities and investments.
- Prepare case studies of best practice from within and outside of Warwick district.

Build Local Strategic and Delivery Partnerships

The carbon footprint can only be reduced to net zero by 2030 by a concerted effort by many stakeholders and partners across the District. WDC is in a strong position to lead, coordinate and influence. Actions could be to:

- Build effective partnerships with private and commercial stakeholder groups to design and deliver a district-wide carbon reduction plan
- Engage and collaborate with regional and national organisations to deliver low carbon initiatives
- Encourage the involvement of community groups and individuals through the establishment of a Citizens Assembly
- Acknowledge the role that the younger generation can play in raising awareness and stimulating action around climate change through cooperation with educational institutions, youth groups and the Youth Parliament

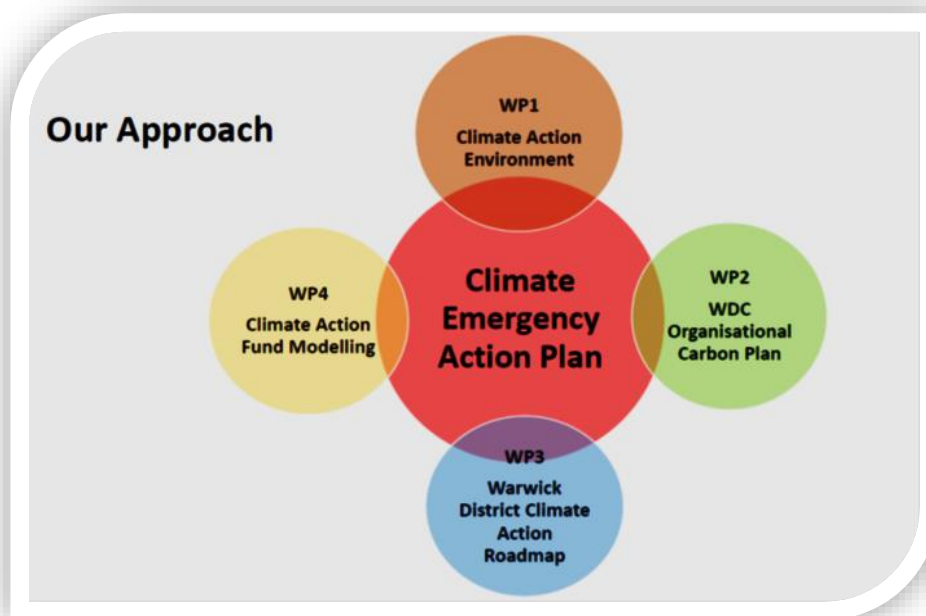
Lobby Government

The Council should also work alongside other councils and organisations to lobby government for more resource and powers to enable delivery of climate action programmes, and include the following messages:

- Government should set the highest priority to addressing Climate Change and fund accordingly
- Climate change impact should be at the heart of government policy, regulation and investment
- Government should set high standards for upgrade of existing homes and the building of new homes, with special focus upon social housing
- Increase financial incentives that encourage people to adopt renewable technologies – especially for low income households
- Statutory reporting of carbon emissions within the public sector should be re-introduced
- Support energy efficiency, renewable energy, power supply innovation and ensure that there is strategic grid enforcement procedures in place
- Support a national funding incentive scheme for householders to enable them to install renewable energy measures and energy efficiency measures
- Deliver a major commitment and investment to encourage a modal shift in transport to include electric vehicles, sustainable public transport, cycling and walking.

Project Approach

This Report proposes a Climate Emergency Action Programme designed to address the two net zero targets set within the Climate Emergency declarations set by the Council in June 2019. It contains a Carbon Management Plan for the Council's own estate (Work Package 2) and a Climate Emergency Action Roadmap for Warwick District (Work Package 3). Attention was also given to possible climate emergency funding models.



A Carbon Management Plan for Warwick District Council

A Carbon Management Plan (Work Package 2) has been designed to reduce the Council's own carbon footprint (2,948 tonnes CO₂e ref: One Carbon World) to net zero over 5 years with costs of measures (actions), energy saving and carbon reduction outcomes based on currently available data and assessment tools. The Consultants draw attention to the considerable efforts that have already been made within the Council to cut energy costs and reduce the Council's own carbon emissions. However, to meet the net zero target by 2025 a more concentrated programme of activity and investment is required.

A series of Carbon Reduction Measures has been produced to indicate areas of activity over the next 5 years that could take place – and leading to a net zero figure by 2025. However, the timescales and resource available for this first step in developing the Climate Emergency Action

Programme (CEAP) has meant that the measures proposed have been based on desk studies i.e. no site assessments and therefore are for information and further investigation.

Carbon Reduction Measures are illustrative and can be added to, removed or replaced according to priorities and investment decisions. Such changes will of course impact upon the costs and savings as well as the delivery programme.

The resulting measures are summative and a costplan is included to indicate the costs of actions, the energy and fuel savings that might result, and the reductions in CO₂e that might ensure. Where possible a payback period has been suggested.

The net result is a 'carbon descent' profile that indicates the possible implementation schedule over a 5-year period. This schedule will be governed by budgetary considerations as well as delivery resources within the Council.

A Warwick District Climate Emergency Action Roadmap

Context

This interim Roadmap for the district wide climate emergency action plan is intended to meet the reporting requirement needed for the end of January 2020 that will, in turn, support the 2020-21 budgeting cycle. This Roadmap indicate a direction of travel for the programme.

Key to the successful delivery of the 10-year programme to bring Warwick District's GHG emissions to as close to net zero as possible is the appointment of an internal team to run the programme. It is expected that this Roadmap will support that team's more detailed planning going forward as they will own the delivery of the CEAP Programme.

Additionally, if SCATTER is to be used for further planning and modelling the impact of measures (the 'Pathway Feature'), the functionality (termed Phase 2) will not be available until Spring 2020 and will go through a user acceptance test before release. Once SCATTER Phase 2 is available and the decision has been taken to use the tool, it would be advisable to re-run key calculations.

Given the scale, complexity and urgency of responding to climate change, it is proposed that the District CEAP is seen as iterative in nature. While setting out the medium to long term roadmap to carbon neutrality, it is also likely that an annual update will be needed, to capture the rapid changes being delivered under the Action Plan, and to ensure it is reflective of the likely rapidly changing national and international context.

Designing a Climate Action Plan for Warwick District

A Climate Action Plan must scope the resources needed, identify and define assets and systems, assess information, identify responses and opportunities and undertake a prioritisation exercise. A logical framework will help design the council's own process for analysing climate change impacts, vulnerability and risk; and then enable the prioritisation and formulation of responses and the development of a detailed, timed and costed Climate Action Plan, which can steer the District towards net zero carbon emission status by 2030.

A Climate Change Action Plan is a strategic document (or series of plans and documents) that demonstrates how a district will deliver on its commitment to address climate change. It will determine the vision and political commitment and demonstrate leadership

The Action Plan should show the effectiveness of current activities undertaken by the Council and an analysis of the additional activities that need to be taken to address both adaptation and mitigation (for the definition see the Index). Led by evidence based transformational actions, it should aspire to ambitious, but realistic targets and a carbon budget. An audit and monitoring system will allow for regular and continuous improvement.

Developing a co-benefits approach

As important as understanding the current starting point, the setting of targets and the action plan, will be the development of ways to engage stakeholders and develop the understanding of the benefits and co-benefits of taking action on all sectors of the community. It is extremely important to demonstrate that addressing climate change can improve lives in ways that matter to residents. Climate change can amplify inequality and affect the most vulnerable disproportionately. Leadership will be crucial to success.

Environmental: Adaptation, Resilience	WDC achieves its carbon reduction target by 2025 combatting the effects of climate change through a range of adaptation measures e.g. green spaces, planting trees, flood alleviation, and maintaining biodiversity
Social: Health, Social Equity, Fuel Poverty	WDC engages with other local organisations and partners (private and public) on designing and delivering carbon initiatives to ensure that the Council is leading by example, ensuring socialisation and acting as a positive influence for change
Economic: Growth, Energy Efficiency, Jobs	WDC delivers its public services efficiently within a sustainable procurement environment to maintain focus upon carbon emission reduction and encourage low carbon business supply and growth

Defining multiple co-benefits: An example of making homes energy efficient¹

Action	CO2	Health	Economy	Equity	Resilience
Energy efficient homes	Cuts energy demand and carbon emissions	Reduces fuel poverty	Creates jobs and saves on energy bills	Increases access to affordable warmth	Households are better placed to withstand future energy bills as well as overheating

Communicating a Climate Action Programme

Climate change, the impacts it may have and what can be done to address change is a complex issue. It presents policy and operational challenges that do not sit comfortably within the responsibility of any one organisation or local government department and requires a different style of thinking and governing to address the problems involved. The dissemination of the actions that can be taken has to be communicated to those who can make the most difference.

A capacity to work across organizational boundaries, to think holistically and to involve the public is important as is an understanding of both what is valued by, and what can deliver co-benefits to residents.

Local Government leadership and vision is an essential part of this drive to achieve change. The planning system, in particular, can influence patterns of development, which can have long-term impacts on the environment, and information enables people to make informed choices.

The dissemination of the actions that can be taken has to be communicated to those who can make the most difference and to those whose lives will be most impacted. People connect to climate change issues in many different ways, but it is in their homes and communities where they will experience the direct impacts.

Councils across the country have used a variety of means to communicate with residents and involve them in the decision-making processes both at the start and during the period of change. Oxford City Council and Camden Borough Council organized Citizens Assemblies, others have taken a 'resource board' approach.

Case Study: On 21 May 2019 Carbon Neutral Cambridge organised the Zero Carbon Futures Symposium in partnership with the Greater Cambridge Shared Planning Service, South Cambridgeshire District Council and Cambridge City Council. The event was supported by the University of Cambridge's Centre for the Study of Existential Risk, and local businesses. 51% of the 57 expert participants and speakers were council officers or councillors. Other participants included representative from universities, the built environment sector, local charities, young people and community groups.

¹ Climate Action co-benefits: A toolkit for city regions and local authorities, Ashden 2019

Citizens Assemblies, Commissions and Symposiums:

A number of Council's have organised citizens Assemblies including Oxford and Camden. Both involved a randomly-selected representative sample of 50 residents who learned about climate change and explored different options to cut carbon emissions through a combination of presentations from experts and facilitated workshops. The Panel was asked to think about proposed actions and these have included renewable energy installations, buying certified green energy, biodiversity work, tree planting and increased recycling.

Camden's Citizens' Assembly agreed 17 actions they wanted taken forward. As the result of the Oxford Assembly, a climate emergency budget of £19m was agreed. (£1m operational and £18m capital investment).

Leeds and Bristol established Mini-Stern reports on the economics of addressing climate change. Cambridge City Council organised a Zero Carbon Futures Symposium with neighbouring councils, academics, councilors, representatives of local charities and environmental groups to aid policy development.

Moving Forward

Warwick District Council could establish a Climate Action Partnership of stakeholders and the wider community, to work with the Council to provide advice, support and encouragement to communities, businesses and charitable organisations to help to mitigate their emissions and adapt to the inevitable impacts of the climate crisis.

An Annual Climate Forum or Summit could be organised to work with partners including Warwick University and neighbouring councils.

The climate crisis is of particular significance for young people. The Council could work with the County Council schools across the county to provide opportunities for schools and young people to contribute directly to the development and implementation of the Climate Emergency Strategy.

Developing Partnerships

There is considerable potential for work across authorities on cross boundary projects, policies and standards. Areas of collaboration can include communications, housing standards, transport and energy policy.

Case Study: Hull council has partnerships with Heywoods, Hull and East Yorkshire Woods and the Northern Forest. In this tree-planting season, the local authority will plant 14,000 trees, which is the most planting across the whole Northern Forest area. This feeds into work around carbon sequestration, and understanding what type of planting should be done and where. The council is also looking at different habitats and grassland areas of the Humber estuary, to see how carbon can be captured in those areas.

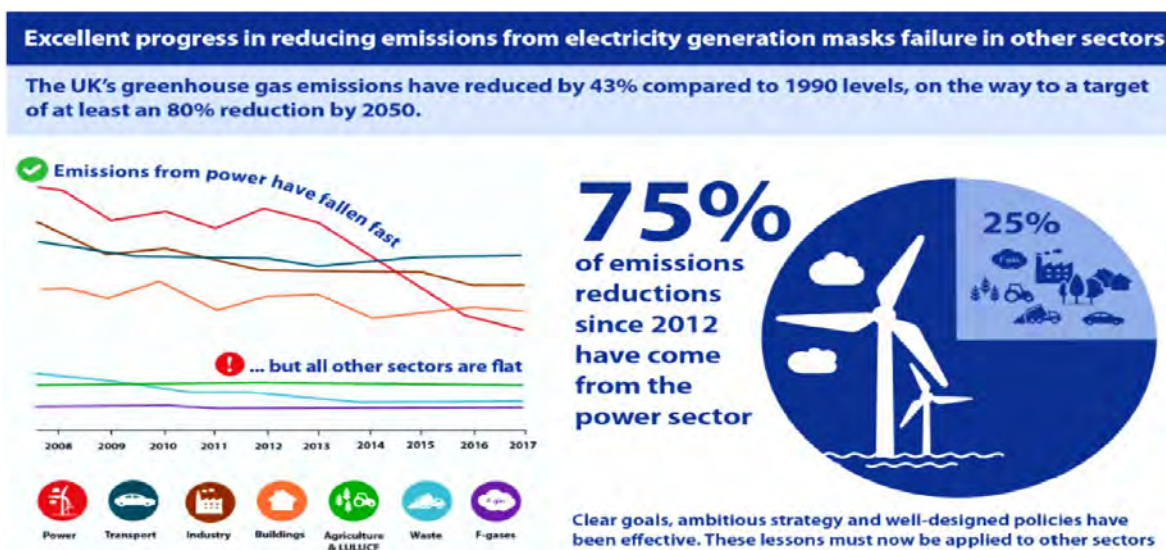
A Climate Emergency Action Programme (Work Package 1)

We have known about the science of climate change for more than quarter of century, but, as noted by the RTPI/TCPA in 2018,² action across the country has been far too slow. In 2018, the year of the hottest temperatures ever recorded in the UK, and in many places around the world, the Committee on Climate Change gave a strong message that 2019-20 is likely to be the most important yet in defining the UK's climate credentials. In the words of their Chief Executive: 'New targets are cheap; real progress is harder'³.

Most of the reduction to reduce greenhouse gases (GHG) has resulted from changes within the power sector. Strong UK policies have closed coal plants and supported remarkable increases in renewable generation, accompanied by dramatic reductions in costs, far beyond the level once believed possible. Emissions from waste are also down 48% since 2008 – an unsung story, the outcome of EU regulation and the UK landfill tax.

We should celebrate this progress, but it masks a worrying trend in other sectors.

In this report, we refer to the 'uneven' balance of emissions reduction. In the last five years, emissions outside of power and waste have plateaued. Costs of renewables (large-scale wind and solar) falling below cost/MW of coal plants. Progress in other sectors has been flat or shown a minimal reduction.



Source; 2018 Progress Report to Parliament, Committee on Climate Change

² Rising to the Climate Crisis. A Guide for Local Authorities on Planning for Climate Change 2018

³ <https://www.theccc.org.uk/2019/12/18/2020-must-be-the-year-of-climate-action/>

The Challenge Ahead

The challenge ahead is to translate the current momentum into coordinated action across all areas for which councils have a direct responsibility and to embed it into all their policies and strategies.

Climate change will affect many of the services provided by local authorities. Impacts could range from increased flooding, drought, health impacts as well as more frequent heatwaves. Local authorities have responsibilities for promoting wellbeing in economic, social and environmental terms for their residents. Actively preparing for climate change will contribute to resilience and should be a high priority.

Climate change adaptation, a large and important aspect of resilience, will rely on organisational innovation within councils and their ability to work in partnership with other public bodies, such as water companies, the Environment Agency, telecoms, and infrastructure providers as well as, crucially, with their residents.

Local Authorities can play a leadership role and use powers including their planning powers. Beyond areas within their direct control, the local authority can raise expectations, communicate, develop partnerships, work with other local organisations and groups and provide support for local business and communities.

At a national level, the Committee on Climate Change (CCC) has written to the Prime Minister prioritising five key areas: (*see: <https://www.theccc.org.uk/publication/letter-ccc-writes-to-the-new-prime-minister/>*):

- **“Buildings.** An ambitious and properly funded strategy for entirely removing fossil fuels from the UK’s building stock, with action beginning immediately and standards that set a clear path for the longer-term.
- **Transport.** Rapid progress in the implementation of the manifesto commitment to consult on an earlier phase-out of petrol and diesel cars, ideally by 2030.
- **Electricity.** Delivering on the manifesto commitment for 40GW of offshore wind by 2030 – and ensuring that any market reforms are complementary to the Net Zero goal.
- **Industry.** Developing an ongoing mechanism to pay for emissions reductions from industry and an approach to delivering hydrogen and CCS infrastructure, alongside your promised capital support.
- **Land use and agriculture.** Introducing a world-leading package through the Agriculture and Environment Bills to cut emissions from agriculture and to pay for the 30,000 hectares (75,000 acres) of annual tree planting promised in the manifesto.”

The CCC also highlights the importance of addressing the need for adaptation if we are to be prepared for the changes ahead; these include addressing flood risk, managing the risks from extreme heat, reducing the risk of drought and protecting the natural environment.

Above all, the transition to net zero must also be fair - and be seen to be fair – if it to become successful.

What do ‘Carbon Neutral’ and ‘Net Zero’ mean?

‘Carbon neutral’ or ‘net zero’ typically mean the same thing: Some carbon/GHG emissions remain but are then ‘netted off’ or off-set through carbon dioxide removal. Such removal may occur due to Negative Emissions Technologies (NETs) such as biomass energy with carbon capture and storage, or, natural sequestration via means such as afforestation. The UK’s Net Zero target includes all GHGs (not just those from within the energy system). Warwick District Council needs to define the nature and extent of ‘offsetting’ that is feasible within the Local Authority boundary during the course of this study.

Celebrating achievements

In addressing the Climate Change Challenge the Intergovernmental Panel on Climate Change (IPCC) reported in October 2018:

“Global warming could be halted should emissions reach and be sustained at “net zero global anthropogenic CO2 emissions”.

In response to this unprecedented challenge, Warwick District Council declared a ‘Climate Emergency’; with ambition to:

1. Become a net-zero carbon organisation, including contracted out services, by 2025 in terms of scope 1, 2 and 3 emissions.
2. Facilitate decarbonisation by local businesses, other organisations and residents so that total carbon emissions within Warwick District are as close to zero as possible by 2030.



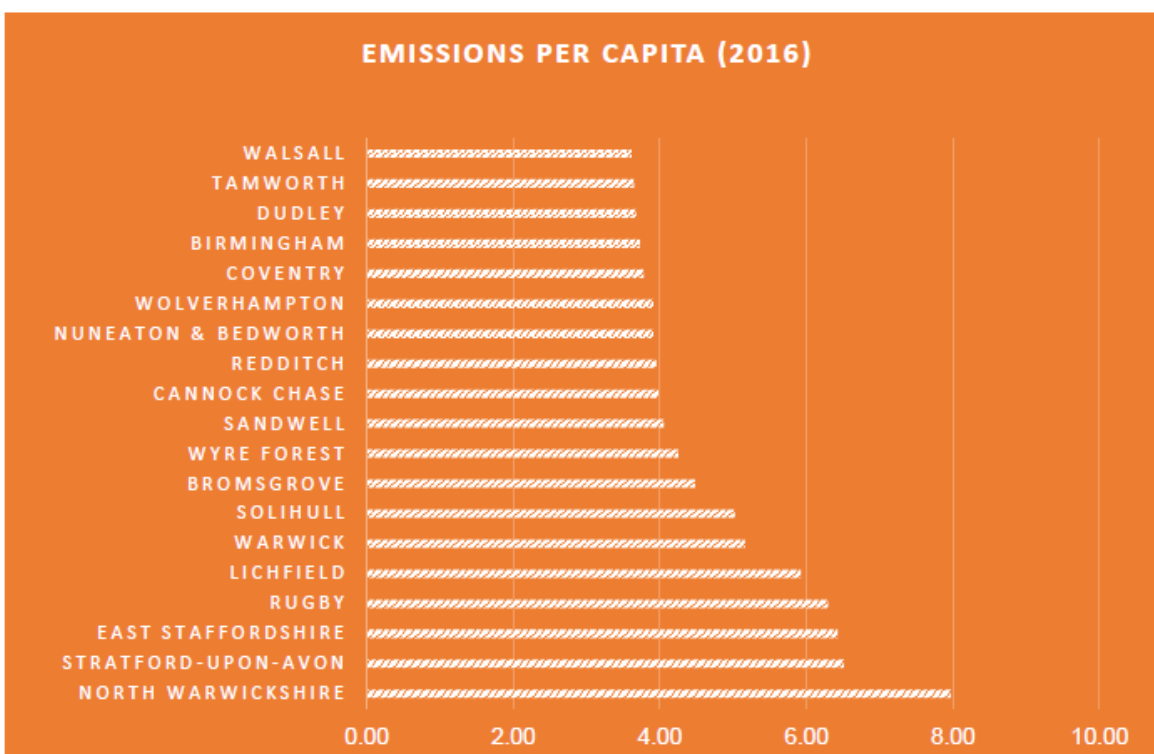
Warwick District Council has been engaged in carbon reduction planning especially across its own estate for a number of years. This is demonstrated through a number of reports and reviews including:

- Low Carbon Action Planning and Implementation Review (2011 ~ Greenwatt)
- Low Carbon Action Plan (2012 ~ Encraft)
- Strategic Approach to Climate Change 2016-2020

- Air Quality Annual Status Report (2018 Bureau Veritas)
- Setting Climate Commitments for Warwick (2019 Tyndall Centre)

The Council established a Sustainability Officers Group (SOG) in 2017 to coordinate the various and several initiatives and actions being researched and undertaken to improve the carbon footprint of the Council's activities and estate, as well as introducing ideas for supporting CO₂e emissions reductions across Warwick District. These measures have included:

- Training for staff and council members
- A plastics policy
- A sustainable travel action plan
- A sustainable procurement policy
- Paper reduction initiatives
- A district heating scheme assessment
- Further energy efficiency and CO₂e reduction investigations are also underway e.g. solar park



Further work is needed to reduce the carbon footprint of Warwick District. The graph above from the West Midlands Combined Authority shows the ranking of CO₂e emissions (in tonnes) per capita for the year 2016 for each local authority in the WMCA 3-LEP area.

Defining the powers of the District Council

The District Council has the ability to use a range of powers, plus political commitment and leadership to address the challenge. The Council can:

- Develop a Carbon Management Plan for its own organisation and estate
- Use strategic planning as a key power
- Continue to develop effective local and strategic plans to deliver a range of key solutions to climate change issues including renewable energy measures
- Use ownership of land and building stock to encourage energy efficiency measure and clean technologies uptake
- Encourage investment to drive change
- Support energy efficiency advice and fuel poverty measures
- Use procurement, particularly in waste and leisure centres to drive change
- Support the deployment of low emission vehicles and in particular electric vehicles

Define the potential partnerships for Warwick District Council

One of the most powerful levers for the Council is the ability to develop partnerships for a collective approach by pooling skills, influence and resources. Partners can include Warwickshire County Council, Coventry and Warwickshire Local Enterprise Partnership (CWLEP), West Midlands Combined Authority, the Health Authority, Transport for West Midlands, local business groups and corporates, environmental organisations such as the Wildlife Trust and the Environment Agency, community energy groups, parish and town councils, and individuals. The Council can also seek Government support and lobby for change.

Define the Commitment:

As part of its Climate Emergency Declaration (June 2019), Warwick District Council has expressed its clear commitment to:

1. Become a net-zero carbon organisation, including contracted out services, by 2025 in terms of scope 1, 2 and 3 emissions.
2. Facilitate decarbonisation by local businesses, other organisations and residents so that total carbon emissions within Warwick District are as close to zero as possible by 2030.
3. Work with other local councils to lobby central government to help address the above points including by funding and changing regulation.
4. Engage with and listening to all relevant stakeholders including members of the Warwickshire Youth Parliament regarding approaches to tackling the climate emergency.
5. Ensure that tackling the Climate Emergency is central to the strategic business plan – in terms of both adaptation and mitigation.

Define the actions to meet the commitments:

Key actions can include:

- **Innovation:** Using new ideas, technologies, services and processes can make positive changes quicker and more effectively.
- **Leadership:** Leading by example and promoting the ideas and perspectives of influencers and policymakers can inspire and make a difference.
- **Collaboration:** Identifying partnerships and brokering connections between sectors can develop more powerful, sustainable solutions.
- **Celebration of success:** Sharing good practice, promoting achievements and stakeholders enabling successful practice to be scaled up and applied elsewhere.

Understanding the problem

For district councils, the LGA recommends the focus of climate change action should be:

Internal	External
<ul style="list-style-type: none"> • Planning • Energy efficient buildings and assets • Changes to procurement and contract management • Changes to vehicle fleet and travel arrangements • Working practices i.e. home-working; embracing reduce/reuse/recycling 	<ul style="list-style-type: none"> • Improved flood protection • Regeneration and development • Community development • Educating/enabling communities to be more aware of carbon and other greenhouse gas emissions and what they can do collectively to mitigate against climate change

Reducing emissions from the Council's own estate and operations contributes to meeting carbon budgets and also demonstrates leadership and good practice. The main opportunities are to improve energy efficiency and reduce emissions within the council's own buildings, street lighting (where applicable), transport fleet, procurement and influence contractors and other local businesses.

WDC Strategic Approach to Sustainability and Climate Change 2016-2020

WDC has adopted a Strategic Approach to Sustainability and Climate Change which sets out how the Council will respond to the challenges and opportunities presented by the transition to a low-carbon, sustainable district. The strategy outlines the overarching aims, key objectives and includes an action plan setting out how the Council will achieve them. The strategy is reviewed and updated on a regular basis.

Summary:

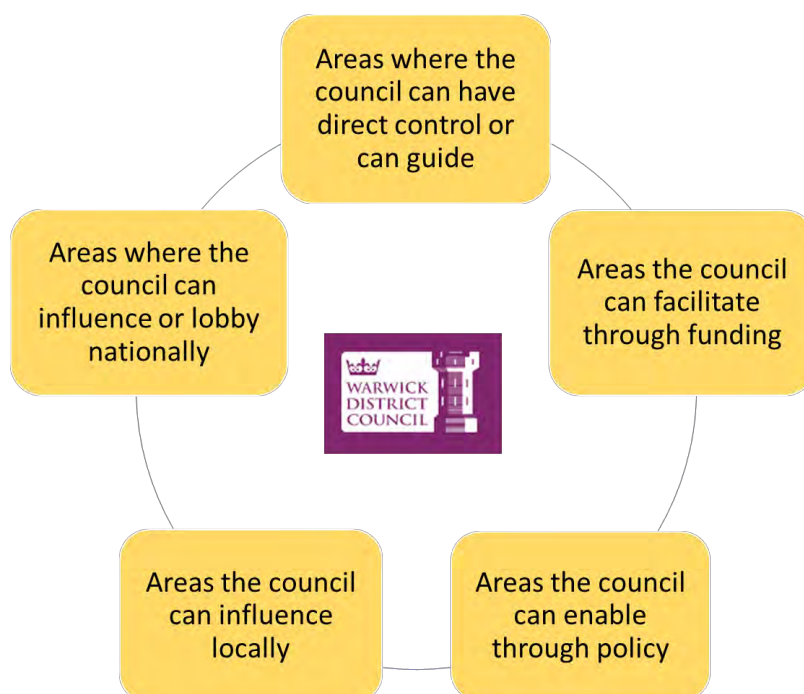
The Ambition	Mitigation and Adaptation	Community Awareness
Warwick District Council will act to reduce GHG emissions across all its areas of influence, including its own operations, helping to create the conditions for a smart, innovative, low-carbon economy	Risks from climate change-related impacts are managed and resilience is increased through consistent mitigation and adaptation planning and actions based on the best scientific information	Community awareness of climate change mitigation and adaptation solutions increases and organisations and individuals know what they can do to improve the long term resilience and sustainability of the district

Role of the Council:

Warwick District Council has direct control over a small (c 0.3%) of the total emissions of the district, but has a wider range sphere of influence within Warwick District itself. These include:

- Areas where the council can have direct control or can guide
- Areas the council can enable through funding
- Areas the council can enable through policy
- Areas the council can influence locally
- Areas where the council can influence or make the case nationally

The Council cannot provide all of the solutions, as combating climate change needs system wide change that involves communities, business, individuals and stakeholders across all sectors.



The current objectives and strategies of the Council

- To reduce emissions from Council estate and operations
- To reduce emissions and energy consumption from homes and businesses by promoting energy efficiency measures, sustainable construction, renewable energy and behaviour change.
- To reduce emissions by supporting sustainable transport options, reducing car travel and traffic congestion and encouraging transport modal shift.
- To reduce consumption of resources, increasing recycling and reducing waste.
- To support Council services, residents and businesses to adapt to the impacts of climate change.

Making the measurements

The development of a Climate Change Action Plan requires the collation of key data and information from wide and varied sources. Measuring and setting baselines, then monitoring the results, will be an essential part of ensuring progress.

The DEFRA guidelines⁴ emphasise that the principles that should be applied when collecting and reporting on environmental impacts should be relevant, quantitative, accurate, consistent, comparable and transparent.

Since 2015, local authorities in England were requested by Government to measure and report their GHG emissions from their own estate and operations⁵. However, this was not a mandatory requirement for councils to report this data.

Current Greenhouse Gas Reporting

In the 2008-9 Greenhouse Gas Report the gross GHG emissions for the Council's own estate and operations in 2008/09 was reported as 5,461 tonnes CO₂ e and as 6,375 tonnes CO₂ e in 2012/13. A recent analysis by One Carbon World carried out in 2019 reported a figure of 2,948 tonnes (excludes emissions from WDC council homes and waste).

The data from which these analysis were made - and therefore the reported outcome figures calculated - may require some caution to ensure that like-for-like figures were used. Nevertheless, this seems to represent a significant reduction.

⁴ Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, DEFRA, March 2019

⁵ Via a letter to local authorities, see: www.gov.uk/guidance/sharing-information-on-greenhouse-gas-emissions-from-local-authority-own-estate-and-operations-previously-ni-185

By comparison, the full carbon footprint (2018/19) for the District has been estimated by SCATTER at approximately 1,060,131 tonnes (1,060kt) Co2e – demonstrating the very low contribution that the Council makes to the overall District CO2e emissions (0.3%)

In the 2012/13 GHG Report, WDC reported that the areas that contributed to the bulk of emissions from their own estate and operations were:

- Heating and electricity from operational sites such as office buildings, leisure centres (now contracted out), car parks, sports pavilions and public conveniences
- Fuels consumed by fleet vehicles (refuse trucks and vans), non-road going vehicles and plant such as lawn mowers
- Travel for work purposes i.e. business grey fleet - fuel consumed in staff-owned vehicles and from the use of public transport
- Council's own operational waste deposited in landfill sites
- Water consumption within Council's estate where they pay the water bills

The Council has continued to keep records of their own use energy and as indicated above, has made considerable improvements with regard to energy efficiencies and carbon reductions. However, there is a need to ensure that this data is easily accessible and used for regular reporting on climate change activities. To go beyond own-use statistics requires the use of Government data – and tools for local authorities e.g. SCATTER are currently being developed.

Moving forward

In order to track the Council's carbon management performance, the Council is recommended to approve the preparation of an annual 'budget' for its carbon performance in parallel with established systems for annual reporting on its financial budget.

To inform the preparation of the Strategy, and to act on its objectives, the Council should approve a Climate Emergency Programme Delivery team constituting key officers who are leading various streams of activity across the full range of Council services and under the leadership of a senior manager.

Measures to reduce Warwick District Council's own carbon footprint as an organization and adapt service delivery to address the impacts of extreme weather events will significantly reduce the financial risk and generate very real savings to the public finances – as well as delivering on corporate responsibilities to the environment and to communities.

Defining the Current Carbon Profile

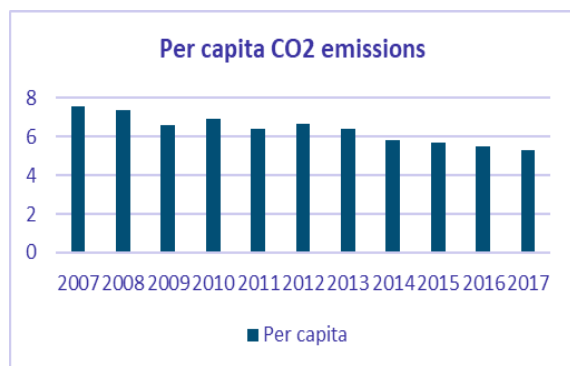
Tools and reports available:

Government statistics:

Both local and regional carbon dioxide (CO₂e) emissions estimates for 2005-2017 are available to provide a nationally consistent evidence base for sub-national greenhouse gas emissions. These estimates can be used as an important body of information by local authorities (LAs) and other relevant organisations to help identify high emitting sources of CO₂e and energy intensive sectors, monitor changes in CO₂e emissions over time and to help design carbon reduction strategies.

Government statistics held by the Government's Department for Business, Energy and Industrial Strategy (BEIS) look at local authority CO₂e emissions and estimates of CO₂e emissions that are within the scope of the influence of a local authority (excluding large industrial estates, railways, motorways and land use) shows a decline with the exception of transport. Per capita emissions have also dropped overall. However, the rate of decline may be insufficient to meet the CO₂e targets set. The figures below indicate that per capita CO₂e emissions have fallen but those from transport have not.

Per capita district CO₂e emissions 2007 - 17⁶



ktCO₂e emissions within the scope of influence of WDC 2005 - 17⁷



SCATTER data suggests that the District's current carbon footprint amounts to 1,060,131 tonnes CO₂e. Warwick District Council is directly responsible for its own carbon performance and for adapting its services to respond to the likely impacts of climate change. It has influence over aspects of the carbon performance in the district but cannot control the entirety.

⁶ BEIS Energy Consumption in the UK 2018

⁷ BEIS statistics

Tyndall Report 2019:

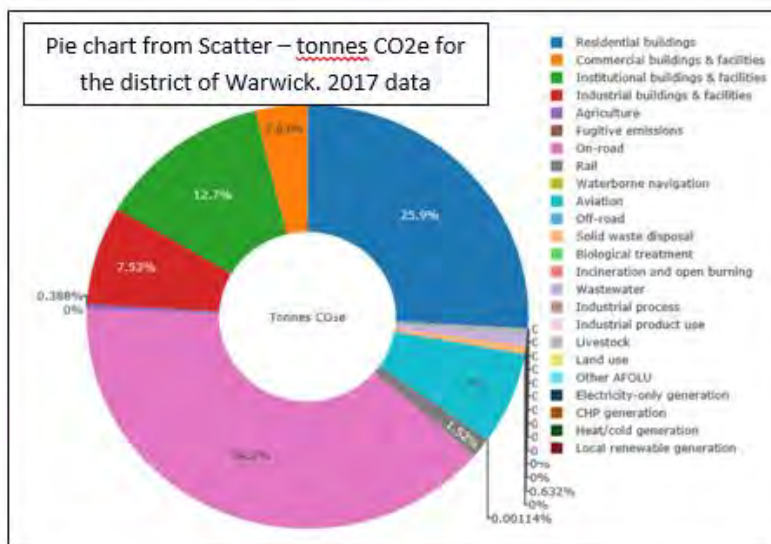
The Tyndall Centre for Climate Change Research produced a report for all councils using Government district wide data. The results in the Tyndall Report⁸ show that for Warwick District to make its fair contribution to delivering the Paris Agreement's commitment to staying “well below 2°C and pursuing 1.5°C” global temperature rise, an immediate and rapid programme of decarbonisation is needed. The Report summarises that at 2017 CO₂ emission levels, Warwick District will exceed the recommended budget available within 6 years:

“To stay within the recommended carbon budget Warwick district will, from 2020 onwards, need to achieve average mitigation rates of CO₂ from energy of around -13.8% per year. This will require that Warwick district rapidly transitions away from unabated fossil fuel use”.

SCATTER:

SCATTER is a local authority focused emissions tool⁹, built to help local authorities become low carbon. The tool is in an early stage of development (Phase 2 expected early March 2020) and aims to simplify the measurement of emissions, helping local authorities to model scenarios, set reduction targets and take action.

The SCATTER tool uses a range of national and local public datasets to provide quantified outputs without local authorities needing to spend significant resources on data collection. However, it looks at mainly district wide data as gathered by Government and this has to be borne in mind when considering the outputs. The initial carbon footprint for Warwick District is shown below:



⁸ Tyndall Report citation November 2019

⁹ Scatter analysis

The full carbon footprint (2018/19) for Warwick District has been estimated by SCATTER at approximately 1,060 Kt Co2e as shown in the chart below. The principal components of the footprint are residential buildings 25.9% and transport (32.9%). Institutional buildings contribute 12.7% to the footprint.

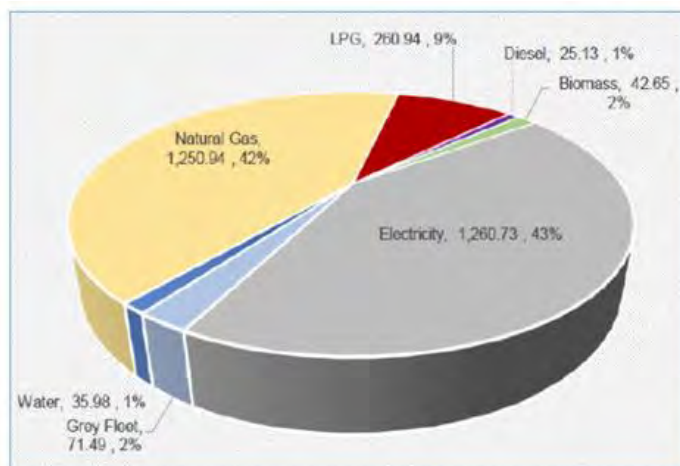
Summary greenhouse gas emissions (metric tonnes CO2e)		Scope 1	Scope 2	Scope 3	
Sector	Sub-sector	Total tCO2e	Total tCO2e	Total tCO2e	Total tCO2e
		DIRECT	INDIRECT	OTHER	TOTAL
Stationary energy	Residential buildings	146,182.18	88,187.45	38,852.42	273,222.05
	Commercial buildings & facilities	19,340.73	14,877.40	6,185.68	40,403.81
	Institutional buildings & facilities	40,777.20	75,178.63	17,958.56	133,914.39
	Industrial buildings & facilities	24,004.96	43,579.66	11,847.39	79,432.02
	Agriculture	4,097.99	1.53	978.52	5,078.05
	Fugitive emissions	-	-	-	-
Transportation	On-road	413,738.62	IE	-	413,738.62
	Rail	16,077.97	IE	3,833.51	19,911.48
	Waterborne navigation	11.89	NO	2.83	14.72
	Aviation	-	IE	73,888.08	73,888.08
	Off-road	-	IE	-	-
	Solid waste disposal	6,668.51	-	-	6,668.51
Waste	Biological treatment	-	-	-	-
	Incineration and open burning	-	-	-	-
	Wastewater	8,716.89	-	-	8,716.89
IPPU	Industrial process	0.03	-	NE	0.03
	Industrial product use	0.00	-	NE	0.00
AFOLU	Livestock	5,142.82	-	NE	5,142.82
	Land use	0.01	-	NE	0.01
	Other AFOLU	NE	-	NE	-
Generation of grid-supplied energy	Electricity-only generation	-	-	-	-
	CHP generation	-	-	-	-
	Heat/cold generation	-	-	NE	-
	Local renewable generation	-	NE	NE	-
Total (ALL)					1,060,131.46
Total Optional					1,046,271.72
Total Optional (Excluding Agriculture, Fugitive Emissions, Waterborne Navigation, Aviation, All Waste)					940,710.88
Total Stationary Energy					532,050.31
Total Transportation					507,552.91
Total Waste					6,668.51
Total IPPU					8,716.89
Total AFOLU					5,142.82

Not Occurring
Integrated Elsewhere
Not Estimated
Confidential
Combination of notation keys
N/A
Required
Optional

One Carbon World:

One Carbon World estimated the District Council's own footprint as 2,947 tonnes CO2e excluding social housing, air conditioning and waste emissions. (**Note:** OCW calculations for biomass are incorrect and represent only 4.2 tonnes CO2e)

WDC Organisation Carbon Footprint – sources of CO2e by emission activity



Asset	tonnes CO2e	%
Electricity	1260.73	43%
Natural Gas	1250.94	42%
LPG	260.94	9%
Grey Fleet	71.49	2%
Biomass	42.65	2%
Water	35.98	1%
Biomass	42.65	2%

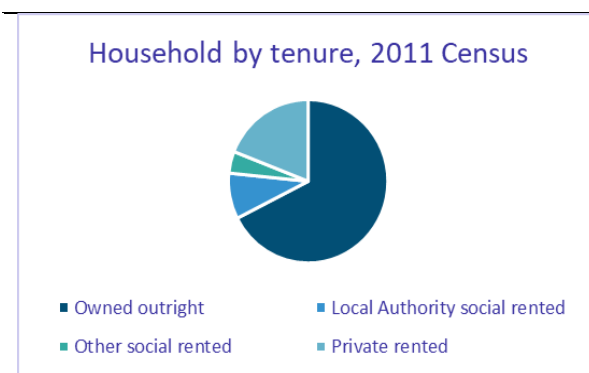
**2,947 tonnes CO2e excludes
social housing, aircon, waste
emissions**

Council Owned Housing and Energy Efficiency Advice to Residents

Energy and energy efficiency advice:

The Climate Change Committee Report 'UK Housing: Fit for the Future?'¹⁰, warned that targets will not be met without near-complete elimination of greenhouse gas emissions from UK buildings and highlighted that emissions reductions have stalled and energy use increased in recent years. The technology and knowledge exists to create high quality, low carbon and resilient homes exists but changes in Government policies and insufficient resources have slowed progress.

WDC Household ownership/tenure distribution from 2011 census data



All buildings in WDC area



Current Action

Implementation of home insulation schemes is a key area for action. The Council works in partnership with Act on Energy who provide free, impartial advice to residents on all aspects of home energy efficiency, including grants for insulation, boilers and switching energy suppliers. Such measures help to lower energy bills, improve comfort and address the potential health issues of inadequately heated homes.

Social housing:

It is up to councils to decide under GHG reporting to allocate which scope social housing falls under. As WDC owns its own council housing stock, it has a duty as landlord to ensure properties are well insulated and have energy efficient heating systems. This provides tenants with the opportunity to reduce energy costs and contribute to reduced CO₂e emissions. It does not however guarantee that such savings will be made – as this is often dependent upon

¹⁰ UK Housing: Fit for the Future? CCC report February 2019

household 'energy behaviour'. This highlights the need to extend and expand the energy awareness campaign as a co-requisite to property retro-fit actions.

WDC has evidenced that some 50% of properties have EPC certification (December 2019). The Council can direct and finance the level of retro-fit necessary to bring homes up to the levels of Energy Performance required (under Fuel Poverty Act) over the next 10 years.

Estimates have been made in calculations based upon current EPC ratings already completed by WDC. However it is a strong recommendation that the remaining 50% of council homes are assessed to identify the appropriate level of retro-fit required – and the energy and carbon savings that will accrue.

Importantly the social benefit accruing from warm homes will be a priority for the Council as 'responsible landlord'. Almost all the Council's own social housing stock has been fitted with energy efficient boilers, minimum levels of loft insulation and, where appropriate, cavity wall insulation. According to data received, approximately 85 properties (not including flats) have no gas boiler. Another 55 have a gas connection, but may not have a meter and would still benefit from a review of their heating and its affordability.

There are still a significant number of 'hard to treat' older dwellings with uninsulated solid walls. A full condition survey of the entire stock is required to inform a long-term housing investment strategy. This will include options for upgrading energy efficiency ratings. The Council's housing team, as well as Act on Energy, give advice to Council tenants and help administer home energy efficiency grant funding applications.

Privately-owned stock:

One of the biggest challenges in reducing domestic energy use in the District is with the existing privately owned stock. Despite work over many years, there remains scope for significant improvements in this area. Average domestic consumption per household in Warwick District Council area reduced between 2012 and 2017. However, further reductions will be needed in the future.

2012	2013	2014	2015	2016	2017
4410	4314	4332	4314	4236	4225

Source: Sub-national electricity consumption statistics Gov.UK kWh

WDC promote the local charity Act on Energy to support their Home Energy Conservation Act (HECA) responsibilities, provide free home energy efficiency advice and support to all residents in the District through energy drop-in days and linking to community groups and activities. The

Home Energy Conservation Act requires local authorities to improve the energy efficiency of residential properties, assess the needs of residents and help support residents in energy efficiency, fuel poverty and keeping warmer in their homes. There is a requirement to provide progress reports at two-yearly intervals.

The HECA 2019 Report on actions taken by WDC between April 2017 and March 2019:

Warm and Well in Warwickshire is measured and evaluated by both the Standards Assessment Procedure (SAP) energy-rating scheme as well as health outcomes. The average increase in SAP ratings for Warwick district properties under Warm and Well in Warwickshire physical interventions was 15 points, which indicates good progress. Act on Energy service achieved the following from April 2017 to March 2019.				
	No of Events /measures	Clients receiving 121 advice	Energy Saving Kwh	Monetary Savings
Events (saving based on the typically 33% take up of advice includes switching)	18	362		£31,515
Presentations (saving based on 33% take up of advice includes switching)	8	175		£15,235
Home Visits	39	43		£10,289
Heating Measures	45		165,915	£7,650
Loft insulation	13		16,068	£728
Cavity wall insulation	27		70,362	£4,185
Telephone Line (saving based on 33% take up of advice includes switching)		551		£47,968
During the reporting period, the HEART Partnership has achieved the following: <ul style="list-style-type: none"> • 6 boiler repairs • 12 full heating installations • 8 removed category 21 hazards for excess cols • 4 referrals for external wall insulation to be completed. 				

Direct comparison between the 2017 and 2019 HECA reports is hindered by changes to Government requirements. In the 2015 HECA Report, the Council, using 2012 data, reported that 1,055 GWh of energy was consumed in the district for domestic purposes, which was an 18% reduction since 2005.

A comparison with other neighbouring councils shows a comparable range depending on the Service Level Agreement in place, and therefore the level of activity and advice available to the Council and residents.

ECO and ECOFLEX. Through work between Act on Energy and WDC, residents in Warwick District received support for a variety of home improvement measures:

Funding source	No of units	Funding	Totals
ECOFLEX			
Boiler replacements	5	£10,233.35	
Loft insulation	13	£13,466.84	
Cavity wall insulation	27	£46,396.23	
			£70,096.42
ECO	1	£12,039.79	
			£12,039.79
			£82, 136.21

Energy Performance Certificates - EPC

From October 1st 2008, all buildings which are built, bought, sold or rented need to have an EPC. The EPC has two parts: An efficiency rating A-G and recommendations for improvement. The aim of the EPC is to ensure anyone looking to purchase or rent a home is fully informed about performance in terms of energy consumption. The Government have a target to make all fuel-poor homes to be EPC Band C by 2030 and as many homes as possible to be EPC Band C by 2035.

The annual costs for householders to have a warm well-lit home every day and enough hot water are three times higher for the least efficient properties.

EPC Band A – C	£940
EPC Band D	£1190
EPC Band E	£1510
EPC Band F	£2000
EPC Band G	£2860

The table below gives an illustration of the savings that can be made by taking suitable energy efficiency measures:

Property type	Energy use kWh/m ² per annum	CO ₂ emissions tonnes/ annum	Heating costs £/annum
Existing houses	265	4.69	799
New houses	86	1.66	295

Mean floor area, energy use and CO₂e emissions for existing and new domestic buildings in England in July/September 2019¹¹

Act on Energy Service Level Agreement:

Act on Energy have a Service Level Agreement (SLA) with WDC for 60 hours a year for energy efficiency advice, mainly given at community centres. The SLA does not cover home visits. The SLA from WDC to Act on Energy determines the amount of assistance available. Act on Energy offers a service shared with 12 other local authorities and supports local authorities to deliver their obligations under HECA. WDC benefits from the Warmer Well in Warwickshire programme. Act on Energy are contracted by Warwickshire County Council to offer a service to households with cold related health conditions, which allows home visits.

Warwick District Council works with five local councils across Warwickshire to operate a service called HEART - Home Environment Assessment and Response Team. This service has been set-up with a focus on disabled adaptations and home improvements.

Moving forward:

Poorly insulated homes waste energy and lead to high emissions and unnecessarily high-energy bills for residents. The Council could consider an ambitious programme working with partners to improve the insulation of their own-stock social housing and privately owned housing. This should take account of best practice. The Council should prioritise interventions that generate a positive and direct return on investment. Within these investments the Council should prioritise those that benefit those members of public of greatest need first, for example energy efficiency measures installed in affordable and social housing. Well-insulated homes mean an EPC rating of Levels A, B or C. There is a potential to work with partner organisation such as Act on Energy to deliver programme through an extended SLA (Service Level Agreement). Studies in early 2020 could be carried out with a programme to commence in 2021/22.

¹¹ <https://www.gov.uk/government/collections/total-final-energy-consumption-at-sub-national-level>

The interim budget and reduction model ¹² suggests a required emissions reduction of 150 ktCO₂e in the domestic sector in the 20-22 period. Some will come from a decline in emissions from electricity use. The remaining reduction will have to come from reducing gas usage for space heating. This priority has been recognised and requires district wide support to improve the energy ratings of buildings most of which are in private or commercial hands.

<i>Costs of designing in measures for a new home at the outset.</i>	Cost (£) – new build	Cost (£) – retrofit (equivalent outcome)
Building a home with an air source heat pump and ultra-high levels of fabric efficiency (equivalent to a space heat demand of 15 kWh/m ² /yr) ¹³	£4,800	£26,300

A Potential Options and Targets Plan for Housing and Properties

Council 2025	District 2030
<ul style="list-style-type: none"> • Complete a re-fit review of council own properties and determine a programme of energy improvements to be funded directly through energy savings. • Install additional energy measures across Council housing stock – e.g. gas boiler replacement with heat pumps where appropriate; LED lighting to communal areas. • Extend the information and advice campaign. 	<ul style="list-style-type: none"> • Facilitate energy efficiency measures to households in fuel poverty and support vulnerable tenants. • Invest in a re-fit scheme for council housing stock and aim for EPC Level 'C' by 2030. • Extend campaigns to reduce household energy consumption with energy advice. • All new council housing to be built to the highest energy standards (EPC 'A' or 'B').

¹² subject to confirmation in SCATTER phase 2

¹³ Curie and Brown and AECOM for the CCC (2019) The costs and benefits of tighter standards for new buildings.

Fuel poverty

Low income, high costs definition: *'A household is in fuel poverty if their income is below the poverty line (taking into account energy costs) and their energy costs are higher than is typical for their household type'.* **Note:** Government is currently consulting upon this definition

According to data from: <https://www.nongasmap.org.uk/>, Warwick District Council has 62,797 residential properties of which 28.7% are non-gas properties and 11.1% of residents live in fuel poverty. Fuel poverty is caused by low incomes, high energy prices, and energy inefficient housing. Someone in fuel poverty is defined in the Warm Homes and Energy Conservation Act 2000 as *"a person [who] is a member of a household living on a lower income in a home which cannot be kept warm at reasonable cost."*

In 2014, the Government introduced in legislation (Fuel Poverty Act) a target for England to improve as many fuel-poor homes as is reasonably practicable to a minimum energy efficiency rating of Level C by the end of 2030. However, across the country this target is not being achieved at a fast enough rate. In addition, in some homes structural and damp problems may need to be sorted, before energy efficiency improvements can begin.

Improving energy efficiency of the housing stock is the most cost-effective, sustainable and long-term action to tackling fuel poverty. It also addresses carbon reduction targets, improves health and well-being and generates economic growth. A fuel poverty strategy should have as part of its objectives and targets:

- Reducing energy consumption
- Improving building fabric
- Reducing cold related illness
- Maximizing household income and reduction of household costs
- Increasing energy generated from low carbon sources.

The Government consulted on the fuel poverty definition in September 2019. The proposed updated measure would still reflect the three key drivers of fuel poverty (income, energy efficiency and fuel prices) and would still measure the number of households in fuel poverty and the fuel poverty gap. Under the proposed measure, Low Income Low Energy Efficiency (LILEE), a household would be classed as fuel poor if:

1. They are living in a property with an energy efficiency rating of Band D, E, F or G as determined by the most up-to-date Fuel Poverty Energy Efficiency Rating Methodology
2. Their disposable income (after housing costs and energy needs) would be below the poverty line.

Cold homes present a health risk to householders, and those living in fuel poverty are more likely to be affected than those who can afford to heat their home to an adequate temperature.

Transport

This sector produces greenhouse gas emissions through the combustion of fuel or use of electricity during journeys travelled by road, rail, air or water for inter-city and international travel. Principal actions reported could include, for instance:

- Checking the service and maintenance strategy to ensure vehicles or machinery operate more efficiently.
- Moving fleet from fossil fuels to electric vehicles.
- Capital investment projects to enable continuous improvement
- Behavioural change programmes

The most important role that local authorities such as Warwick District Council working in partnership with Warwickshire County Council can play is by implementing sustainable ('green') travel programmes, promoting low-carbon vehicles by rolling out electric vehicle charging infrastructure and providing incentives for drivers of low-emission vehicles including ultra-low emission buses.

Electric Vehicles

EV sales are rising steadily but they represented less than one per cent of the UK's total vehicle fleet in 2018¹⁴. However, the government has committed to banning sales of new fossil-fuelled vehicles by 2040. Bringing forward this ban to 2030, and continuing to improve fuel efficiency before that date, would reduce UK oil imports by almost 50 per cent by 2035. Estimated oil cost savings could be as high as £6.63 billion annually¹⁵. The transport sector is now the largest source of CO₂e in the country, accounting for over a quarter of emissions in 2017¹⁶. Road transport makes up 85 per cent of this total.

Public Transport

The Bus Services Act 2017 was introduced on 19 May 2016 in the House of Lords and received Royal Assent on April 27 2017. Essentially an enabling Act, it has the aim of improving bus services for passengers by providing local authorities, the Secretary of State and bus operators with a toolkit to enable improvements to be made to bus services in their areas. WDC is working with Warwickshire County Council to make improvements in Warwick District.

¹⁴ <https://www.gov.uk/government/statistical-data-sets/tsgb09-vehicles> ;

<https://www.gov.uk/government/statistical-data-sets/tsgb01-modal-comparisons>

¹⁵ Green Alliance, November 2017, UK trade in a decarbonising world. Analysis based on the assumption that the average price of a barrel of oil will be \$50.

¹⁶ Department for Business, Energy and Industrial Strategy, 6 February 2018, Final greenhouse gas emissions national statistics

Moving Forward

Electric vehicles: A WDC commitment to a 100 per cent electric fleet by 2025 would set an example and support the market. Good progress is underway with almost half the fleet now electric. The Council has also made a commitment to support public charging points to address 'range anxiety' issues.

The Council should continue their efforts working with other local councils to deliver an increased number of electric vehicle charging points across the District at new homes, places of work, council car parks and on street. The Council is currently part of a Warwickshire County Council consortium which has won funding from the Department for Transport / OLEV to install an additional 16 electric charging points in car parks across the District.

Taxis: The Council is investigating an electric taxi project which could encourage the drivers of local taxis to go electric. An ambitious taxi licensing policy including a feasibility study on all licensed taxis in the District becoming electric, zero or ultra-low emission vehicles by 2030 could be undertaken. Officer time would be needed to engage with taxi drivers and ensure planning provision is made for enabling EV charging infrastructure at selected taxi ranks.

Buses: The Council, in partnership with Warwickshire County Council, Volvo Group UK and Stagecoach Midlands applied unsuccessfully in 2018 for a grant under the Office for Low Emission Vehicles Ultra-Low Emission Bus Scheme. The grant was to bring a fully electric bus route to Leamington Spa, which includes electric buses and opportunity 'overhead' charging infrastructure. The Council plans to resubmit this bid during 2020. The cost proposal is also included within the Council's funding bid to CWLEP for Commonwealth Games 2022 support.

Charging stations: European charging company Fastned opened the UK's first 350 kW super rapid charging hub in 2019¹⁷. The station is located near Sunderland and uses only renewable electricity from the sun or wind. Built and operated by Fastned, the charging station is owned by the North East Joint Transport Committee, and funded through the Go Ultra Low Cities Grant and the European Regional Development Fund. Gridserve <https://www.gridserve.com/> is another company that is planning to deliver a UK-wide, sustainable energy powered, affordable, public charging network akin to current petrol forecourts.



¹⁷ <https://www.zap-map.com/fastned-opens-uks-fastest-ev-charge-point/>

Transport Summary

Council 2025	District 2030
<ul style="list-style-type: none"> • All Council pool cars, vans and maintenance vehicles to be ultra-low emissions or electric by 2025 • Reduce grey business mileage through provision of electric pool cars for staff 'general business use • Ensure ultra-low emissions are included within contracts for refuse fleet, street cleaning and grounds maintenance • Expand travel to work incentives and remote working 	<ul style="list-style-type: none"> • Develop an expanded network of EV charge points across the District • Work with others on a 'Movement Strategy' to encourage alternative modes of travel • Require all buses and taxis to be low emissions or alternative fuels by 2030 • Examine the case for differential parking charges for low emissions vehicles in Council car parks • Promote, encourage and facilitate cycleways and bike-share schemes

Waste

Between 1990 and 2013, greenhouse gas emissions from the waste management sector across the UK decreased by 67 percent. Improvements in the standards of landfilling, changes to the amounts of biodegradable waste going to landfill and an increase in the amount of landfill gas being used for energy all contributed. Emissions of methane alone have reduced by 69 percent over the period.

Waste avoidance and material efficiency far outweigh any waste treatment for climate change benefits – even when energy is recovered. Some of the elements needed to produce the technology needed to mitigate climate change are becoming increasingly scarce, so the whole life cycle of products, including recovery must be considered.

The 2008 Waste Framework Directive (Directive 2008/98/EC). Article 3(1) defines “waste” as: - “...any substance or object which the holder discards or intends or is required to discard...”. Waste and its disposal represents a cost as well as having an environmental impact. Local authorities have an important role in waste prevention and sustainable waste management through awareness raising schemes, separate collections for recycling and food waste and implementing waste to energy schemes.

As Warwick district transitions to a more sustainable society, the recycling rate will have to increase and landfill decrease even further, alongside a reduction in the total amount of household waste. This will require changes to processes and physical infrastructure, as well as behavioural changes.

The Government consultation on the Waste Strategy in 2018 including the possibility of separate food waste collections and anaerobic digestion as a treatment for food waste.

According to Defra, Local Authority waste sent to landfill has fallen by 85% since 2000. It is expected that the growth in energy from waste (EfW) and alternative residual waste treatment infrastructure will divert further waste from landfill.

The CCC Report on land use policies concluded that there should be a priority from Government for action on food waste, including a mandatory separation of food waste for collection by 2023, so that food waste can be used in other processes. The Report recommended that public sector organisations should set and monitor their own targets and improve data collection.

Current position – WDC Estate

WDC has calculated annual paper use and introduced central printer/copier systems and are working to reduce this further. Office items are recycled following the local household waste collection scheme. WDC provides information about the recycling collected, recycling ventures, garden and food waste and have a rubbish, waste and recycling page on their website.

The council does not own its own refuse trucks, so cannot count this within their own estate footprint. However, they can influence and incentivise a reduction in the district footprint through their procurement specifications, through awareness raising campaigns, by continuing to provide separate collections for recycling and food waste and through encouraging technologies such as anaerobic digestion

Current position – Warwick District

Suez, the waste contractor for WDC has given figures for the amount of waste that they collect and the carbon footprint. 45,733 metric tonnes of waste are collected providing a CO₂e of 843.63 tonnes. 95% of the collection CO₂ is from the use of diesel fuel.

WRAP¹⁸ collates tables relating to the UK, local authority region, Office for National Statistics (ONS) area group and Urban-Rural Index of Multiple Deprivation (IMD) classification. This comparison could indicate areas for action. Government statistics¹⁹ also provide comparisons of the Kg CO₂e for local authority collected waste by treatment across the WDC area.

Moving Forward

Taking a ‘circular’ approach to the economy assists by designing out waste and pollution, keeping products and materials in use as long as is possible. Reduction, re-use, and recycling of waste, can provide economic opportunities. The Council can facilitate links between companies that can use one another’s waste as a resource.

¹⁸ <https://laportal.wrap.org.uk/Benchmarks.aspx>

¹⁹ Department for Environment, Food and Rural Affairs, 2017

Waste – key activities

- Continue to measure the waste produced so that it can be reduced and managed sustainably.
- Reduce printing and paper waste through increase in digital systems and services.
- Provide district wide advice and information services to avoid waste and contamination.
- Engage the public, communities and businesses through behavioural change initiatives to provide a greater understanding of waste issues and best practices to reduce the volume of waste produced.
- Continue to promote initiatives to reduce waste across the district, such as Love Food, Hate Waste, #Refill and #Longlivethelunchbox campaigns, alongside increasing water fountains across the city to reduce single use plastic waste.
- Explore developing repair and reuse facilities, workshops and skill sharing across the city to explore the reuse of unwanted but serviceable item.
- Continue to work towards the Council's commitment to become single use plastic free.
- Reduce food waste and link all remaining food waste to energy, composting or other circular economy uses
- Investigate using food waste for anaerobic digestion to provide energy as an alternative to Energy from Waste and developing a plan for kerbside food collection in line with the national strategy.
- Investigate ways to eliminate the remaining waste going to landfill and implement into council policy

Water – key activities

- Water saving technology could be installed within all commercial buildings within the Warwick District Council portfolio. This could include water outlet rationalisation adaptors to taps and showers and water pressure regulating systems.
- There is potential for a rain water harvesting system including treatment to be installed across the commercial sites within the Warwick District Council portfolio.
- Work with water supply companies to help identify water leaks.
- Work with partners to understand how Green and Blue infrastructure can be better used to manage water
- Provide information to citizens and businesses on the best practices to reduce water consumption, helping to improve understanding of the issues and solutions to better water management, reducing bills and carbon emissions

Energy Policy

The Council should have a vision of how the energy system would ideally look to align energy development and secure funding. Options to explore include support for external investment in local and community renewable energy schemes including solar farms. Low carbon energy must be affordable and accessible to all.

Case Study: Warrington Borough Council has completed a deal with a sustainable energy company to create two solar farms. With a combined capacity of 62MW, the farms in Hull and York will help make the council the first UK-based local authority to generate all of its own energy and it is estimated that it will cut bills by up to £2m a year. The council estimates that the schemes – once fully operational – will generate enough clean power to supply more than 18,000 homes and mitigate the emission of 25,000 tonnes of carbon every year.

The Council could work with WCC and other partners on a potential capital investment. There is potential to work with neighbouring authorities and partner organisations to deliver a draft Plan by Autumn 2020. Decarbonising energy across the District is a key challenge and therefore consideration should be given to initiatives that will increase the use of these technologies across the District. This could include the Council facilitating a ‘bulk buy’ scheme for residents to access solar panels or other technologies. This could be modelled on the ‘reverse auction’ scheme run by Norwich City Council and other local authorities in Norfolk.

Renewable energy

Energy is a key concern for many councils considering their Climate Change Strategy and an energy strategy is part of the long-term strategic planning process. In recent years, a number of councils have invested significantly in renewable generation working with local generators, including community not for profit groups, and/or have formed long-term agreements to purchase their electricity.

Investment in utility-scale solar power generation

WDC has engaged with solar park specialists Lightsource BP to determine the preliminary viability of investing in a 6MW solar park adjacent to the M40 near Bishops Itchington. The proposal represents a considerable investment by the Council dependent upon which financing model is approved. This would provide the Council as a major off-taker of power in the District to provide green energy to their own estate and to local commercial and residential consumers. Whilst this carries a degree of financial risk it also presents a significant revenue opportunity – and through the generation of green renewable energy, would make a significant contribution to the reduction of CO₂e within the District.

Investment in building mounted solar power and heat pumps on Council-owned buildings (non-residential)

WDC could invest in roof-mounted solar PV systems on several of their public buildings. Those buildings with a significant daily usage of electricity would benefit most as it would provide green energy at point of use equivalent – at a cheaper price per kWh than from its supplier tariffs. Battery storage options could be considered to maximise on-site use of solar power – although the costs of battery assisted systems need careful ‘best value’ analysis. Solar power from public buildings could provide EV charging for visitors either on site or nearby.

Heat pumps (air, ground or water source) will increasingly offer a realistic and lower CO₂e emission alternative to fossil-fuel powered heat systems (gas or electric). WDC has contracted Midlands Energy Hub to assess the options for energy saving and efficiency on six main public buildings within the Council’s estate. They will be reporting back in early March 2020. The inclusion of heat pumps especially within those buildings requiring upgrades to their heating systems will be a main consideration.

Installation of solar power and heat pumps in council homes

The Council is already engaged in a programme of retro-fit upgrades to council homes (houses and flats) to replace either electric-powered energy systems or to phase out gas heating. The installation of solar PV, solar thermal and air source heat pumps will reduce the energy costs for householders whilst reducing the CO₂e footprint.

Current position – household solar PV

The Feed-in Tariff scheme ended on 31st March 2019. The Government statistics for PV installations in the WDC area to the end of March 2019 showed that there were:

Number of households	61,977
Total domestic PV	1849
Installations per 10,000 houses	298
Total domestic and non-domestic PV	1928
Total domestic PV 2010 - 2014	1266

Moving Forward:

Council 2025	District 2030
<ul style="list-style-type: none"> • Complete a 'Re-Fit' review of Council properties and determine a programme of energy improvements to be funded directly through energy savings. • Extend pilot scheme to test alternative new council home construction. • Install additional energy measures across Council housing stock e.g. gas boiler replacement with heat pumps; LED lighting to communal areas. • Extend information and advice campaign to all Council tenants. 	<ul style="list-style-type: none"> • Facilitate energy efficiencies in those households in fuel poverty and support vulnerable tenants. • Invest in a 'Re-Fit' scheme for council housing stock and aim for all to be EPC Level 'C' by 2030. • Extend campaigns to reduce household energy consumption with energy advice. • Encourage / ensure all new housing to be built to the highest energy standards (EPC 'A' or 'B').

Community Energy Investment:

‘PowerPaired’ is an online platform which provides a matchmaking service to bring together community energy groups and the owners of sites with potential for renewable energy generation. The aim is to increase the number of community owned renewable energy projects in the UK – helping communities to take control of the way their energy is generated, saving money and tackling climate change at the same time – by making it as easy as possible for projects to get off the ground. A partner is Pure Leapfrog who provide assistance around many common obstacles, such as providing legal templates and other vital resources for asset owners and community energy groups.

Community for Renewables (CfR) helps communities set up local community energy enterprises and supports them to develop, finance and manage their own renewable energy generation. One local example of their partnership and support is with the Heart of England Community Energy community benefit society with a 16MW solar park array located at Drayton Farm on the outskirts of Stratford upon Avon

Planning

Spatial planning can make a major contribution to tackling climate change by delivering the right development in the right place that integrate the principles of sustainable design and construction. Effective local and strategic plans can help to deliver a range of key solutions as well as meeting the aspirations of local residents and protecting them from the negative impacts of climate change.

The Climate Change Act 2008 contains a statutory target of securing a reduction CO₂e levels of 80% below 1990 levels by 2050, with an interim target of a 34% reduction by 2020. Section 182 of the Planning Act 2008 introduced a duty on local planning authorities to include policies that contribute to both climate change mitigation and adaptation in their plans. This sets a clear legal framework for the role of planning and local policy in responding to climate change.

Under the provisions of the Climate Change Act 2008 and the revised National Planning Policy Framework (NPPF), local plans must set a carbon dioxide emissions reduction target and clear ways to measure progress. The RTPI and TCPA have clarified the scope of planning authorities to set ambitious targets on energy efficiency (beyond Building Regulations) and that requirement for on-site renewable energy generation is possible.

‘The current National Planning Policy Framework contains strong policy on climate change, but delivery on the ground through local plans has been relatively poor. Local plans in England are not dealing with carbon dioxide emissions reduction effectively, nor are they consistently

*delivering the adaptation actions necessary to secure the long-term resilience of local communities*²⁰.

The RTPI and TCPA partly attribute the inaction to a lack of resources in local government, but also to changes in Government policy, such as the cancellation of the zero-carbon commitment and the Code for Sustainable Homes.

Buildings are responsible for almost half of the UK's carbon emissions, half of the water consumption, about one third of landfill waste and one quarter of all raw materials used in the economy²¹. The construction industry has an important role to play in delivering sustainable development.

Sustainable design and construction takes account of the resources used in construction, the environmental, social and economic impacts of the construction process itself and the design and future use of buildings. The co-benefits include the responsible and prudent use of resources, lower fuel bills, improved health and economic benefit.

Council 2025	District 2030
Use S106, CIL (IFS) along with external grants to match fund carbon neutral initiatives.	<ul style="list-style-type: none"> • Ensure that green open spaces are part of the design of new housing and regeneration development. • Ensure that carbon reduction features and BREEAM Excellent standards are included in major development schemes.

Other services

Procurement and CO_{2e}

The procurement of goods, works and services contributes to carbon emissions. Consideration of the embedded energy, fuel and water costs of the products, services, and refurbishment and construction projects procured reflects best practice. WDC has a Sustainability Procurement Policy, which considers the key issues related to Climate Change and the environment.

Environmental issues can be incorporated across the procurement process at all levels to identify the key policy updates required.

²⁰ Planning for Climate Change, A Guide for Local Authorities, RTPI/TCPA May 2018

²¹ BEIS Statistics

A recent internal study carried out by the Council has produced some important proposals, which include suggestions to support the development of skills and resources to ensure that suppliers and the supply chain are able to deliver net zero carbon.

The Study suggest that a review of contract management and commissioning and of the Procurement Strategy for the Council should be brought forward to support the Council's Carbon Management Plan.

Introducing sustainable procurement could include:

- embedding innovation, climate change and the environmental impacts of the Circular Economy at every stage of the procurement process.
- including relevant environmental key performance indicators (KPIs) as part of the assessment process and the contracts
- implementing systems for monitoring and evaluating environmental objectives
- ensuring broader procurement resources (commissioning and contract management) are in place; and monitoring procedures are cohesive across the Council and present for relevant contracts
- including value for money assessment to take account of Corporate Social Responsibility including environmental impact and co-benefits e.g. CO2e reduction, health, economy, equity and resilience
- sharing with strategic partners (e.g. other councils, public sector bodies, private environmental bodies) the procurement responses to climate change
- engaging with strategic suppliers (e.g. waste collection, grounds maintenance, leisure centres) to raise awareness of the Council's strategic objectives for net zero by 2025
- engaging and influencing suppliers and supporting innovation and solutions to help meet future sustainability requirements
- including environment and climate change within Procurement Policies and Guidance

Moving forward:

A growing number of authorities are looking towards renewable energy purchasing. Contracts such as Power Purchase Agreements (PPA) are being used. A PPA is a long-term purchasing contract with a developer which gives the developer confidence to build renewable energy plant and can also be used to support community energy.

Air quality management:

Activities lead to the emission of a wide range of gases and small particles into the atmosphere which affect the quality of the air we breathe, and hence health and that of ecosystems. Some emissions, carbon dioxide for example, are causing the climate to change.

Air quality pollutants generally stay in the atmosphere for days or weeks. Their effects are mainly felt locally, so policies for air quality are based on local and regional measures. By contrast, carbon dioxide has a lifetime of about 150 years and methane about 12 years. There is clearly a close relationship between air quality and climate change pollutants.

Measures to improve air quality can be grouped under the following headings²²:

- Conservation – reducing the use of resources through energy conservation, for example by improving the insulation in houses.
- Efficiency – carrying out the same activity, but doing so more efficiently, and so reducing the use of resources and emissions of air quality and climate active pollutants, for example by improving the efficiency of car engines.
- Fuel switching – substituting a higher emission fuel with a lower emission fuel; the switch from coal to natural gas in power stations led to significant reductions in carbon dioxide emissions.
- Demand management – implementation of policies or measures which serve to control or influence demand, for example the congestion charge in central London.
- Behavioural change – changes in the habits of individuals or organisations that result in reduced emissions, for example travelling by train instead of by air.

Building control – enforcement of standards on energy efficiency

Bristol has adopted long-term development plans that require carbon savings above building regulations to the maximum 19% allowed, by requiring renewable energy generation above and beyond that figure. A recent report²³ on building regulations stated that the way new homes are built and existing homes retrofitted often falls short of stated design standards and that Local Authority Building Control should be given a re-focused role in overseeing standards and duty holders' key responsibilities during design and construction.

Moving Forward

The CCC²⁴ has also called for an update to building regulations beyond those currently being proposed by Government. The Council should consider supporting this call.

²² iaqm.defra.gov.uk/assets/summary.pdf. Air Quality and Climate Change: A UK Perspective - Summary

²³ Building a Safer Future – Independent Review of Building Regulations and Fire Safety: Final Report

²⁴ UK Housing: Fit for the Future. Committee on Climate Change 2019

Infrastructure/ Economy

Future infrastructure has to be resilient to the risks from future climate change. This requires consideration of the likely future impacts. Climate change is expected to increase the frequency and severity of extreme weather including both high and low rainfall, and heatwaves. Flooding is one of the most significant civil emergency risks faced in UK²⁵ and climate change is a key driver, alongside population and development, of increasing flood risk in the UK. The Committee on Climate Change puts flooding from all sources as the most significant risk to UK infrastructure across all of the sectors considered within the NIA.²⁶

The National Infrastructure Commission²⁷ has identified the natural environment as a major driver of infrastructure demand and supply to reflect both the need to adapt to the changing climate and to protect and enhance the environment (and the services it provides) from the impact of detrimental human activities. The Natural Capital Committee published a review of natural asset status and trends in 2014.

The Stern Review in 2006 concluded that climate change is likely to have major impacts on economic growth towards the end of the 21st Century. In addition, the Committee on Climate Change has suggested²⁸ that priority areas for the National Infrastructure Assessment (NIA) are smart low-carbon power, electric vehicle charging networks, heating, carbon capture and storage, flood risk management & drainage, and water resources management & supply. The requirement to cut UK greenhouse gas emissions will have a significant impact on infrastructure well within the time period considered for the NIA.

Business and Local Economy – District 2030

- Continue to encourage and expand inward investment and relocation of innovative low carbon technology such as energy and transport.
- Work with businesses and corporate organisations on Circular Economy initiatives.
- Ensure that infrastructure is resilient to the risks of Climate Change.

²⁵ National Risk Register of Civil Emergencies 2015 edition - see

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/419549/20150331_2015-NRR-WA_Final.pdf

²⁶ Dawson, R.J., Thompson, D., Johns, D., Gosling, S., Chapman, L., Darch, G., Watson, G., Powrie, W., Bell, S., Paulson, K., Hughes, P., and Wood, R. (2016) UK Climate Change Risk Assessment Evidence Report: Chapter 4, Infrastructure. Report prepared for the Adaptation Sub-Committee of the Committee on Climate Change, London.

²⁷ The impact of the environment and climate change on future infrastructure supply and demand, National Infrastructure Commission report 2017

²⁸ Committee on Climate Change (2017) Letter: the infrastructure needs of a low-carbon economy prepared for climate change - see <https://www.theccc.org.uk/publication/letter-the-infrastructure-needs-of-a-low-carbon-economy-prepared-for-climate-change/>

Biodiversity

Biodiversity is declining in the UK. There is increasing research evidence of its importance and the factors that are driving the decline including land use practices, pollution, deforestation, habitat fragmentation, over-consumption of resources and climate change. The benefits are recognised as important for our wellbeing through cleaner air and recreational benefits.

“An estimated 1.4 billion kg of air pollutants were removed by natural vegetation in 2015 – saving a potential £1 billion in avoided health costs.” (Air Quality Expert Group, 2018)

Warwick District Council carried out a Green Infrastructure Study in February in 2012 as part of the Local Plan. The Study recognised that enhancements to the GI network would deliver benefit for residents including access to nature, climate change adaptation and flood management. The Council supports the Local Biodiversity Action Plan.

The Council can:

- identify biodiversity features and impacts on landholdings controlled by the organisation (including any high value environmental assets e.g. woodland, rivers);
- establish the proximity of sites to important wildlife features,
- and explore opportunities for including biodiversity features in buildings and landholdings (green roofs, ponds, trees, wildlife gardens) that can offer a range of benefits including habitat creation, green corridors, recreation/amenity, solar shading, positive public perception, rain water/ flood attenuation);

Biodiversity Net Gain

In 2019 Defra consulted on whether the government should introduce mandatory requirements to the planning system in England so that development must deliver biodiversity net gain. The RTPI responded²⁹ to the consultation that development should support habitat conservation and enhancement, and deliver net gains for diversity. However, they also reported that this must be complemented with proper resourcing for planners, including access to ecological expertise. The RTPI has worked with the Partnership for Biodiversity in Planning to publish practice advice on ‘Biodiversity in planning: Obligations and opportunities to promote biodiversity through the UK planning systems’³⁰.

²⁹ <https://www.rtpi.org.uk/knowledge/consultations/2019-responses/rtpi-response-to-defra-consultation-on-biodiversity-net-gain/>

³⁰ <https://www.rtpi.org.uk/media/3560735/biodiversityinplanningpracticeadvice2019.pdf>

Green infrastructure offers important well-being outcomes, directly contributing to people's health and quality of life. It also contributes to flood mitigation and adaptation, improved air quality and increased biodiversity. New and improved infrastructure is likely to be needed to cope with more severe flooding and droughts, as well as new hazards such as an increase in extreme temperatures.

Council 2025	District 2030
<ul style="list-style-type: none"> • Deliver a 5-year tree planting programme on Council owned land • Use Council owned land to increase biodiversity and adjust mowing regimes 	<ul style="list-style-type: none"> • Work with EA, WCC, business organisations and community groups to develop flood mitigation measures and tree planting schemes across the district

Adaptation and Mitigation

There are two main policy responses to climate change: mitigation and adaptation. Mitigation addresses the root causes, by reducing greenhouse gas emission, whilst adaptation seeks to lower the risks posed by the consequences of climate change. It is important for local government to implement adaptation actions within the range of services it delivers.

Warwick District is already experiencing a range of climate impacts, including heat waves and flooding, but in the future these are expected to become more frequent and severe, alongside a likely increase in water shortages, food shortages and decreased urban biodiversity.

Adaptation refers to actions that reduce vulnerability to climate change impacts, reducing its effect on social, economic and natural systems, whilst, resilience refers to the ability of a system and its components to anticipate, absorb and recover from effects of an event in an efficient and timely manner. Both adaptation and resilience are especially important when taking action against future climate change and must be considered alongside actions to reduce carbon emissions.

Even with strong action on mitigation, some degree of change is inevitable. Inertia in the climate system will mean that the climate will change over the next 30 years regardless of any carbon reduction work. Even with urgent greenhouse gas emissions reductions, scientists expect that the world will face rising temperatures and, in many places, increasingly frequent and severe weather impacts due to climate change (such as floods, droughts, heatwaves and other extreme events).

Forward planning rather than reacting to extreme weather events as they occur is essential. This process of adjusting to changes in our climate adaptation should be part of any long-term business strategy by WDC to implement adaptation policies alongside carbon reduction work. Long term planning is required and the council has a strong role to play.

Guidance from the Town and Country Planning Association and Royal Town Planning Institute³¹ recommends that “climate adaptation must be understood as the main priority for long-term planning to secure climate resilience, and must be accepted as equally as important as meeting housing need.” Adaptation will be more difficult to monitor, evaluate and plan than mitigation measures. However, several reports and framework models exist:

- The IPCC Special Report (Summary for Policymakers) of 2018 outlined a range of adaptation options available.
- A report on Adaptation Actions in Cities produced by the CCC³², emphasised the need to be clear on monitoring the impacts of actions, the need for realistic timescales for development and delivery and that projects should clearly identify where taking action can support multiple benefits.
- The CCC highlighted the role of local authorities in adaptation in their 2012 report³³ and emphasised that land use planning is one of the most important functions of local government that can deliver resilience and adaptation measures. Local authorities have a key role in ensuring new buildings are climate change resilient.
- The ADEPT Report³⁴ also outlined the local government role in adaptation.

Significant areas of Warwickshire are already subject to flood risk³⁵ and the expectation is that global warming will lead to more extreme rainfall. Local government can use land planning to minimise flood risk, plan and deliver green infrastructure.

The Council:

- Land and Planning policies documents should include adaption for heatwaves and floods
- Integrate adaptation thoroughly into the Climate Change Strategy
- Reduce the number of homes and businesses that are exposed to flood risk
- Acknowledge flood risk and flood management in all new developments in high flood risk areas.

In partnership:

- Work with partners and organisations to conduct in depth flood risk mapping
- Ensure Emergency Plans are adapted to reflect the changing risk

³¹ Planning for Climate Change: A Guide for Local Authorities – TCPA/RTPI, May 2018

³² Adaptation actions in cities: what works? CCC, August 2018

³³ How local authorities can reduce emissions and manage climate risk, CCC 2012

³⁴ Good practice guidance for Local Government, ADEPT, June 201

³⁵ WCC Local Flood Risk Analysis

- Improve knowledge and understanding of how the Council is affected by extreme weather events in terms of providing its services and its financial impact
- Work with partners and other local authorities to help evaluate and develop suitable tools to help understand impacts to council service areas
- Understand the current and future impacts of extreme weather events and climate change, with an in-depth knowledge of the most vulnerable citizens
- Work with citizens to ensure those most vulnerable and at high risk to severe weather events are on the priority service register and have signed up to alerts (e.g. flood risk alerts)
- Work with businesses to help them develop business continuity plans in response to climate change and extreme weather events.

Funding Climate Actions

Implementing climate change actions and measures has a cost as well as many benefits. Sourcing of funding to deliver the climate actions plans for Warwick District Council's own estate and to support the transition across Warwick District will require careful but deliberate allocation of funds – whether these be from capital and revenue budgets, from local taxation or from external grants. There are a number of local authorities that have developed climate / carbon action funding schemes to initiate, pump prime and deliver actions against which CO₂e reductions and economic efficiencies can be measured – along with other less quantifiable social and environmental outcomes. Use of legal and planning mechanisms such as Section 106 agreements, Community Infrastructure Levy, Infrastructure Funding Statements (IFS) and other mechanisms should be considered to fund climate actions and nature restoration projects.

Case Study: Climate Change Fund

The Cambridge Climate Change Fund was established in 2008 to fund measures that will reduce the carbon footprint of the Council's own buildings, fleet and services. A total of £1,583,820 has been invested in the Climate Change Fund since 2008/09. This includes a total of £250,000 added to the fund in 2018/19 and £100,000 in 2019/20. The Climate Change Fund provides 'ring fenced' support to projects that help to reduce the Council's own carbon emissions and/or manage climate change risks to Council staff and property.

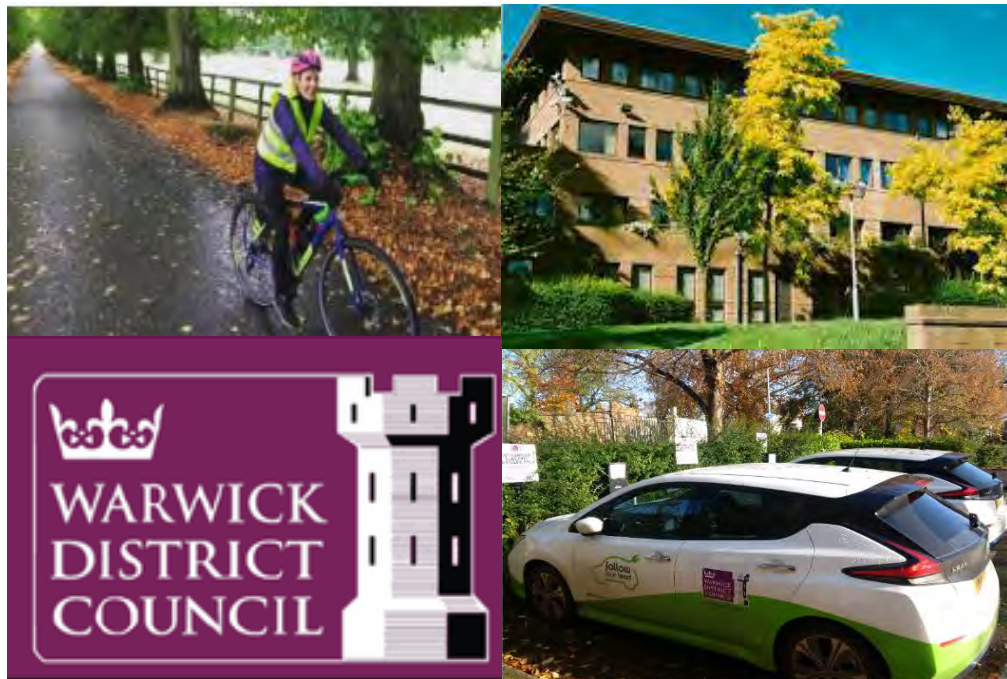
Case Study: Community Climate Change Grant Fund

Plans to give grants to South Cambridgeshire communities to spend on ambitious projects as they shift towards a zero-carbon future have been agreed by the District Council. The aim of the Zero Carbon Communities grant scheme is to provide funds for local groups to spend on activities that reduce carbon emissions and reliance on fossil fuels. The scheme aims to help communities spread awareness and promote behaviour change towards low carbon lifestyles. Community groups will be invited to bid for grants of between £1,000 and £15,000 each.

These funds will be awarded to projects such as: energy-saving improvements to community buildings; Community energy projects; electric vehicle charging points; purchase of EVs for community use; community tree planting; community schemes to scale up local circular economy initiatives; cycle paths and stands; projects that tackle fuel poverty; simple proposals such as cycle racks at bus stops or drinking fountains.

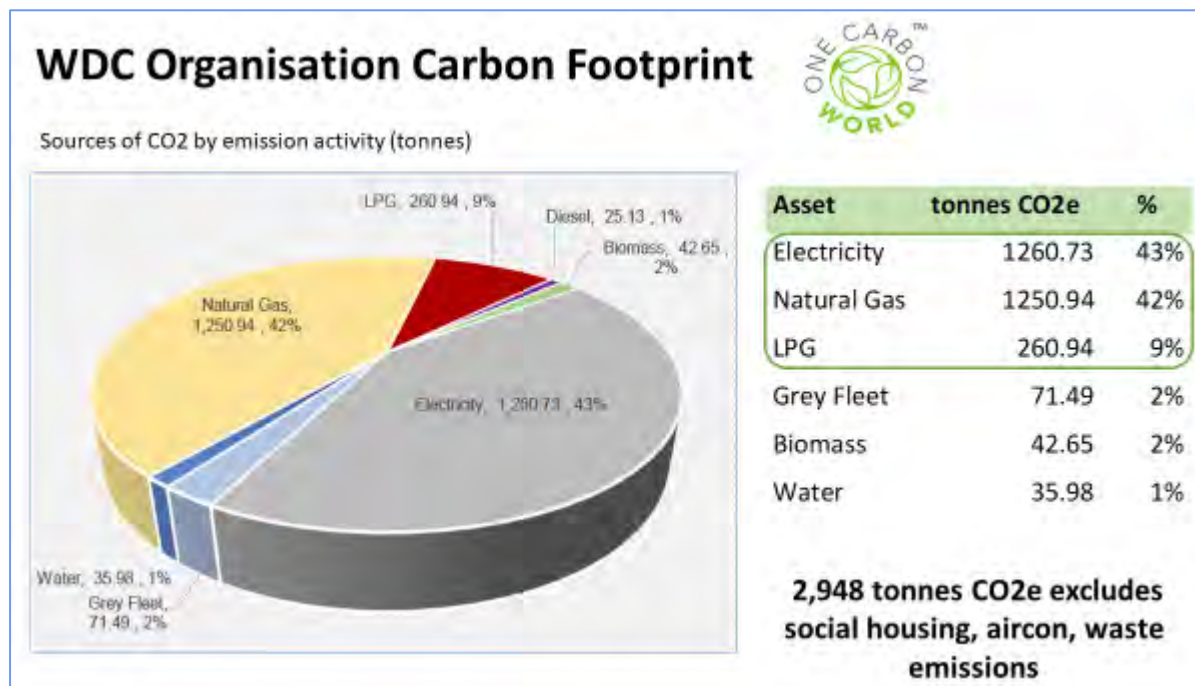
A total of just over £90,000 is being made available for the scheme for 2019/20. The money comes from business rates from renewable energy sites in South Cambridgeshire that are retained by the Council and earmarked for use in green initiatives.

A Carbon Management Plan for Warwick District Council (Work Package 2)



Section 1 – Warwick District Council Carbon Baselines

As part of its carbon management strategy, in 2019 Warwick District Council contracted One Carbon World to prepare a baseline carbon footprint analysis of the Council's own estate and operations. One Carbon World is a global resource partner of the United Nations Climate Neutral Now initiative and a not for profit organisation. They are recognised for offering advice and support on measuring and reducing greenhouse gas emissions around the world. The study completed in October 2019 did not take account of council-owned homes nor air conditioning and waste emissions.



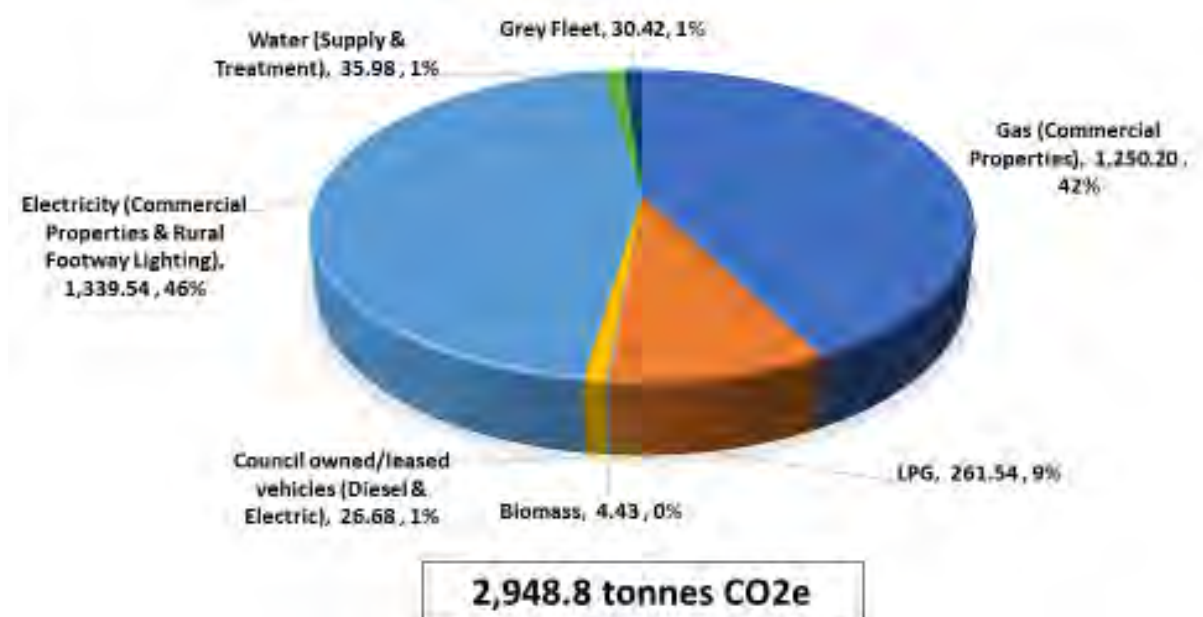
Refreshing the Carbon Baseline

The One Carbon World (OCW) review used energy data provided by WDC to prepare the above carbon footprint for the organisation. Electricity and natural gas usage data reflects only the non-domestic properties that WDC own – including several public buildings and carparks that are high energy users. The LPG is allocated for crematorium only.

As part of the Carbon Management Plan, the Consultants carried out a 'refresh' of the OCW baseline – but still with waste contract and council homes emissions excluded as considered 'out of scope' and instead to be included within the Warwick District carbon footprint and Roadmap (WP3). However a review of the potential for CO₂e reduction as a result of carbon reduction measures within the Council's housing stock has been included within this Annex.

The pie chart below was created from data provided by WDC and confirms the estimated CO₂e emissions from the Council's estate buildings and fleet as 2,948 tonnes.

Refreshed Council CO₂e Footprint



Section 2 - Carbon Management Plan methodology

A Carbon Management Plan is required by the Council to meet the net zero target by 2025. Development of this Plan has involved an assessment of the current situation within the Council's estate, and build upon the current actions and proposals that are already being implemented or being considered across the Council's estate. Discussions with the Sustainability Officer Group (SOG) and support from the Council's Asset Management Team have formed an essential background to this work.

The Consultants have confirmed the current carbon emissions baseline and calculated (using Defra conversion factors) the CO₂e savings that will accrue from measures proposed which are considered to be realistic and achievable. The study includes estimated costs of implementing the various actions and assessed the likely energy/fuel savings that should result. A timeframe of programme delivery and a carbon reduction profile has been constructed. The WDC Carbon Management Plan detailed below is made up of a series of Carbon Reduction Measures (CRMs) which could be delivered in stages over the next five years.

On the assumption that Year 1 = 2020-21, these are clustered as follows:

- Stage 1 – Immediate Actions/ Measures (Year 1)
- Stage 2 – Technology Actions / Measures (Year 2 & Year 3)
- Stage 3 – Renewable Energy Generation (Year 4 & Year 5)
- Stage 4 - Carbon Offsetting (Year 5) – if required

The additional Stage 4 is added during Year 5 to represent any shortfall in carbon reduction following completion of measures - and the cost of offsetting this shortfall. However it will be noticed within the carbon reduction / descent graph below, that only a minimal shortfall is projected - one that can be easily offset locally e.g. through tree planting on Council land.

The delivery of the Council's Carbon Management Plan will be affected by several factors e.g. staff resource, budget availability, prioritisation of actions and beneficiary groups, external investment and delivery partnerships. These factors and decisions lie outside of the domain of the Consultants and will be generated from joint discussions between council officers, councillors and contractors over the next few months.

Note: Consultants have not had the opportunity nor been tasked to carry out any building, energy or resource surveys; as such, these CRMs are based upon data provided and available and information extrapolated from other case studies and the Consultants' experience. They should be regarded as estimates therefore and will require more detailed investigation.

Summary of Key Carbon Reduction Measures (CRM)

The Carbon Reduction Measures listed below and detailed later in this Annex have been broken down into a phased delivery programme – to be confirmed following budgetary and resource decisions by the Council.

Key Area	CRM	Measure	Timescale
Warwick District Council Energy and Buildings (non-residential)	1	Data System	Stage 1 – Year 1
	2	REGO Green Energy Procurement	Stage 1 – Year 1
	3	Energy Audits & Low Cost/ No Cost Measures	Stage 1 – Year 1
	4	Lighting Rural Footways/ Cycleways	Stage 1 – Year 1
	5	LED Lighting Upgrade - Carparks	Stage 1 – Year 1
	6	Heat Pump/ Air Conditioning Rationalisation	Stage 2 – Year 2 – 3
	7	Building Thermal Improvements	Stage 2 – Year 2 – 3
	8	Royal Spa Centre Solar PV	Stage 3 – Year 3 – 4
	9	Solar PV WDC Public Buildings	Stage 3 – Year 3 – 4
	10	Air Source Heat Pumps	Stage 3 – Year 3 – 4
	11	Lighting Rural Footpaths (Off-Grid)	Stage 3 – Year 3 – 4
	12	Carbon Offsetting	Stage 4 – Year 5 (If Required)
Water	1	Water Management Awareness Campaign	Stage 1 – Year 1
	2	Water Management Technology	Stage 2 – Year 3
	3	Water Management Renewables	Stage 3 – Year 4 – 5
Transport	1	Upgrade WDC fleet to electric vehicles	Stage 1 - Year 1 – 3
	2	Introduce Electric Pool Car	Stage 1 - Year 1

A Carbon Descent Profile

The proposals for a phased delivery of CRMs enables a carbon descent profile to be created. The carbon 'descent' graph below reflects one of the scenarios examined by the Consultants

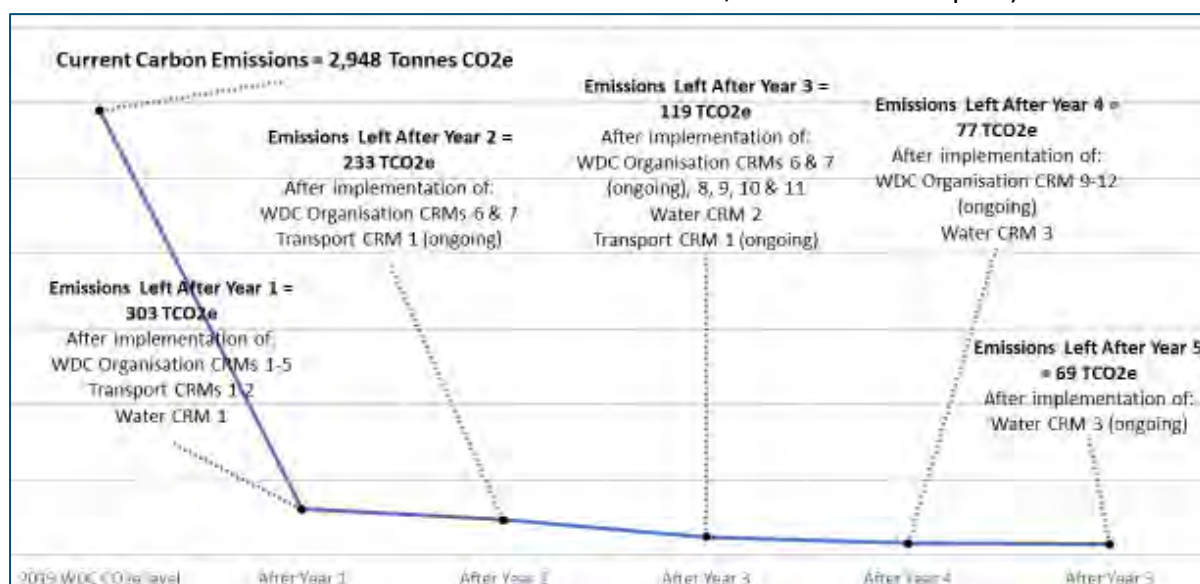
(WDC energy, water and transport fuel emissions) and is outlined below. It identifies the milestones that can be planned and plots the likely level of CO₂e emissions saved by the Council along that 5-year profile.

The decisions taken when to actually fund and implement the measures will impact upon the speed of carbon reduction over the 5-year carbon management programme.

Additionally, measures listed could be expanded e.g. solar PV on council-owned public buildings or new measures introduced.

Note: Alternative carbon reduction (descent) scenarios were considered which included council homes improvements, solar park investment project and waste collection emissions. However it was felt that these were all 'out of scope' for the Council's own footprint – and should be included within the broader Warwick District carbon footprint (Work Package 3).

A carbon descent profile for Warwick District Council's own carbon emissions is presented below and excludes emissions from council homes refit, waste and solar park):



It should be noted that the carbon descent graph shows that net zero is almost achieved by 2025 as a result of the actions taken. A small level of CO₂e emissions of around 69 tonnes remains but this can be managed towards the end of the five-year period using local offsetting projects e.g. tree planting on the Council's own land.

Section 3 – Energy and buildings (non-residential)

The Council's own carbon footprint is heavily influenced by the energy usage within the Council's own estate – public buildings, public realm, communal residential areas, green spaces and car parks.

As a major property owner, Warwick District Council has the opportunity to reduce both energy costs and CO2e emissions across its estate by delivering a carbon management plan which implements a series of energy saving or renewable energy generation activities.

It is acknowledged that many of these measures are either under way or at investigation and/or development stage. The purpose of this Carbon Management Plan has been to confirm the status of actions, collate data from WDC investigations and reports, propose actions, confirm/estimate costs of actions where possible and appropriate, and calculate CO2e savings as a result of actions.

Energy Hierarchy

The Council's energy hierarchy priorities could be regarded as:

1. Reduce on-site energy use (includes behaviour change);
2. Reduce energy losses by retro-fit energy technologies e.g. heating controls; lighting and use of more energy efficient building fabric;
3. Source / generate energy from renewable resources and use within host buildings.

Note: Uncertainty related to timing of the new HQ building means that for the purposes of this Report it is assumed that the Council's offices will remain at Riverside House.

Public Buildings

Warwick District Council owns several public buildings that have high annual energy use. WDC Asset Team already has as an objective a target to reduce total energy costs by £35k pa across the WDC Estate. Midlands Energy Hub (Nottingham City Council) has been contracted to carry out an energy review of the six main energy intensive buildings.

Excluding the rather specialist energy profiles of the Crematorium (LPG) and the Temperate House (Jephson Gardens) the other four buildings listed below represent 31% of the Council's total estate gas and electricity bill (WDC 2018-19 energy data). Of these, the electricity usage in Riverside House is significant – and will be one of the benefits of relocation.

WDC Building	DEC rating	DEC validity	Area m2	Gas kWh pa	% total Estate	Elec kWh pa	% total estate
Royal Pump Rooms	E	2015	4493	710476	10%	400522	9%
Leam Town Hall	D	2019	2325	262992	4%	140554	3%
Riverside House	D	2019	7362	460389	7%	621457	14%
Royal Spa Centre	B	2019	2890	670731	10%	224663	5%
4 Buildings total kWh				2104588		1387196	
WDC Estate total kWh				6800091		4453779	
% of total estate					31%		31%

Results of the Midlands Energy Hub survey (March 2020) should clearly identify the current efficiency of each building. The Review will propose structural and technology measures designed to improve energy efficiency and reduce the Council's energy bill. Such measures will also reduce the Council's carbon footprint – and contribute towards reaching the net-zero target of 2025.

Section 4 – carbon reduction measures

The tables below provide a useful breakdown of the Carbon Reduction Measures proposed to cover Council-owned public buildings, estate, water resource and council transport fleet.

Summary of WDC Carbon Management Plan

Stage 1 – Immediate Actions/ Measures (Year 1)	Key Measures include: Data Management System, Building Energy Audits, Identified No Cost/ Low Cost Measures, Sub-Metering, Green Energy tariffs, LED Total Investment= £848,563 Carbon Reduction= 2,637.4 TCO ₂ e
Stage 2 – Technology Actions / Measures (Year 2 & Year 3)	Key Measures include: Low Carbon Technology measures and building thermal improvement i.e. heat pumps, thermal insulation; water technology; EV fleet Total Investment= £390,000 Carbon Reduction= 124.6 TCO ₂ e
Stage 3 – Renewable Energy Generation (Year 4 & Year 5)	Key Measures include: Solar PV, Air Source Heat Pumps; water management Total Investment= £1,730,000 Carbon Reduction= 83.2 TCO ₂ e
Stage 4 – Carbon Offsetting (Year 5 – If Required)	Key Measures include: Offsetting Remaining Carbon Emissions Total Investment= £1,035 Carbon Reduction= 69 TCO ₂ e

These Key Measures spread over a 5-year implementation period represent the potential capital investment for the Council and the likely savings in terms of energy and CO₂e to deliver this Carbon Management Plan over the four key stages listed above.

Total Cost of Investment	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£2,969,598	4,150,574 kWh	£420,556	2914.2	7.1

Notes: Further measures could be introduced with the impact of making further energy and carbon reductions up to and beyond 2025. These calculations must be regarded as an estimate and subject to site reviews, cost proposals and procurement requirements.

Analysis of Stages - Stage 1 – Immediate Actions and Measures (Yr 1)

Stage 1 CRM 1: Implement a Data Reporting System

Given the difficulties experienced in collecting the required data it is recommended that a data and carbon footprint management system be implemented. This will enable the systematic recording of WDC Carbon Footprint capturing all elements to include energy, waste, water, transport and residential. It is recommended that this platform be utilised to produce comprehensive reporting, identify key areas of improvement and provide the basis of a structured carbon management programme.

Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£25,000	562,694 kWh	£37,977	617.5	0.7

Calculations: Energy savings calculations are based on a 5% energy reduction across the Council's estate portfolio – this is an estimate taken from the Consultant's experience of implementing data and carbon management systems. The capital costs have been calculated from similar projects carried out and as such should be regarded as an estimate. Carbon emissions savings are calculated using DEFRA 2019 conversion figures.

Stage 1 CRM 2: Green Energy Procurement

WDC has the opportunity to switch from its existing electricity tariff which contains 47% of certified green energy onto a 100% green energy tariff. The Asset Management Team are already in discussions with their current supplier Total Gas and Power to negotiate this change (December 2019).

A recent response from TGP reads as follows:

"If WDC were to take 100% UK generated green electricity (hydro, solar, wind – no biomass) the additional premium on to the Council's existing cost of electricity would be in the region of £2,970 per annum. This is based on a consumption of 3,711,482 kWh per annum at a green premium of 0.08p/kWh. This is the current market cost of Green Electricity (REGO Certificate)" Total Gas and Power 16.10.19

Capital Cost (£) (100% contract)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£3,563	0 kWh	£0	1,235	N/A

Notes: It is important to ensure that green energy offered by the supplier is actually sourced from renewables or through purchase and retiring of Renewable Energy Guarantees of Origin (REGOs certificates). It will also be necessary to confirm the supplier's process for green energy has been independently audited.

Defra CO₂e conversion 2019 = 0.2556kg CO₂e / kWh electricity. Calculation: 4,453,779kWh x 0.2556kg CO₂e = 1,235tonnes CO₂e

Stage 1 CRM 3: Energy Audits and Low Cost / No Cost Measures

It is recommended that Energy Audits are undertaken across the whole Warwick District Council Commercial Property portfolio. From experience energy audits generally save around circa 25% of energy, carbon and associated costs if the identified measures are implemented. Energy audits tend to identify a number of no cost/ low cost measures that should be implemented within the first year. Examples of these types of Energy Conservation Measures (ECMs) have been summarised as follows:



- 3.1 Building Energy Management System (BEMS) + Controls Review
- 3.2 LED Lighting Installation & Controls
- 3.3 Sub-Metering Installation
- 3.4 Energy Awareness Engagement & Management Procedures
- 3.5 Voltage Optimisation

Stage 1 CRM 3.1: Building Energy Management System (BEMS) Review

It is recommended that a detailed review and analysis of the commercial buildings BEMS in order to identify and align the buildings Heating, Ventilation and Air Conditioning (HVAC) system. This should be undertaken in order to detail the current status of control and setup and actual on-site control. Actions can then be prioritised, targeting the worst cases of poor control and wastage.

Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£28,000	204,003 kWh (Gas)	£40,801	37.5	0.7

Notes: As no site or energy systems inspections were possible within this Carbon Management Review, capital costs are sourced from similar projects implemented by the Consultants and as such should be regarded as an estimate. The capital cost is based on an assumption of 28 Council buildings having a BEMS @ £1000 per review.

Energy Savings are based on an assumed 3% reduction in gas consumption taken from examples of similar projects & savings calculated by the Consultants as part of their Energy Savings Opportunity Scheme (ESOS) compliance surveys. Assuming that energy will be kept to this level, this represents a one-off saving.

Carbon emissions use DEFRA 2019 conversion factors.

Stage 1 CRM 3.2: LED Lighting Installation & Controls

It is recommended that LED lighting and controls are installed throughout the WDC Operational property portfolio including all buildings and car parks (see separate CRM case for rural pathways and cycle ways). Benefits include 50% energy savings, reduced maintenance & improved lighting conditions.

Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£257,000	889,067 kWh (Elec)	£124,469	246.5	2.1

Notes: Lighting savings include buildings and carparks - WDC rural pathways case study information has been kept separate from the above. Capital costs are calculated to match the payback period expected.

Energy savings represent a 50% energy reduction from 30% of the organisational electricity consumption. NB Lighting accounts for 30% of the provided electricity data. Carpark lighting has been calculated directly from the car park energy consumption data provided.

Carbon emissions use DEFRA 2019 conversion factors.

Stage 1 CRM 3.3: Sub-metering Installation

It is recommended that comprehensive sub-metering hardware is installed as part of a strategic energy monitoring strategy. This will be supported by a proposal to provide a new real time energy monitoring software platform that can enable immediate management actions to reduce wastage, allow for performance reporting, and setting of reduction targets.

Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£140,000	222,689 kWh (Elec)	£31,176	61.8	4.5

Notes: The business case for automatic meter reading (AMR) goes beyond financial payback as an essential operational requirement to deliver performance reporting. A £140,000 investment sum has been allocated - which although included here as a Year 1 measure, could be integrated over a 3-year strategy. This would provide an estimated payback return over a 5-year period.

Stage 1 CRM 3.4: Energy Awareness and Engagement Procedures

It is recommended that WDC maintain and expand its Energy Awareness Campaign to include all levels of staff and service users. To enable this to be successful, a formal reduction target should be set i.e. 10% reduction within 3 years, with a widespread awareness campaign to be launched. This will include workshops and visible campaign material. The progress of the energy awareness campaign can be documented and visualised through the platform detailed in CRM 1.

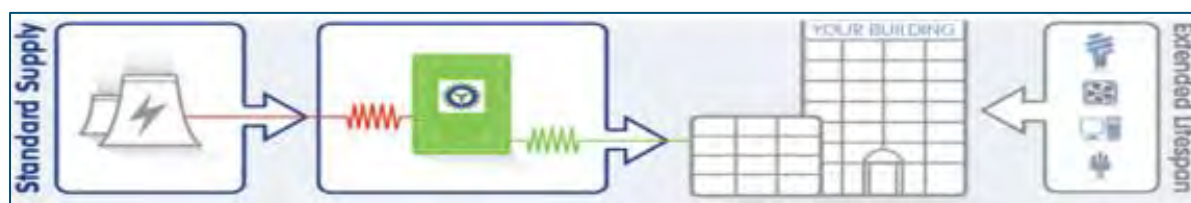
Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£10,000	337,616 kWh	£22,786	74.5	0.4

Notes: Energy awareness is an annual reduction based on 3% reduction on gas and electricity that would meet a 5 year corporate target of 10% energy reduction. Generally these type of projects result in 10% reductions but a conservative 3% reduction has been used in this case.

Carbon emissions use DEFRA 2019 conversion factors.

Stage 1 CRM 3.5: Voltage Optimisation

Voltage Optimisation is an energy saving technology that is used to regulate, clean and condition the incoming power supply in order to reduce the voltage supplied to the optimum level for the on-site electrical equipment and appliances. This measure can typically reduce the energy consumption by approximately 8% pa.



Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£63,000	222,689 kWh (Elec)	£31,176	61.8	2.0

Note: A cautionary 5% reduction has been applied to the associated electricity consumption following Voltage Optimisation system. This is against a documented 8% reduction from the manufacturer's estimated savings. Costs have been calculated on similar projects that deliver a similar payback

Stage 1 CRM 4: Lighting of Rural Footways / Cycleways

WDC propose to convert the 1056 lighting columns and sodium luminaires on rural pathways and footways owned by Warwick District Council to 25W LED luminaires on a rolling programme. A luminaire replacement scheme was submitted by WDC Asset Team to WDC Exec July 2019 – and awaiting approval decision. WDC also control and maintain other off-street lighting in the public realm including car parks and a full review is required.

Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£222,000	801,978 kWh (Elec)	£33,306	222.4	6.7

Benefits of LED luminaires include:

- Reduced maintenance costs
- 70% less energy used than conventional (metal halide) luminaires
- Improved visibility at night
- Reduced light pollution

Stage 1 CRM 5 LED Lighting Upgrade in Carparks

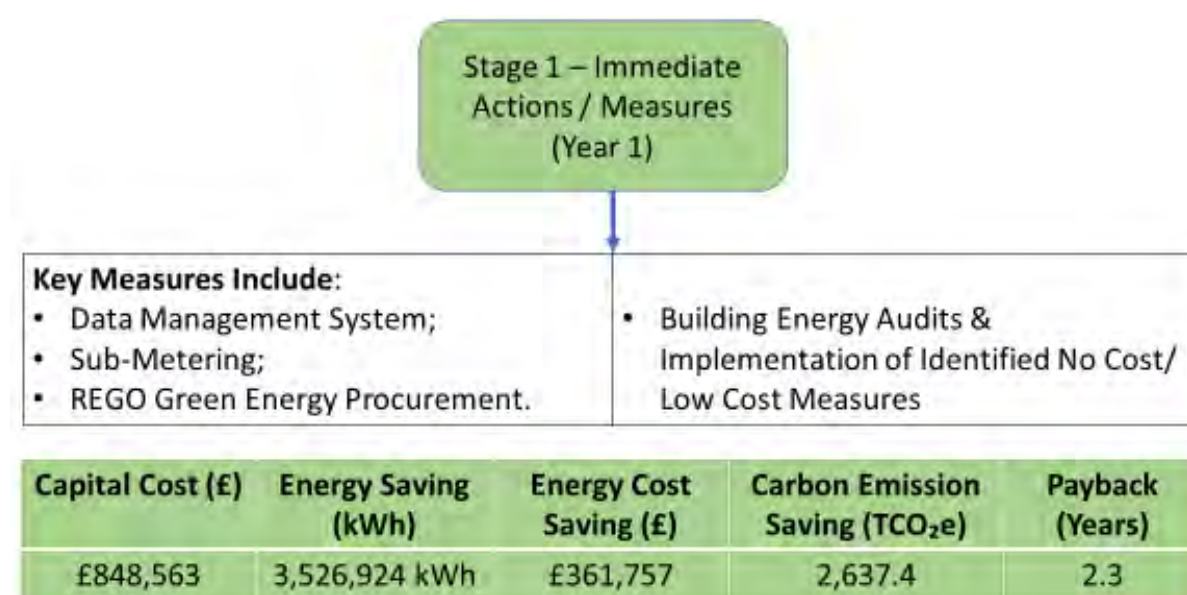
This CRM proposal is to convert current fluorescent luminaires within Warwick District Council owned carparks to LED luminaires and to include the installation of sensor controls.



Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£100,000	286,188 kWh (Elec)	£40,066	79.4	2.5

Note: Savings have been apportioned from other identified LED lighting measures with which the Consultants are familiar; costs calculated to meet an expected 2.5 year payback.

Stage 1 CRM – Summary of Investment and Reductions



The analysis gives a picture of the amounts of CO₂e left to be removed at the end of Stage 1 i.e. Year 1 of the Council's Carbon Management Plan. This assumes that the CRMs listed are all activated in Year 1 of course.



Stage 2 – CRM Medium-Long Term Investments (Years 2 -3)

Stage 2 CRM 6: Heat Pump / Air Conditioning Rationalisation Retrofit

This technology uses intelligent compressor optimisation, which can reduce the energy consumption of compressors in air conditioning, refrigeration and heat pump systems by up to 40%. This can also be utilised on future heat pump installations.

Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£90,000	300,000 kWh(Elec)	£42,000	83.2	2.1

Notes: Calculations are based on a 30% electricity reduction on an assumed energy consumption associated on air conditioning.

Costs are based on similar projects designed to deliver a 2-year payback and documented by the manufacturer.

Stage 2 CRM 7: Building Thermal Improvements

It is recommended that Warwick District Council review and upgrade all levels of thermal insulation improvements (cavity, solid walls and roof spaces) within the commercial buildings to reduce the impact of energy wastage and provide building envelope thermal improvements where appropriate to provide an important backbone of zero carbon strategy.

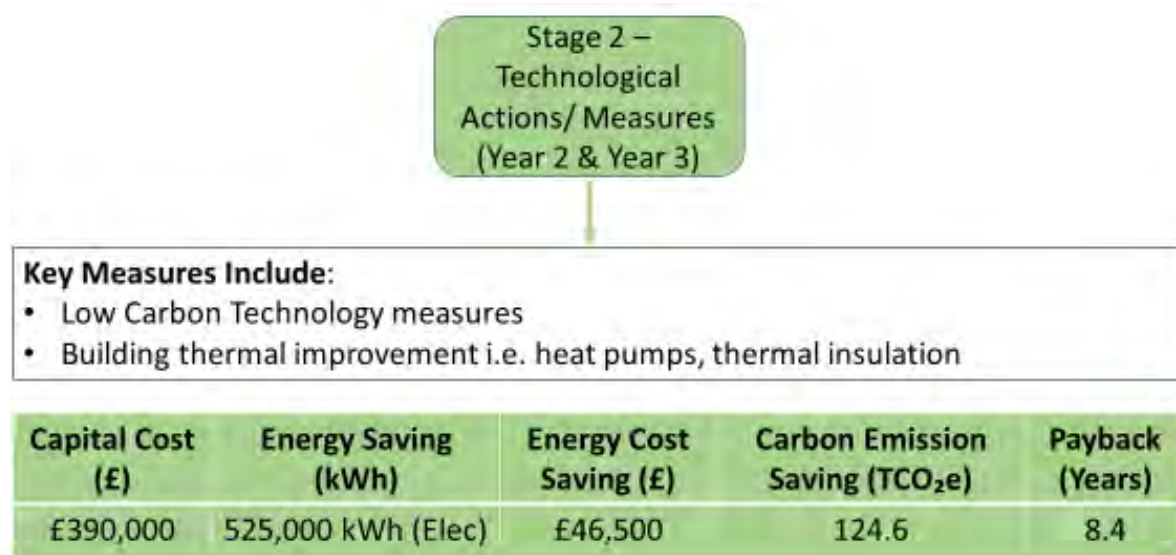


We have included the below benefits based upon experience with other similar portfolios and buildings.

Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£300,000	225,000 kWh (Gas)	£4,500	41.4	66.7

Notes: These calculations are based on energy reductions associated with gas for heating achieved from similar projects. Costs have been provided to be applied to the full organisational portfolio.

Summary of Investment and Reductions (Stage 2)



Summary of Carbon Status after completion of Stage 1 & Stage 2

The graph below shows the summary of the impact of the implementation of WDC Organisation Stage 1 & Stage 2 carbon reduction measures against the overall WDC carbon footprint:



Stage 3 – Renewable Energy Technologies (Years 4 - 5)

Stage 3 CRM 8: Solar PV (Council Homes – Roof Mounted)

Warwick District Council has 170 solar PV systems installed on council-owned residential properties. These systems have generated an annual total of 309,802 kWh and have offset 85.9 tonnes CO₂e against the generation of this electricity. This is the equivalent of the emissions associated with 17 homes.



Notes: 309,802 kWh generated x Defra 2019 Conversion factor (including transmission & distribution factor) of 0.2773 = 85.9 tonnes CO₂e

There is a potential for Warwick District Council to install many more rooftop installations on council homes across the District. This worked example is based upon the installation onto 20 council homes. Using an average of 3.5kWp per council house roof, this equates to 70kWp of solar power installed. Clearly given that the Council own circa 5,500 council homes, many of these could have PV installed – subject to location, roof structure review.

Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£100,000	37,800 kWh (Elec)	£3,780	10.5	26.5

Notes: Installing a typical domestic 3.5kWp solar PV system would be an estimated £5k fully installed (c£1400/kWp). Worked example for 20 homes fitted Year 1 - 20 x 3.5kWp = 70kWp system generates 63,000kWh (@90% solar efficiency). 20-unit system replaces equivalent grid power. System assumes on-site daytime usage throughout the year of 60% x 63000kWh = 37,800kWh. Per annum saving of 37,800kWh @ £0.14p/kWh = £5,292.

New Smart Export Guarantee system (Jan 2020 Energy Savings Trust) provides example using fixed 5.5p SEG tariff (Octopus Energy). SEG yield would be 40% x 63000kWh generated = 25,200 kWh x 5.5p = £1386 pa. Total income benefit (savings + SEG) = £6,678. CO₂e per 20 systems installed = 63,000kWh displaced x Defra 2019 conversion factor of 0.2773 = 17.46 tonnes pa

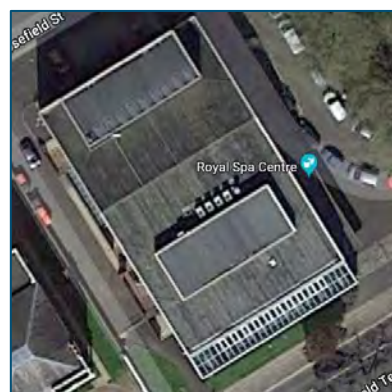
Small scale solar PV generation replaces power station electricity with renewable electricity. It is also important to help engage people and businesses in a low-carbon transition.

Stage 3 CRM 9: Solar Power on WDC Public Buildings

There are a number of high energy use public buildings owned by the Council that should be investigated for their potential for installation of rooftop solar PV systems. This will require detailed site and power supply review and it is acknowledged that some building roofs will be unsuitable for solar PV panels.

Examples of public buildings that could be considered are:

- Royal Spa Centre
- Leamington Town Hall
- Royal Pump Rooms
- WDC owned Leisure Centres
- Riverside House

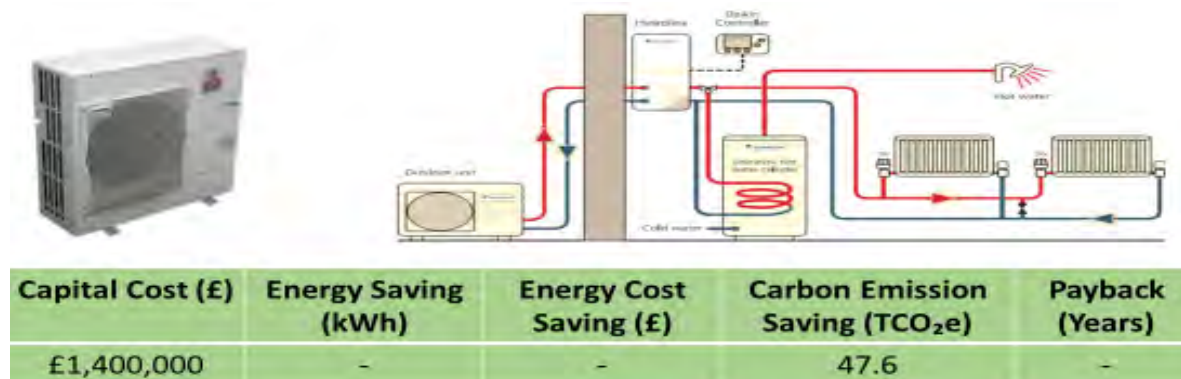


Capital Cost (£)	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£30,000	28,000 kWh (Elec)	£3,920	16	0.1

Notes: The Royal Spa Centre example building is provided as a worked example. NB. This has not been subjected to a building structural survey nor power export assessment. No battery storage has been included and assumes 100% of daytime electricity used over 12 months. Current annual electricity usage at Royal Spa Centre = 224,633kWh per annum. 30kWp system would generate c 28,000 kWh grid electricity pa. Assuming 100% solar power is used in daytime hours, then 28,000 kWh saved in grid energy = £3,920 pa. CO₂e saving using 2019 Defra conversion factor of 0.2773 / kWh = 16 tonnes CO₂e pa

Stage 3 CRM 10: Air Source Heat Pumps (WDC Public Buildings)

The installation of Air Source Heat Pumps for heating and hot water within commercial buildings will eliminate the need for fossil fuels (usually natural gas). Individual buildings have not been assessed nor heating systems qualified. However, there is the potential to replace all fossil-fuelled heating systems with air source heat pumps (ASHP), which is rapidly becoming a key low carbon, low emission source of heating.



Stage 3 CRM 11 Lighting Rural Footpaths – Off-Grid

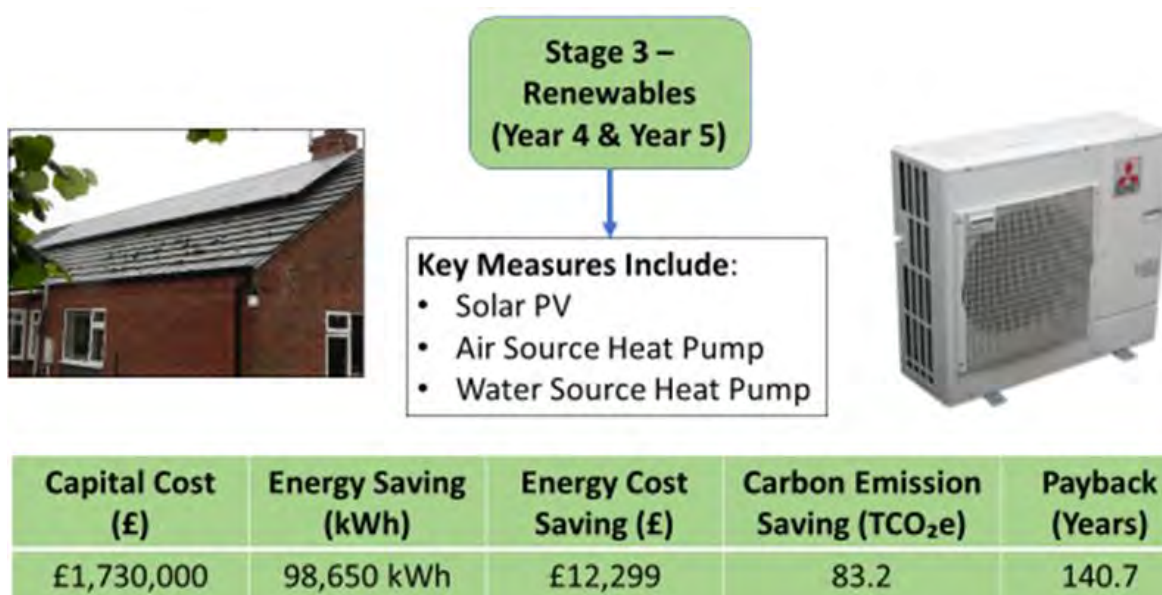
Future lighting systems for off-street applications exist in several off-road and green space areas in Warwick District. One example is the plan for the Warwick Racecourse circular walkway. Installation of off-grid lighting columns will avoid the costs of grid cabling and connection works, whilst using solar and wind energy + battery storage to power zero carbon LED lighting.



Capital Cost est tbc (£)	Energy Saving (kWh)	Energy Cost Saving (£) excluding grid connection	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£200,000	32,850	£4,599	9.1	43.5

Notes: WDC is responsible for off-street lighting for pathways, cycle ways, parks and recreation areas. Use of off-grid systems operated by solar and wind generators with on-lamp battery storage can save high costs of grid connection in more remote areas such as green parks. Calculation above for the proposed Warwick Racecourse pathway is subject to approval and site inspection – and is provided as an example only. This worked example does not include the likely savings of not connecting to mains grid and cabling and cabling works. Should the project proceed, it will require contested/uncontested cost comparison of a mains grid connection from Western Power Distribution to identify off-grid infrastructure saving.

Summary of CRM Investment and Reductions (Stage 3)



Summary of Carbon Status after completion of Stages 1 – 3



Council Water Resources Stages 1-3:

Stage 1 CRM 1: Water Management Awareness Campaign

It would be recommended that a Water Management Awareness Campaign is expanded throughout Warwick District Council offices and public buildings. This can be included alongside a general Energy Awareness Campaign. It is recommended that campaign material is used to “save water” and “report leaks” etc.



Capital Cost (£)	Water Saving (m ³)	Water Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£3,000	2,052	£2,668	1.1	1.1

Note: cost and carbon savings include for supply and waste water. Calculations are based on an assumed conservative water usage saving of 3% supply and 3% waste reductions. This matches the savings assumed for the energy management awareness campaign and has been kept at a conservative savings against guidelines.

Stage 2 CRM 2: Water Management Technology

It is recommended that water saving technology is installed within all commercial buildings within the Warwick District Council portfolio. This could include water outlet rationalisation adaptors to taps and showers, water pressure regulating systems including waterless urinals.



Capital Cost (£)	Water Saving (m³)	Water Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£42,000	6,841	£8,893	3.6	4.7

Note: cost and carbon savings included for supply and waste water. Calculations are based on a documented 10% reduction on supply and waste. Capital costs based on a documented payback of circa 5 years.

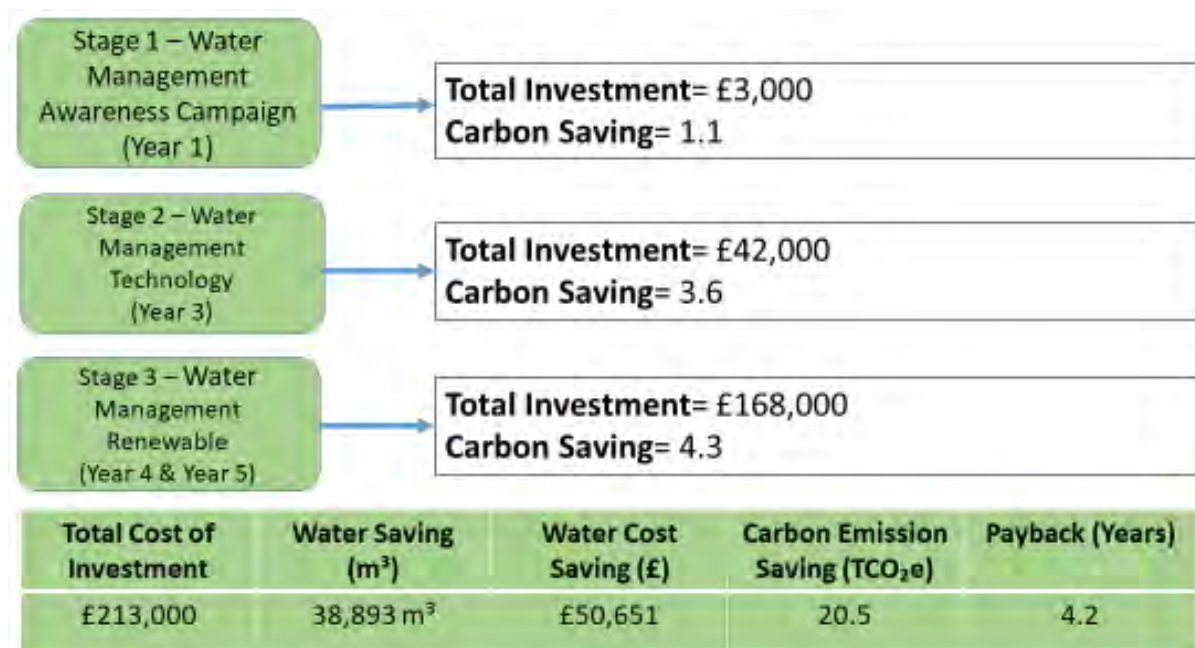
Stage 3 CRM 3: Water Management Renewables

There is potential for a rain water harvesting system including treatment to be installed across the commercial sites within the Warwick District Council non-residential buildings portfolio. This could collect water for use within toilets and for cleaning.

Capital Cost (£)	Water Saving (m³)	Water Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£168,000	30,000	£39,000	15.8	4.3

Notes: this would leave drinking water only from the mains supply; cost and carbon savings included for supply and waste water. No buildings review has been carried out – this is an only and is calculated from 50% of the organisational water supply and waste water.

Summary of CRM Water Resources (Stages 1 - 3)



Council Transport - CRM Stages 1-2:

Transport Emissions are a relatively small part of the Council's own carbon footprint. One Carbon World assessment (2019) evidenced this as around 2% (72 tonnes CO₂e per annum). However, transition to electric vehicles, use of EV pool cars and staff behavioural change with regard to transport modal shift all raise awareness and demonstrate practical action.

Several actions proposed are already under way – for example WDC has replaced six of its car and van fleet with EVs by end of 2019. Vehicles are procured (purchase or lease) within individual Council Service Areas to meet service needs. There is a mix of purchase or lease procurement currently. With changing EV technologies, fleet leasing across the Council would ensure continuous upgrades as electric vehicle technology improves. Continuous advances in EV range and increase in EV charging network across the District will mean that all the Council fleet can be switched to electric over the next 3-4 years.

There appears to be no central fleet transport coordination in place – which could streamline usage of fleet vehicles and ensure cross-service area use. Closer analysis could demonstrate the benefits of introducing a shared EV pool fleet – in an attempt to reduce the 'grey business mileage' cost of £82,000 pa.

Example shows the savings by introducing 2 shared pool EVs (e.g. Nissan Leaf) in Year 1.



Staff cycle-to-work or car share schemes fall outside of the Council's own carbon footprint and form part of the District's CO₂e footprint along with all other employee travel emissions.

EV Charge points future technologies

All councils will be considering how to future proof their EV charging network. Indications are that standard fast and rapid charging using cables and holsters will remain as the main option for foreseeable future. However, alternatives should be considered where situations demand e.g. taxi ranks; on-street parking.

Future proofing EV charging infrastructure – cable charging will remain main method but on-street and taxi rank charging will require different solutions e.g.

- Lamp-post charging
- Fast charging hubs
- The connected kerb
- Street cabinets
- Induction pads



Courtesy: Connected Kerb

CRM Stage1 CRM 1: EV Charge Points

There are three electric vehicle (EV) charge points already installed in the Riverside House car park. There are also chargepoints at St Peters car park (for charging the Neighbourhood Services van) and Acorn Court (for the Lifeline services). These chargepoints are used exclusively by WDC's EV fleet. If the EV fleet is extended and/or to encourage Council staff to use their own EVs to commute to work, additional charge points could be installed. Note: The Workplace EV Charging grant (OLEV) is still available to subsidise the procurement and installation of EV charge points.

Benefits of adding to the Council's EV chargepoint infrastructure are:

- Encourages staff to switch to EVs
- Provides customers and clients with charging
- Powers WDC's extended EV fleet
- Supports contract transport transition to LEVs
- Improves local air quality



Example Actions	Additional Cost £	Energy saving £	CO2e saving
Add 4 EVCP sockets (2 x twin 7kW) at RSH car park	£4,700 (less £500/socket grant)	n/a	n/a
Install EV charge points at waste, street cleaning; grounds maintenance contract depots	TBC	TBC	TBC

Note: Further investment in EV charging points at Riverside House will depend upon the proposed HQ move as well as evidence of demand from staff for 'at work' charging. Other sites where WDC staff are working could also be considered for EVCP installations.

CRM Stage2 CRM 1: WDC Fleet Transition to Electric

WDC has currently a fleet of 5 cars and 8 vans. Of these 6 (46%) have been replaced over the last two years with electric vehicles (4 cars; 2 vans) and travelled 33,000 miles in 2018-19 representing 31% of WDC fleet travel. This example suggests replacing the six remaining six diesel vans and the Civic Car (with a total mileage of c74,000 miles in 2018) in Years 2-3. Actual timescales of such replacement will depend upon existing lease terms or age of purchased vehicles – and requires further analysis. Pace of replacement will also be steered by the current daily duty cycle of fleet vans (e.g. 16,000 miles pa) – and existing EV range and availability of district charging points. Estimates of cost / benefit below are based upon using a leasing model:

Example Action	Additional EV lease cost pa	Roadtax saving	Fuel saving Electric v Diesel	Total cost saving Year 1	CO2e saving tonnes pa
Replaced 6 diesel vehicles with electric (implemented 2017-19)	£1,944	£1,560	£3,732	£3,348	9
Replace remaining fleet with EV e.g. replace all 6 vans + civic car	£2,810	£2,025	£8,281	£7,496	22

Notes: Lease costs are based on 3 years and based on 16k annual mileage; white eNV200. E-van £379.59 pcm; NV250 diesel £340.53 pcm (Nissan Sandycliffe 28.12.2019). Fuel cost savings – 74,000 miles @ 40mpg = 1,850gallons @ £6 per gall = £11,100pa; Electric costs @ 4m/kWh = 18500kWh @ 10p/kWh = £1,850 pa. Annual fuel saving £11,100 - £1850 = £9,250 pa. CO2e saving calculations – for new fleet replacement, 1850 gallons diesel (2018 data) = 8351 litres diesel displaced @ using Defra 2.62694kg/litre = 21.94 tonnes

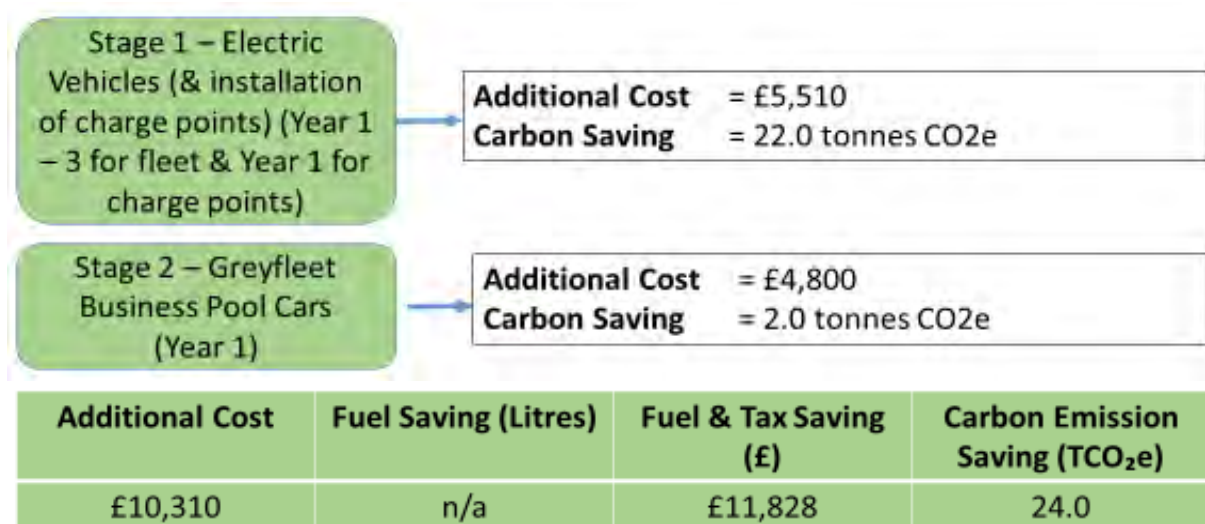
CRM Stage1 CRM 2: WDC EV grey fleet business pool cars

This Carbon Reduction Measure proposes providing EV pool cars for staff essential business use. The Council's 'grey fleet' business miles totalled 184,000 in 2018 at a cost of £82,800. Including two EV pool cars would reduce grey fleet costs to the Council whilst reducing CO2e emissions. It would also improve air quality, encourage better driving habits, and provide an example of good practice locally.

Example Action	Addnl cost of EV lease pa	Grey fleet mileage saving pa	Grey fleet fuel saving pa @ £0.45/m	CO2e saving pa
2 EV pool car	£4,800	10,440 (6% reduction)	£4,332	2 tonnes

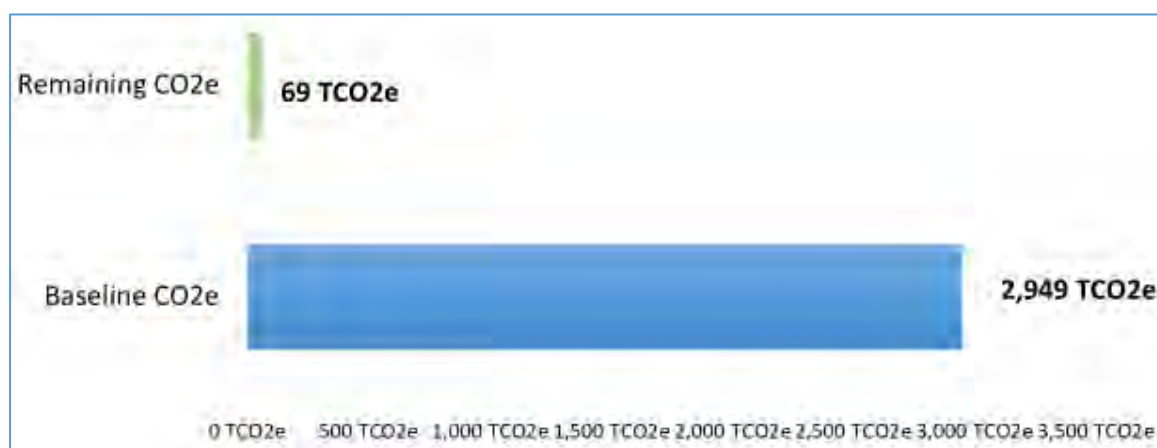
Notes: Lease cost pa @ £200pcm per EV = £2,400 pa; pool car use = 20 miles per day 261 days per year = 5220 miles (WDC data). Electric use 5,220 miles @ 4miles/kWh = 1,305kWh pa @ 0.14p/kWh = £183 elect cost. Essential users costs saved 5,220 miles @ £0.45 = £2,349. CO2e 5,220 miles @ 200g/mile = 1tonne. No pool car operation costs have been included within the calculation.

Summary of CRM Transport Emissions (Stages 1 - 2)



Summary of Carbon Status after completion of all CRM Stages

After completion of WDC buildings and energy (non-residential), water and transport Carbon Reduction Measures:



Stage 4 – Carbon Offsetting Measures

Following the Carbon Reduction Analysis above and if all the Carbon Reduction Measures are implemented, it is estimated that there would be a small surplus of CO2e remaining across the Council's estate (buildings, energy, transport and water) by 2025. To achieve the net zero target, the Council could carry out local off-setting e.g. tree planting on council-owned land.



Carbon Offsetting would be the recommended final phase of a planned carbon reduction strategy. It ideally should be deployed for the final elements of GHG emission reductions that can be not be readily practically achieved through intervention measures.

The carbon offsetting should be undertaken by a specialist organisation and carbon credits that is certified under the Verified Carbon Standard (VCS). Carbon offsetting costs of £15 per tonne have been included within the calculated measure.

Stage 4 - Offsetting (Year 5)

Key Measures Include: Offsetting Remaining Carbon
Total Investment= £1,035
Carbon Saving=69 TCO₂e

International Offsetting



Warwick District Council has accepted an invitation to take part in the internationally recognised UN programme Climate Neutral Now which is administered by One Carbon World. The Council has been awarded a UN grant which in addition to supporting the calculation of the Councils baseline, includes the retirement of up to 300 tonnes equivalent of carbon credits. With the retirement of these credits Warwick District Council has achieved the criteria required for the Launchpad to Carbon Neutral Standard – and are informed that WDC will become the first council to take part in the internationally recognised ‘UN Climate Neutral Now Scheme.

Note: The Consultants are unable to verify this certification and as such this ‘carbon retirement’ has not been accounted for within the calculations for the Council’s carbon management plan.

Section 5 – Council-owned residential Housing

Domestic properties contribute significantly to the carbon emissions for Warwick District – and this is explained in detail in Work Package 3 Warwick District Climate Emergency Action Roadmap. As actual CO2e emissions from council homes (5,500 houses and flats) will be a direct result of energy used (gas, electric) by council tenants, and as it is not possible to access the household energy bills, such emissions are regarded as ‘out of scope’ of the Council’s own carbon footprint.

However, as a considerate landlord, the Council has responsibility for and some control over ensuring that council homes are as energy efficient as possible – enabling tenants to reduce energy bills and contribute to a reduction of residential CO2e emissions across the District. Such a refit programme must go hand-in-hand with a vigorous awareness and energy education campaign. This will ensure that household behaviour compliments the building refit programme and provides tenants with the opportunity for making real savings in energy bills as well as enjoying the benefits of improved thermal properties i.e. warmer homes.

To provide an insight into the measures that could be delivered over the next 10 years and make a significant contribution to lowering the District’s carbon emissions, the Consultants have provided an analysis of the likely costs and savings that might be anticipated. Estimates are provided and based upon EPC data provided by the Council’s Asset Management Team NB 50% of all homes have now an up to date EPC certificate. Once the property condition survey of all residential properties has been completed, the delivery of a refit programme for existing council homes over 10 years can be implemented.

This analysis of council homes provides a useful baseline for the Council to assess the likely costs of property upgrades against the potential energy and carbon savings. This is also in line with the legal obligations on the Council – and all private landlords - from the Fuel Poverty Act which requires a minimum Energy Performance value of ‘C’ by 1st April 2030.

Notes: The need to upgrade council homes has been acknowledged already by WDC – and illustrated by the approved motion in February 2019 to ring fence £90,000 to develop a plan for low energy housing (retro-fitting and new homes) with the objectives of reducing tenant’s energy bills, addressing fuel poverty and cutting emissions.

Baseline data has been utilised from OCW information which in itself is sourced from the Department of Business, Energy and Industrial Strategy (BEIS) standard local authority reporting with energy usage and buildings efficiency data provided directly by WDC Asset Team to enable the calculation of the refreshed carbon footprint. DEFRA 2019 carbon conversion factors have been utilised for consistency.

Electricity and gas emissions data for council-owned residential properties have been calculated from average EPC rating for each residential property type. An average kWh/per m²/ per year figure was sourced from online to assist with the calculations ref: https://www.energysrating.org.uk/energy_performance_certificate1.html . Using example EPC certificates it has been assumed for the purposes of this carbon refresh exercise that the split between electricity and gas within a residential home is 66% energy associated with heating and 33% energy associated with electricity usage.

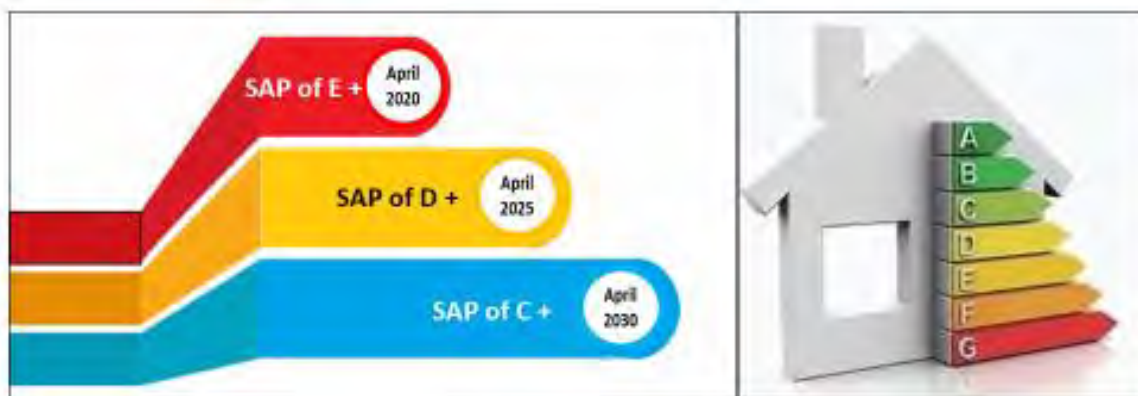
WDC Council Homes Carbon Management Analysis

This section focuses upon the council homes upgrade programme needed to align with the Fuel Poverty Act (FPA) requirements by 2030, which are:

1st April 2020 – Regulations will now apply to all existing residential rented property which is required to meet the Minimum Energy Efficiency Standards of an EPC SAP rating of Level E or above (this will includes existing tenanted dwellings without an EPC).

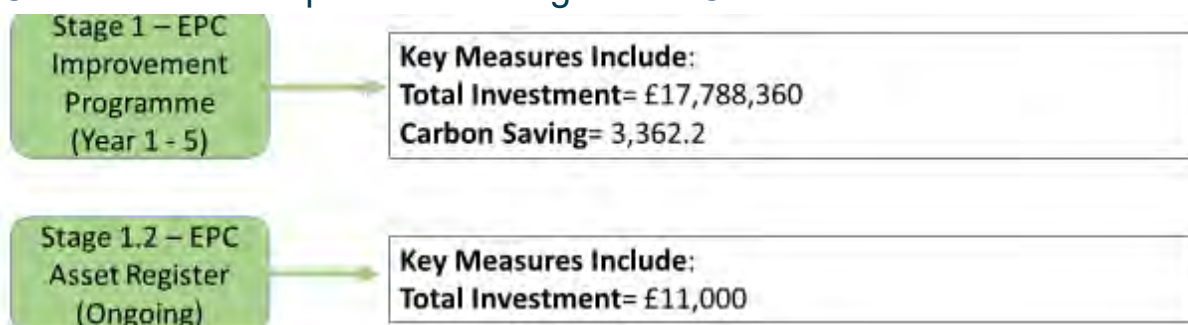
1st April 2025 - Regulations will now apply to all existing residential rented property which is required to meet the Minimum Energy Efficiency Standards of an EPC SAP rating of Level D or above.

1st April 2030 – Regulations will now apply to all existing residential rented property which is required to meet the Minimum Energy Efficiency Standards of an EPC SAP rating of Level C or above.



Note: This analysis provides the cost estimate based on simply meeting the minimum EPC standards required under the FPA. The Council may choose to exceed these requirements e.g. by upgrading to Level 'B' or in some cases Level 'A' e.g. installing solar photovoltaic and heat pumps. It might also decide to complete the upgrade of properties to FPA minimum standards ahead of 2030 deadline.

Council Homes Improvement Programme Cost Estimate



Total Cost of Investment	Energy Saving (kWh)	Energy Cost Saving (£)	Carbon Emission Saving (TCO ₂ e)	Payback (Years)
£17,799,360	-	-	3662.2	-

EPC Programme Financial Impact

The Consultants have produced a cost estimate plan for the improvement of all council-owned residential properties by 2030:

EPC Improvement Programme	Cost of Action per Annum (£)	Gas TCO ₂ e	ELEC TCO ₂ e	Total CO ₂ e
WDC to improve the existing portfolio of dwellings with a SAP rating of F + G to meet the Fuel Poverty Act of E+ by 2020	£ 136,772	221.1	152.5	373.6
WDC to improve the existing portfolio of dwellings with a SAP rating of E+ to meet the Fuel Poverty Act of D + by 2025	£ 3,569,340	663.2	457.5	1,120.7
WDC to improve the existing portfolio of dwellings with a SAP rating of D+ to meet the Fuel Poverty Act of C+ by 2030	£ 4,908,600	884.3	610.1	1,494.3
WDC to update the existing portfolio of dwellings with no EPC rating to meet the Fuel Poverty Act of C+ by 2030	£ 9,173,648	221.1	152.5	373.6
It is further recommended that as part of a developing EPC roll out programme that an asset register is compiled and completed by the EPC assessment team.	£ 11,000			
Totals	£ 17,799,360	1,989.5	1,372.6	3,362.2

Note: The above cost analysis provides broad estimated costs based on getting the current EPC portfolio to meet the key stages of the Fuel Poverty Act (including measures such as insulation improvements, window upgrades, boiler replacements, LED lighting installs).

To confirm the level of upgrades required in energy systems and building fabric and other refit technologies, it is recommended that as part of a developing EPC roll out programme an asset register is compiled and completed by the Council's housing and asset management teams.

Note on Domestic data methodology: Using data drawn from the WDC database and specifically the EPC council homes database, CO2e modelling was based on the average kWh/m² from all the available SAP EPC data. This modelled energy use indicator factor was applied to all the portfolio categories by obtaining the floor area data for the whole council-owned domestic portfolio (and accounting for dwelling types) and calculating the total energy use. This provided the energy use to the categories (i.e. dwelling type) and the whole portfolio.

The study also sampled/cross checked the energy use with information available for portfolio information on Social Housing and also Ofgem published information.

Section 6 – A Note on Data

The development of a Climate Change Plan requires the collation of key data and information from wide and varied sources. This information relates to the CO2e emissions produced by WDC operation that is calculated from numerous data sources that cover:

- Building energy use
- Water use
- Waste
- Business transport & travel
- Renewable energy generation
- Assets
- Processes, chemicals & gases

Note: Even with the current availability of information within the Council, in order to make appropriate carbon reduction decisions and implement the Carbon Management Plan, it is essential that a robust and accessible GHG data and reporting infrastructure is reinforced and resourced.

The regular measurement and collation of this information requires essential baseline data to determine carbon impacts, establish performance, identify areas of improvement and enable strategic investment planning and identify benefits.

As reporting GHG emissions is no longer a mandatory requirement for councils, the re-establishment of data reporting, measuring and monitoring of results should be an essential part of ensuring future progress to meet the Council's 2025 net zero target for CO2e.

Warwick District Council Carbon Management Costplan – Summary

Area	Action	Year	Cost of CRM Investment	Energy Saving (kWh)	Fuel	Cost Saving - fuel etc	CO2e Saving (Tonnes)	Payback (Years)
Stage 1 – Immediate Actions / Measures	Data management system; sub-metering; REGO green energy procurement; building energy audits; Implementation of identified no cost / low cost measures							
Stage 1 CRM 1	Implement Data System/ Calculate Baseline	Year 1	£25,000	562,694		£37,977	618	0.7
Stage 1 CRM 2	Green Energy Procurement	Year 1	£3,563	0		£0	1235	N/A
Stage 1 CRM 3	3.1 - Building Energy Management System (BEMS) and Controls Review	Year 1	£28,000	204,003	Gas	£40,801	38	0.7
Stage 1 CRM 3	3.2 LED Lighting Installation & Controls	Year 1	£257,000	889,067	Elec	£124,469	247	2.1
Stage 1 CRM 3	3.3 Sub-Metering Installation	Year 1	£140,000	222,689	Elec	£31,176	62	4.5
Stage 1 CRM 3	3.4 Energy Awareness Engagement & Management Procedures	Year 1	£10,000	337,616		£22,786	75	0.4
Stage 1 CRM 3	3.5 Voltage Optimisation	Year 1	£63,000	222,689	Elec	£31,176	62	2.0
Stage 1 CRM 4	Lighting Rural Footways / Cycleways	Year 1	£222,000	801,978	Elec	£33,306	222	6.7
Stage 1 CRM 5	LED Upgrade - Carpark	Year 1	£100,000	286,188	Elec	£40,066	79	2.5
Stage 1 Immediate Actions / Measures	TOTALS	Year 1	£848,563	3,526,924		£361,757	2637	

Area	Action	Year	Cost of CRM Investment	Energy Saving (kWh)	Fuel	Cost Saving fuel etc	CO2e Saving (Tonnes)	Payback (Years)
Stage 2 – Technological Actions/ Measures	Low Carbon Technology measures							
Stage 2 CRM 6	5.1 Heat Pump / Air Conditioning Rationalisation Retrofit Technologies	Years 2-3	£90,000	300,000	Elec	£42,000	83	2.1
Stage 2 CRM 7	Building Thermal Improvements	Years 2-3	£300,000	225,000	Gas	£4,500	41	66.7
Stage 2 TOTALS	Low Carbon Technology measures	Years 2-3	£390,000	525,000		£46,500	125	
Stage 3 – Renewables	Solar PV; Heat Pumps	Years 4-5						
Stage 3 CRM 9	Domestic Solar PV – Roof Mounted	Years 4-5	£100,000	37,800	Elec	£3,780	11	26.5
Stage 3 CRM 10	Solar Power ~ WDC Public Buildings	Years 4-5	£30,000	28,000	Elec	£3,920	16	19
Stage 3 CRM 11	Air Source Heat Pumps ~ WDC Public buildings	Years 4-5	£1,400,000	0		0	48	0
Stage 3 CRM 12	Lighting Rural Footpaths – Off-Grid	Years 4-5	£200,000	32,850	Elec	£4,599	9	43.5
Stage 3 – Renewables	TOTALS	Years 4-5	£1,730,000	98,650		£12,299	83	
Summary of Investment and Savings (Stages 1 – 3)			£2,968,563	4,150,574		£420,556	2,845	

Area	Action	Year	Cost of CRM Investment	Energy Saving (kWh)	Fuel	Cost Saving fuel etc	CO2e Saving (Tonnes)	Payback (Years)
Water Awareness, Technology and Harvesting								
Stage 1 CRM 1	Water Management Awareness Campaign	Year 1	£3,000	2,052		£2,668	1.1	1.1
Stage 2 CRM 2	Water Management Technology	Year 3	£42,000	6,841		£8,893	4	4.7
Stage 3 CRM 3	Water Management Harvest / Recycle	Years 4-5	£168,000	30,000		£39,000	16	4.3
Water	TOTALS		£213,000	40,945		£50,561	22	
WDC TRANSPORT	Action		Additional cost of CRM			Fuel & tax saving £	CO2e Saving (Tonnes)	Payback (Years)
WDC diesel fleet	Replace remaining fleet with EV - 6 vans + civic car	Years 2-3	£2,810			£7,496	22	0.4
WDC RSH charge points	Add 4 EVCP sockets (2 x twin 7kW) at RSH car park	Year 1	£2,700				0	
EV Greyfleet business pool cars	2 EV pool car leased	Year 1	£4,800			£4,332	2	1
WDC TRANSPORT	TOTALS		£10,310			£11,828	24	
Stage 4 - Offsetting	Offsetting Remaining Carbon - @£15/tonne	Year 5	£1,035				69	
	Actions include/exclude	Year	Cost of CRM Investment	Energy Saving (kWh)	Fuel	Cost Saving fuel etc	CO2e Saving (Tonnes)	
GRAND TOTALS	Excludes council homes, heat network and solar park	Years 1-5	£3,192,908	4,191,519		482,945	2,960	
SUMMARY:			Year 1	Years 2-3		Years 4-5	Totals	
Costs of carbon reduction measures (CRM)			£859,063	£434,810		£1,899,035		£3,192,908
£ Savings			£368,757	£62,889		£51,299		£482,945
CO2e Savings			2639	147		168		2,954

WP2 - Warwick District Council Carbon Management Plan (Estate)			
Carbon Reduction Measures (CRM) - Summary FINAL			
Cost estimate of implementing the Council's carbon management plan (WP2)			
Year	Year 1	Years 2-3	Years 4-5
Investments - public buildings, lighting	£848,563	£390,000	£1,730,000
Water	£3,000	£42,000	£168,000
Transport	£7,500	£2,810	£0
Offsetting			£1,035
TOTALS	£859,063	£434,810	£1,899,035
5-Year Cost estimate £	£3,192,908		
Estimated energy and fuel cost savings of the Council's carbon management plan (WP2)			
Year	Year 1	Years 2-3	Years 4-5
Investments - public buildings, lighting	£361,757	£46,500	£12,299
Water	£2,668	£8,893	£39,000
Transport	£4,332	£7,496	
Total	£368,757	£62,889	£51,299
5-Year Savings estimate £	£482,945		
Estimated carbon savings (tonnes) from the Council's carbon management plan (WP2)			
Year	Year 1	Years 2-3	Years 4-5
Investments - public buildings, lighting	2637	125	83
Water	1	4	16
Transport	2	22	
Off-setting			69
Total	2641	150	168
5-Year Savings CO2e tonnes	2959		

A Climate Emergency Action Roadmap for Warwick District (Work Package 3)



Warwick District Climate Action Roadmap - Executive Summary

This section highlights the key actions and recommendations from Work Package 3, the Warwick District Climate Action Roadmap. This interim document provides a direction of travel for the eventual Climate Emergency Action Plan to be prepared by the programme team once in place. The annex was produced in support of the January 2020 reporting schedule required following the declaration of a Climate Emergency by the council in June 2019 and a commitment to facilitating the District's decarbonisation to as close to zero as possible by 2030.

The Council has chosen to use Anthesis' Greenhouse Gas Reporting Tool SCATTER for the 10-year programme of work. The modelling features of this tool which can be used to test the impact of emissions reduction measures will not be available until later in Quarter 1, 2020. Data analysis for this report has been carried out by hand and will require confirmation once SCATTER Phase 2 is available.

This roadmap considers Mitigation (reducing greenhouse gas emissions), Adaptation (managing the consequences of a changing climate) and Offsetting (compensating for emissions by reducing emissions elsewhere).

It is expected that 2020 will be used for capacity building and initiating high priority actions outlined below:

1. The first action is to establish the Warwick District Climate Action Programme team. Once in place the team will need to:
 - a. Develop the Climate Emergency Action Plan and costings for the 10-year programme. The roadmap for the District presented in WP3 is intended as an initial input into the planning work to be undertaken by the Climate Emergency Action Programme team once appointed.
 - b. Establish budgets and secure funding for the programme
 - c. Adopt SCATTER Phase 2 once it is released and identify other data source to confirm the priority analysis, emissions budgets and reduction targets presented in WP3
 - d. Establish a responsive local monitoring, forecasting and reporting method for GHG emissions. This needs to cover energy use and account for changes in land use from activities like tree planting. The impact of the local plan needs to be accounted for both in terms of transport and housing

2. The key sector priorities for action in order are Transport, Housing and then the non-domestic sector.
3. Early priorities for Transport are the adoption of electric vehicles, reducing emissions from commuting and reducing car use for short journeys. Initiatives within this sector include:
 - a. converting taxi fleet to EVs
 - b. expanding cycleways in parks
 - c. increasing EV charging points significantly
4. Work with WCC on a Sustainable Transport Strategy for the area. This needs to cover aspects of transport emissions that occur in the District but are caused by activity from outside for example, motorway travel, HGV use and train travel. Funds need to be set aside for supporting these initiatives. Areas to be covered include:
 - a. reduce vehicles movements
 - b. adoption of EVs
 - c. parking strategy
 - d. inter town safe cycle routes
 - e. a review of the Local Plan in relation to transport
5. Early priorities for reducing household emissions are targeting gas usage for heating through building efficiency improvements, switching to green energy and adoption of 100% renewable energy contracts. Initiatives in this area include:
 - a. Provide help to householders to upgrade their energy efficiency and encourage renewables for which a grant scheme could be offered
 - b. Find appropriate large-scale models of engagement to achieve the impacts on household emissions reductions needed.
6. The priority for the non-domestic sector is to identify and engage with existing energy / emissions planning.
7. Adaptation planning needs to consider the priority risks identified by the Committee on Climate Change's Risk Assessment. These include flooding and the impacts of rising temperatures on residents and the natural environment.
8. Partnerships and collaboration with other public sector organisations (WCC, BCC, CCC, and WMT) and organisations in the private sector (large employers, institutional organisations, and housing associations) will be an important part of the programme's strategy.

CEAP Warwick District - Introduction and Context



The purpose of this Climate Action Roadmap for Warwick District is to provide an interim high-level summary for use in preparing the Climate Emergency Action Plan (CEAP). It has been prepared now to meet the reporting requirements for the end of January 2020 which in turn supports the 2020 budgeting cycle. This roadmap will provide an indication of direction of travel for the Climate Action Programme when it is established. A short time has been available to undertake this investigation and roadmap development and necessary compromises have had to be made to meet the January objective. It is expected that the full plan and costing will be developed by the programme team.

In order to meet the required reporting timescales, we have presented this document as a series of PowerPoint slides with narrative. Extensive data and resource analysis has been carried out to support this summary approach. The appendices will contain a log of the resources used and where appropriate data sources are referenced.

Key to the successful delivery of the 10-year programme to bring Warwick District's Greenhouse Gas Emissions (GHG) emissions to as close to net zero as possible is the appointment of internal team to run the programme. At the time of writing these resources are likely to be in place in Quarter 1, 2020 and it is expected that this roadmap will support that team's more detailed planning going forward. That will ensure 'ownership' of the delivery of the District's Climate Emergency Action Plan.

Additionally, we understand that the Anthesis, greenhouse gas reporting tool, SCATTER is to be used for planning and modelling the impact of measures. The modelling functionality in SCATTER called SCATTER Phase 2 Pathways will not be available until later in Quarter 1 and must go through a user acceptance test before release. Illustrative modelling of carbon budgets, priorities and measures for this report has by necessity been done by hand to meet the report deadline. SCATTER Phase 1 2017 data has been used along with data from other sources, identified in the text.

The Consultants have only considered emissions from energy use in this analysis as the consumption of fossil fuels caused the bulk of the GHG emissions but note that land use will need to be taken into account when creating a footprint for the District that takes into account tree planting. It is noted that there is the potential to widen the scope of reporting to cover emissions caused outside of the District, attributed to food and consumption of goods. This is left out of the analysis but raised as an issue for later consideration.

The Roadmap shows how data can be used to identify priorities for action and develop scenarios for emission reduction strategies.

Important Note: It is important that all analysis in this Annex is re-run once SCATTER Phase 2 (Pathways) is available (March 2020) and SCATTER outputs and scenarios will be used for planning in the future.

Carbon Budget and Emissions Reduction Targets

Emissions Budget and Reduction Target

Carbon Budget Period	Recommended Carbon Budget (Mt CO ₂)
2018 - 2022	3.9
2023 - 2027	1.9
2028 - 2032	0.9
2033 - 2037	0.4
2038 - 2042	0.2
2043 - 2047	0.1
2048 - 2100	0.1

Source: Tyndall (2019)

KEY POINTS:

- Warwick District's suggested emissions budget is **7.5mt CO₂e**
- At current rates of emissions this will be **exhausted in 7 ½ years**
- **Local actions required** to reduce emissions from Business as Usual
- **Largest reduction needed in 2023-2027**
- **Preparation needed in 2020-2022**

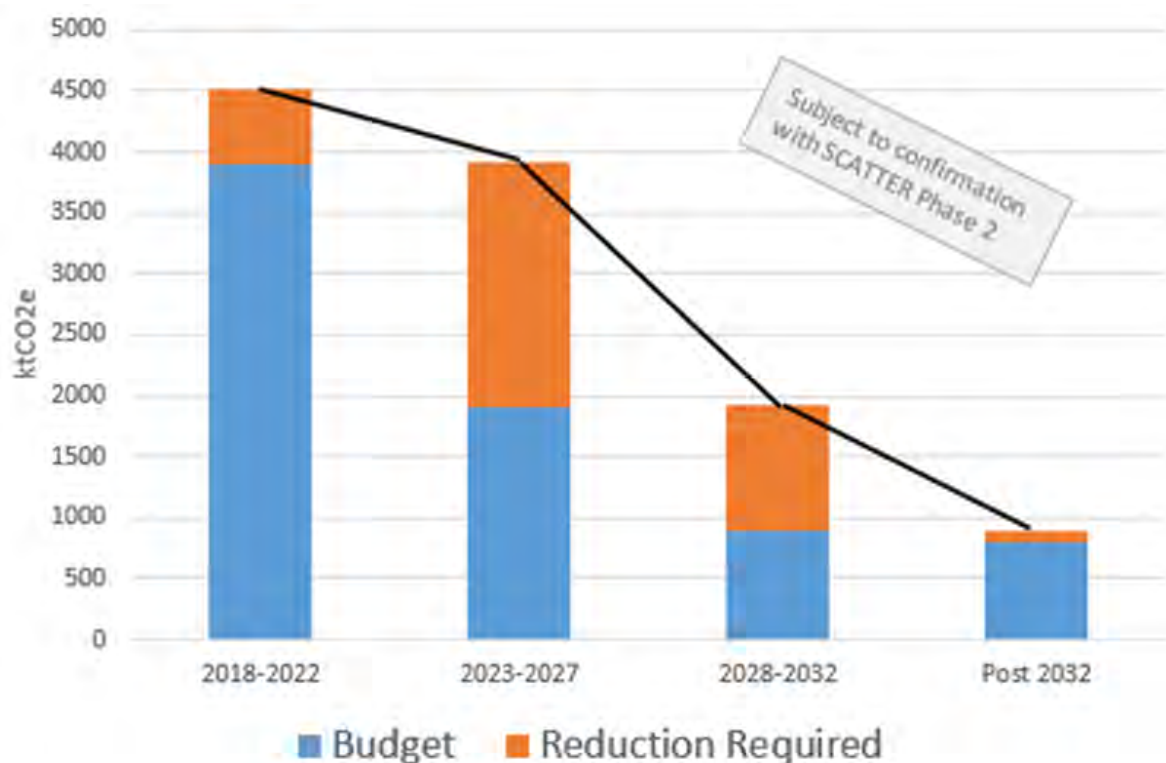
Just as a financial project to reduce costs would start with a budget, a GHG emissions reduction programme can work in the same way with an emissions reduction budget. In both cases, subtracting that budget from current costs provides a measure of reductions needed. The Tyndall Centre has created GHG emissions budgets for local authorities.

The budget is described in “Setting Climate Commitments for Warwick”, Tyndall (2019) and explains:

“This report presents climate change targets for Warwick that are derived from the commitments enshrined in the Paris Agreement, informed by the latest science on climate change and defined in terms of science-based carbon setting. The report provides Warwick with budgets for carbon dioxide (CO₂) emissions and from the energy system for 2020 to 2100. The carbon budgets in this report are based on translating the “well below 2°C and pursuing 1.5°C” global temperature target and equity principles in the United Nations Paris Agreement to a national UK carbon budget”

It is understood that this Tyndall Carbon Budget for Warwick (referred to as the District’s Carbon Budget from now on) will be incorporated into the SCATTER Phase 2 release which will be used for emissions reduction planning. We have used this budget in our interim calculations prior to the release of SCATTER Phase 2 and this has been helpful in providing an initial estimate of the required emissions reductions for the roadmap. This in turn helps to size the measures and effort required to achieve the net zero target.

The budget uses the same five-year periods as the Climate Change Act with the third period finishing in 2032, slightly later than the 2030 net zero goal. The figure below shows the pattern of the District’s Carbon Budgets and estimated emissions reductions that we calculated. Assumptions have been made about the level of business as usual emissions if no local action is taken. These need to be confirmed in SCATTER Phase 2.



Suggested reductions in ‘Business as Usual’ emissions required to achieve the Carbon Budget for Warwick District

The Carbon Budget allocates a further 7.5 mtCO₂e of emissions to the District from 2018 onwards, split into five-year budgeting periods. SCATTER's 2017 data (Anthesis, 2019a), shows the District's total emissions were just over 1 mtCO₂e per year. The Tyndall report (Tyndall, 2019) notes that the Carbon Budget would be exhausted in 7 and a half years at this rate of emissions. The historical emissions trend is falling for some sectors (BEIS, 2019b), due to international and national initiatives. This would extend this deadline by a few years but the deep cuts in emissions are required to meet the 2030 net zero ambition. This will require active engagement at the local level.

To estimate the size of the emissions reductions required we derived an estimate of future emissions from the District if no action is taken, termed the Business as Usual (BAU) case. We used an estimate in the Tyndall report and our own straight-line projections to assign a further 1.8 mtCO₂e of emissions for 2018 -2019. For 2020 onwards we assumed a small rise in transport emissions following the historical trend and emissions continuing at the same rate as 2019 going forward. Subtracting the Carbon Budget from the BAU case for each budgeting period then gave an indication of the emissions reduction target in each period, shown in the figure above.

The District's population is forecast to rise over the programme period. This has not been taken into account in this model. There are some emissions over which there is little local control which will need to be assigned to the District's carbon budget, for example aviation and motorway travel.

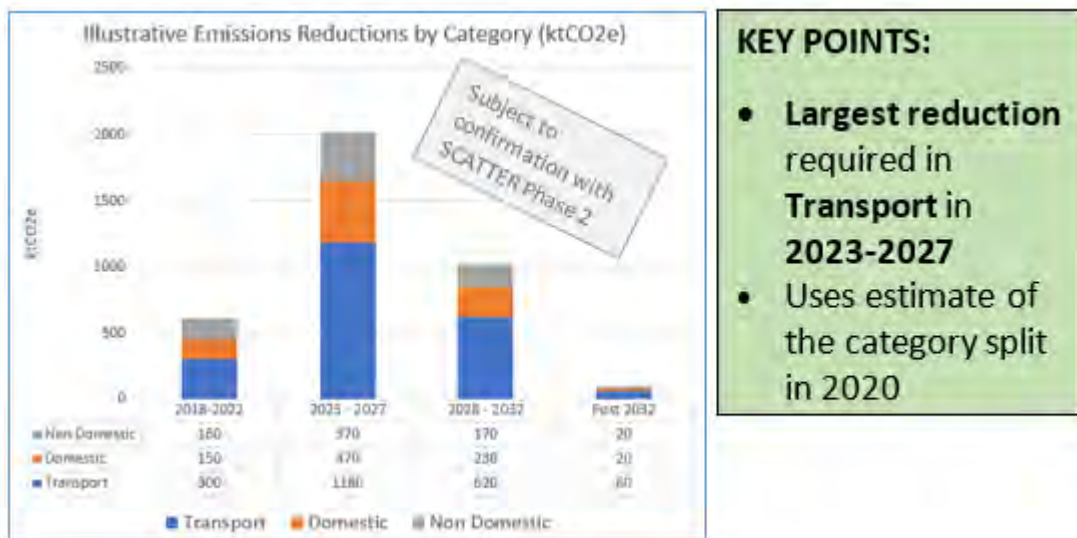
Note: It is important to emphasise that this calculation needs to be reviewed by the team once the Climate Action Programme is operational and SCATTER Phase 2 is available. In line with the objective of this Roadmap it does however give an indication of the direction of travel and size of the task ahead.

Note: The role of the Local Plan is important both in terms of forecasting growth in population, dwellings and transport needs. The Business as Usual case for this analysis does not account for a population growth and therefore may show an underestimation of the emissions reductions target required to meet the Carbon Budget. It is expected that measures in the Local Plan and use of planning instruments will help to alleviate upward pressure on emissions from any increase in population. Once SCATTER Phase 2 is available this scenario will be easier to model. Main observations are:

- A conclusion that stands out is that the largest reduction will be required in the 2023-2027 budget period, with preparation necessary in the previous period.
- A budget for residual emissions post 2032 has been consolidated in this chart and any further reductions are likely to require offsetting.

Data sources: Tyndall (2019) and ONS (2019a) - UK local authority and regional carbon dioxide emissions national statistics: 2005-2017

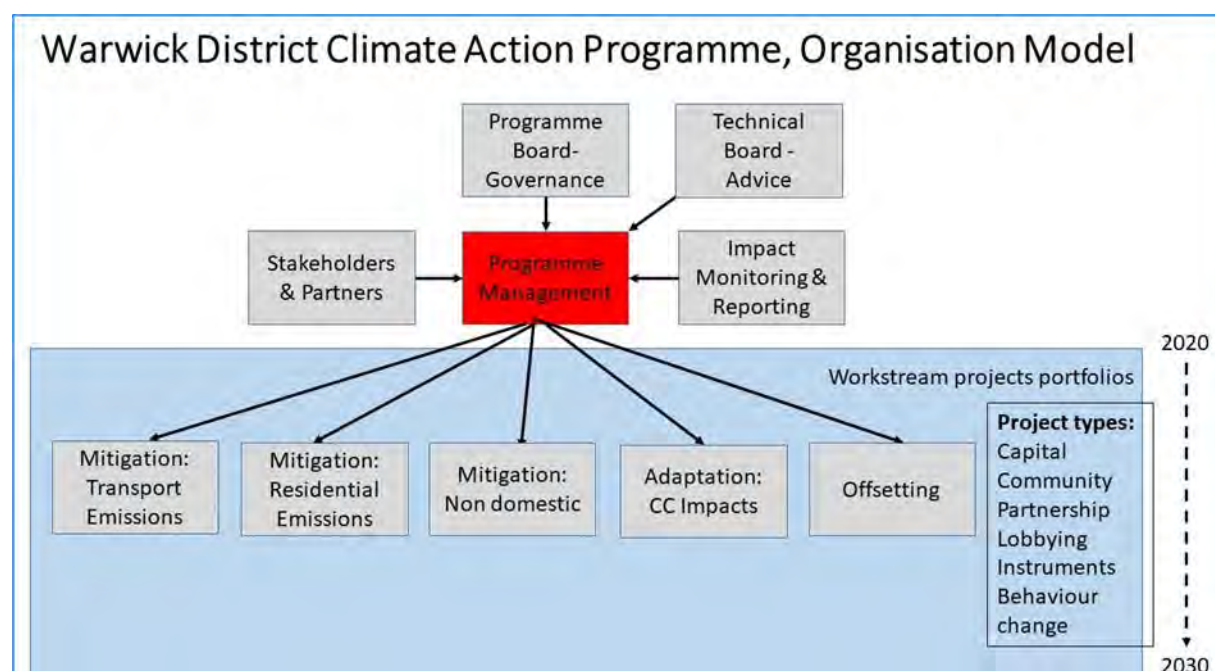
Emissions Reduction Target – By Category



This chart illustrates how the total reductions in each period needed to meet the budget may could split category (transport, domestic and non-domestic) using the relative sizes of the emissions from those categories estimate for 2020.

The largest category is transport followed by domestic and then the non-domestic category. The size of these targets along with knowledge of current trends can be used to assign priorities to activity. As noted above although the largest emissions reduction target is in 2023 -2027, significant activity will be need over the next 3 years to prepare for this.

Suggested CEAP Programme Organisation



The Organisational Chart above shows a suggested organisation for the programme:

- **Programme Manager** - One of the recommendations from ARUP in their Climate Emergency Planning report 2019 is Ownership. We are aware that WDC plan to appoint a new Strategic Director and that the new Climate Action Programme team will wish to review this as part of their programme initiation activity.
- **Programme Board** – A programme of this size will require governance to reflect the wide ownership of the issue across the District
- **Technical Board** – The programme team may wish to engage external advice for particular issues and to provide oversight of the more technical aspects of the project.
- **Impact Monitoring and Report** – This is covered further on but highlights the need to have robust methods for measuring the impact of mitigation measures
- **Stakeholders and Partners** – Many of the solutions to reducing emissions are wider than district and it will be necessary to work with partners. Stakeholders within the district also have an important role to play in activity. One of the actions of the programme initiation may be develop a Communications Plan.

The Stakeholder Communications Plan will need to consider how to engage with a variety of interests in the district. Of importance will be how the Climate Action Programme should be presented and named. Activity within the programme could be structured into several workstreams matching the reporting categories. We would see a series of portfolios of prioritised projects being developed and actioned as the programme progresses.

The suggested choice of the three main categories of Transport, Domestic and Non-Domestic as workstreams was determined by data availability and structure. Although, SCATTER breaks down the Non-Domestic category into several sub-categories. In designing a programme of work, projects are selected to solve the problems and priorities that the data is highlighting. When the programme team take ownership of the plan, they will wish to review how the programme is structured.

There is high degree of uncertainty about how the national and international climate emergency may develop and the programme will need to adopt project management methods that can accommodate this uncertainty, for example risk and issue management along with an 'agile' approach to running projects. This structures project plans in iterations and incremental steps allowing the team to deliver results earlier and test their effectiveness.

Workstreams

These workstreams are suggested and shown in the programme structure diagram above.

- Monitoring – monitoring will need to be done through the programme and can be treated as a workstream
- Mitigation transport – covers transport emissions
- Mitigation domestic – covers emissions from domestic properties irrespective of tenure
- Mitigation non-domestic – covers industrial, commercial and institutional building along with farms
- Adaptation – this workstream deals with planning for the consequences of a changing climate and recovery actions if events occur
- Offsetting – this is a strategy available for countering emissions that cannot be mitigated. It is a lower priority at the start of the project but will need to be considered later to manage residual emissions post 2032. The Offsetting workstream also covers local energy generation projects.
- Natural environment – not shown on the chart but activity will cover development of the natural environment to support biodiversity and recreational use amongst other benefits. The workstream would be the best place to cover tree planting projects given the wide range of benefits (not just a carbon sink) that will arise.

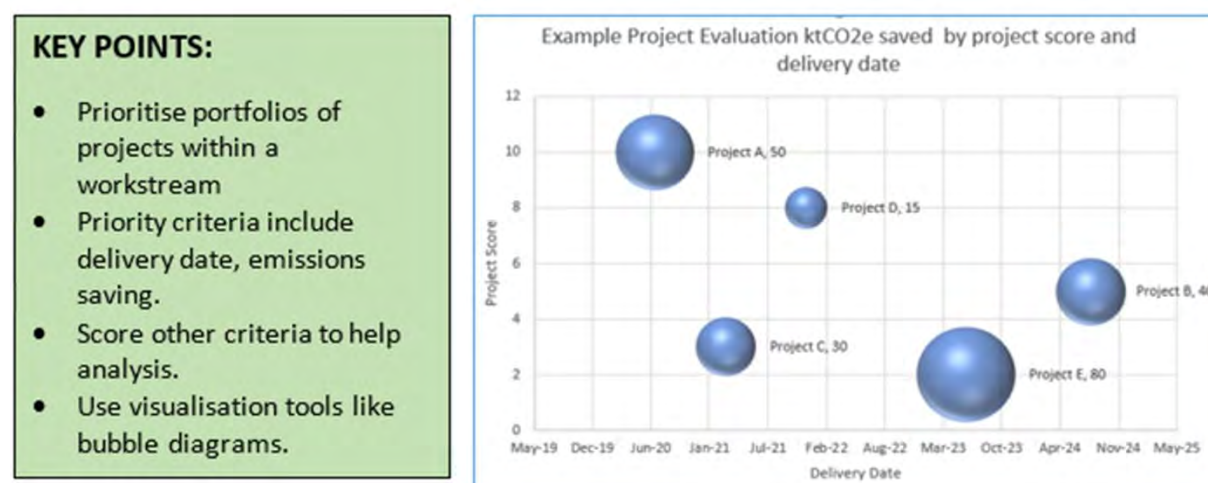
Projects

Each workstream will consist of a rolling portfolio of projects which could take one of several forms depending on the nature of the stakeholders, action required and ownership of the assets causing the emissions. It is likely that the Climate Action Programme team will manage the projects (or coordinate them) so that an overall view of activity across the District can be maintained. This will require a skill set which will be developed in the Programme Initiation Stage (PID) and may need external support in some cases.

There will be different types of project:

- Capital - infrastructure projects like the heat network project
- Community – action taken by community organisations supported by the community fund, for example a community energy project
- Partnership – some action will need to be taken in collaboration with other public sector bodies for example in transport planning. There will also be work with the private sector.
- Lobbying – Some of the required emissions reductions will come from national action and there is a role here for lobbying in those causes. The types of lobbying required will become clearer as the future landscape becomes clearer.
- Instruments - This is the application of law and regulations, for example in the use of planning regulations
- Behaviour change – some emissions reductions will come from changes in behaviour, requires particular skill sets, for example encouraging a move away from the use of cars for short journeys and action to reduce energy use in homes.

Project Prioritisation Approach



A method for evaluating and prioritising projects for the portfolio will be required. We believe an approach has been used by the WDC Sustainability Officers Group which would be useful. Representing the results in a bubble chart, as illustrated above, is helpful to give a representation of the results.

The following criteria could be used. This set comes from the WDC Sustainability Officers Group Workshop with some additional criteria added by this report. Weighting of the criteria may change depending on the type of project.

Factors affecting priority:

- GHG abatement potential – this is a measure of how much the project would contribute to the reduction target.

- Cost (CAPEX & OPEX) – an estimate of capital of operational costs, in district multi partner projects this may need to be split between WDC and other parties.
- Level of power and capacity – if generating, the level of power.
- Timescale – when benefits could be delivered.
- Ease of implementation – how easy the project is. This could also cover risks.
- Adaptation / Resilience potential – if an adaptation project, how much does the project contribute to resilience.
- Category historical trends – emissions in some categories are falling due to external influences and may need less support from the district, for example electricity use.
- Ownership of assets – who owns the assets causing the emissions. A different approach will be needed in the private sector as opposed to the commercial sector.
- Equity and social cohesion – and how much the project will contribute to equity and social cohesion.
- Social / political acceptability – likely social and political acceptability.
- Co-benefits - benefits to stakeholders.

There is a need to look at project priority from several perspectives:

- The owner of the asset, if private, is likely to be mostly interested in cost and convenience. Some residents will be engaged in climate change issues; others will not.
- The council has a statutory duty to attend to equity and social cohesion.
- Corporations will have their own sustainability and low carbon action plans.

Measuring, Monitoring and Reporting Workstream

KEY TASKS:

- Derive a robust local GHG emissions measurement method
- Use it to monitor the impacts of initiatives
- Report plans and progress to stakeholders and managers

KEY ISSUES:

- Top down reporting will not always reflect local impacts of action
- Local bottom up GHG footprint may diverge from that produced by SCATTER

This workstream will monitor and measure the performance of mitigation and adaptation actions. It will also compile regular district carbon footprints for reporting purposes.

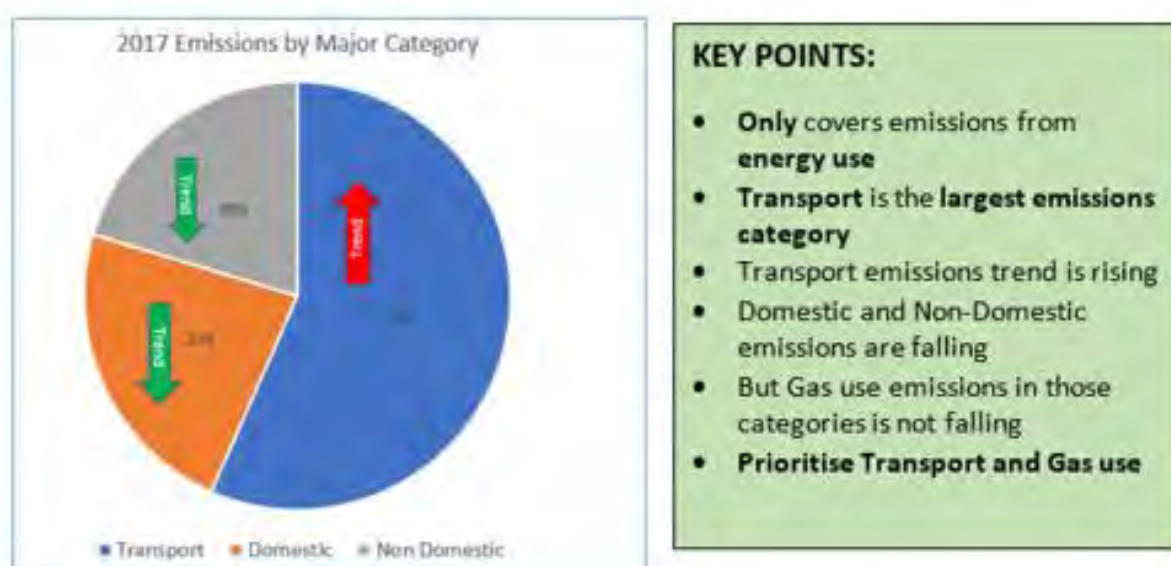
There is an issue with the data in SCATTER (Anthesis 2019b) that some of the emissions for the District are derived ‘top down’ from national figures. The impact of future local measures may not be reflected in this top down data and in order to get a truer picture of the District’s footprint other measuring methods will need developing.

An early task for the programme team will be to investigate measurement and monitoring methods that takes local action into account.

This local GHG emissions measurement method will need to cover both energy usage emissions and emissions related to land use. The WRI Cities GHG Protocol (WRI2017) provides guidance on these measurements and could be the mechanism for monitoring the impact of local tree planting projects.

Priority Analysis

Emissions by Major Category

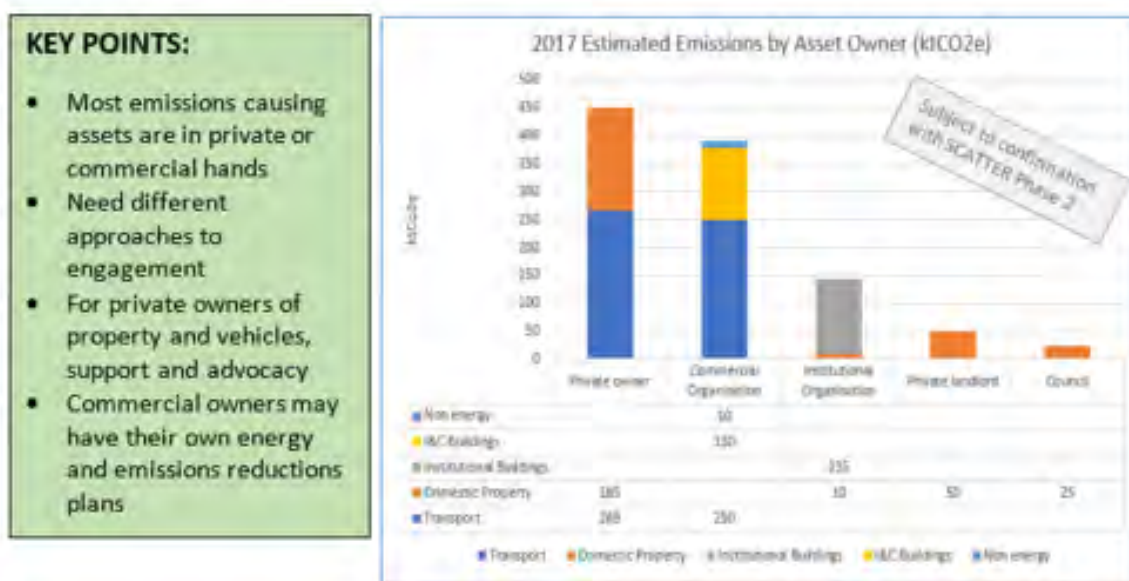


The chart above shows the relative sizes of the three energy emissions categories and what we know of historical trends (source BEIS (2019b) using 2017 data). Note that the only data available in SCATTER currently is for 2017 and it is for government source data used.

SCATTER Phase 2 will offer Pathway modelling and will need to provide a way of predicting future trends. It is also recommended that the Programme develops methods of measuring the District's GHG footprint that better reflects the current status of emissions.

Transport emissions represent over 50% of emissions and are known to be rising. The other two static energy categories (domestic and non-domestic) are falling overall but this is due to a reduction in the emissions factor for electricity. Emissions from gas and other fuels remains level. **Note:** It is recommended from this that Transport and Gas use is prioritised in the programme.

Emissions by Asset Ownership



The chart above was developed from 2017 SCATTER data with additional information on ownership of assets. It illustrates some priorities and types of intervention that will be required. This analysis shows that:

- Over 80% of the assets that cause emissions are either in private or commercial hands. These will require different types of engagement and priority. Larger commercial and institutional organisations may have their own energy / carbon management programmes and the District’s Climate Action Programme has an opportunity to aggregate the emissions savings in these plans to create a picture of commercial organisations’ emissions reduction activity in the District.
- Smaller businesses and private owners will require more priority support as they are less likely to carry out planning themselves.
- The plan for engagement with the private sector will need to be prepared once the Climate Action Programme is in place.
- Financial support for more costly measures will need to be part of budget considerations.

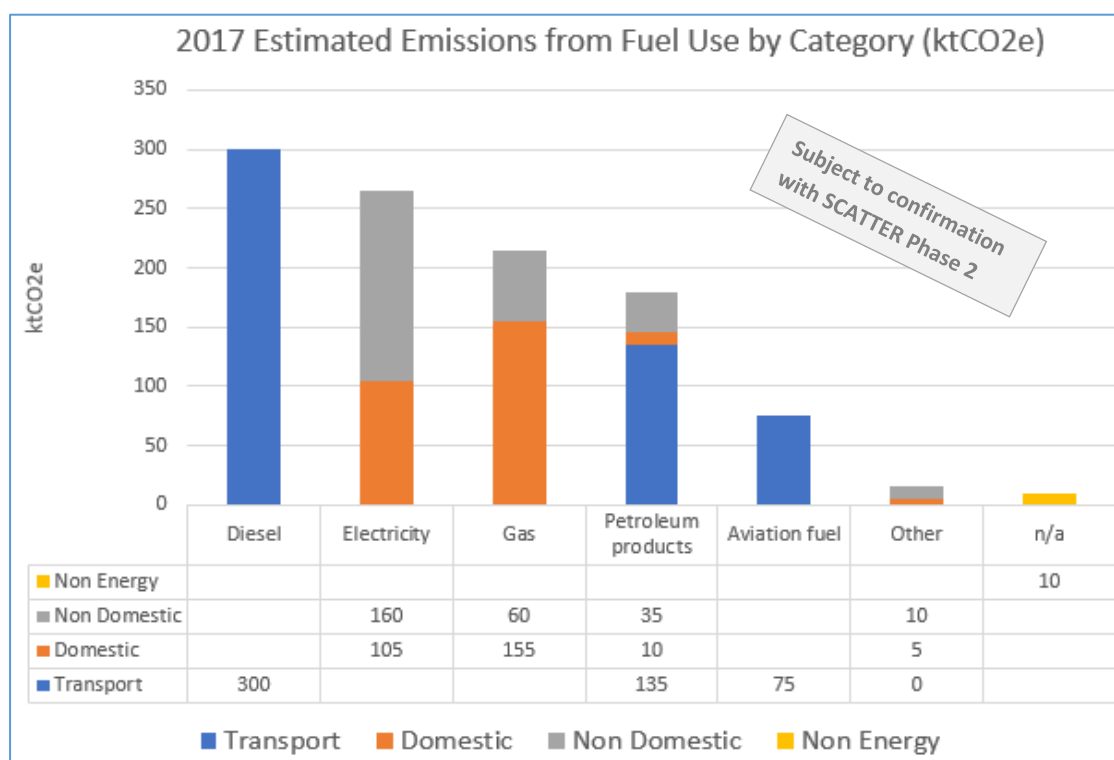
Data source: Anthesis (2019a) “SCATTER Emissions Report for Warwick District”. Ownership was added to the SCATTER data records as most appropriate. Road transport records were split proportionally by vehicle type and journey type using “Sub-national road transport fuel consumption statistics, 2005 – 2017” for 2017 (BEIS 2019a). Domestic records were split into ownership using 2011 Census data UK Census Data (2011a) and “Tenure (Key Stats KS402EW) for Warwick District”.

Emissions by Fuel Type

KEY POINTS:

- Diesel combustion for transport is the largest single contributor to emissions
- Priority required on gas use for space heating
- Lower priority to electricity use as emissions are known to be falling
- Commercial organisations may have their own energy and emissions reductions plans

Another useful perspective on priority is an analysis by fuel use. The chart below is also derived from 2017 SCATTER data and shows the main fuel types and categories where they are used:



Diesel combustion is the highest source of GHG emissions in the District. There are also associated air quality considerations with these emissions.

Electricity is next highest. The fall in the electricity grid emissions factor has led to a fall in these emissions. It is possible that the count of emissions from electricity use in the District may fall further once renewable energy contracts are considered.

Gas usage for space heating follows further in this Report.

SCATTER makes an allocation for aviation fuel use. This is outside of the District's control and will need to be treated as an overhead covered by the emissions budget.

Note: In the further analysis of transport priorities that follows it will be argued from that data analysis that priority should be given to car use, which covers a mixture of diesel and petroleum fuel. Changes in car use particularly for shorter journeys is more in the influence of the council. Road haulage uses diesel exclusively but tends to be over longer distances and will need a regional intervention for change. The Roadmap is intended as an initial recommendation on a direction of travel. It is considered that car use was a useful place to start but recognise that haulage will need to be tackled eventually to address diesel use.

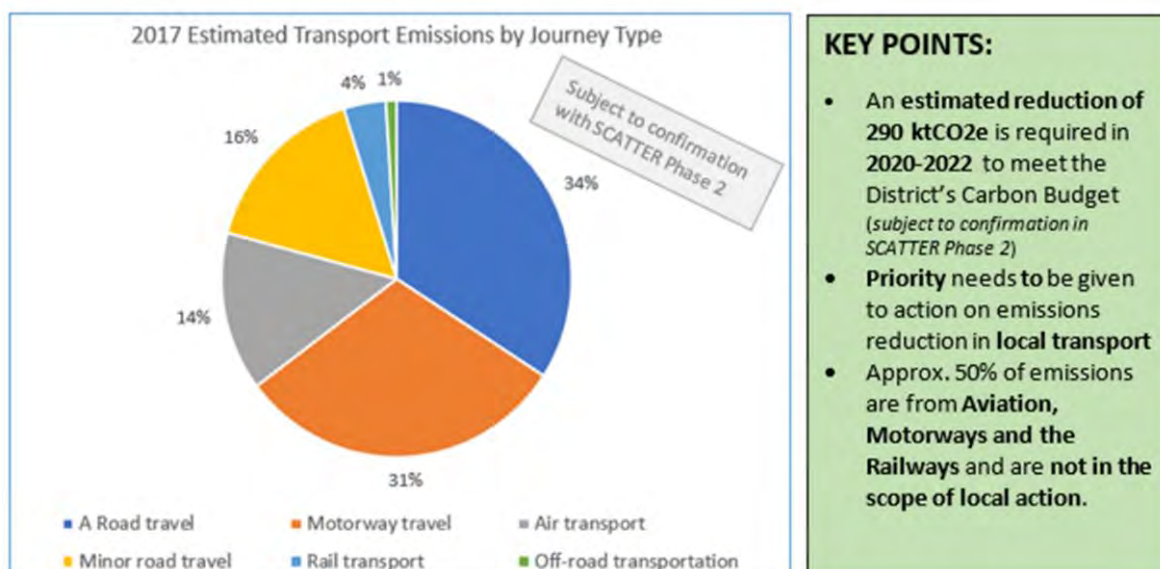
Hydrogen does not feature in the fuel use analysis at the moment due to the very low volumes. It is likely to be an important low carbon measure in the future both in terms of reducing the emissions factor of grid gas and for heavy transport.

Note: Priority should be given to emissions reductions activity in transport and gas use.

Note: Electricity emissions factors are falling and therefore contribute to a decline in emissions. The 2017 SCATTER data uses emissions factors for 2017. This factor has fallen 27% in 2017-2019 and using the latest figure will reduce overall BAU emissions by 6%. Emissions factors taken from "Greenhouse gas reporting factors: 2019" BEIS (2019e).

Data source: Anthesis (2019a) "SCATTER Emissions Report for Warwick District". Ownership was added as most appropriate. Road transport records were split proportionally by vehicle type and journey type using "Sub-national road transport fuel consumption statistics, 2005 – 2017" for 2017. BEIS (2019a). Domestic records were split into ownership using 2011 Census data UK Census Data (2011a) and "Tenure (Key Stats KS402EW) for Warwick District". A fuel used field was added based on the narrative in the SCATTER data table, along with some rationalisation of terms.

Transport sub-categories



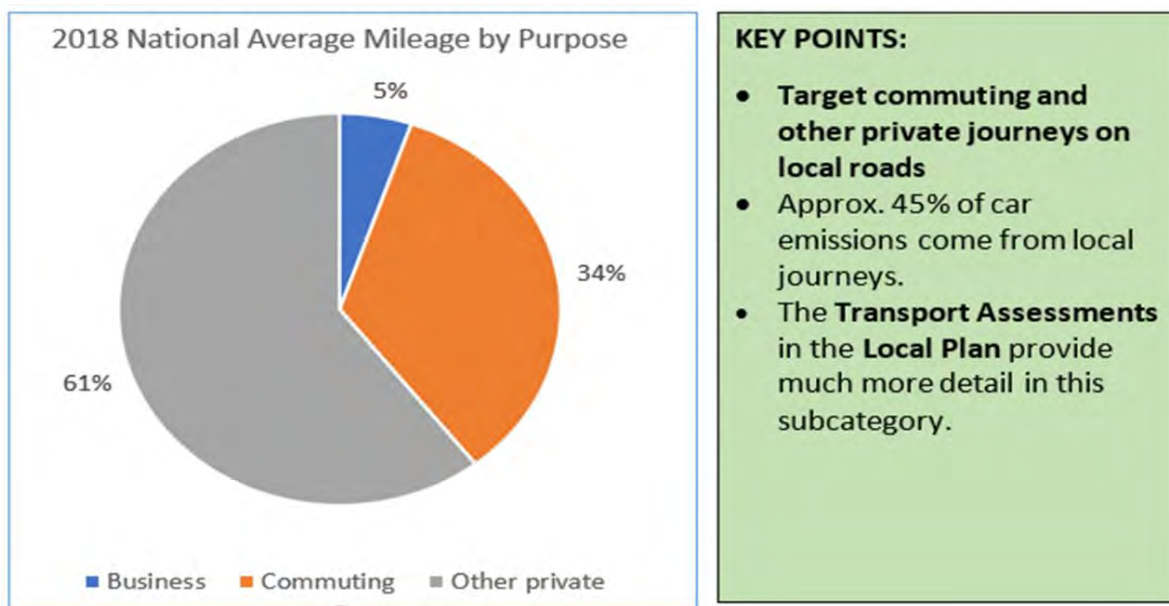
Transport has been identified as the single largest category contributing to Warwick District's GHG emissions. It was considered useful within the scope of this Roadmap to explore transport further to show how more detailed priorities may be developed to meet the estimated 2020-2022 emissions reduction of 290 ktCo₂e in transport required to meet the District's Carbon Budget.

The chart above shows the percentage of emissions coming from various types of journey. It is noted that the local ability to influence some of these subcategories are limited. This includes aviation, rail and motorway travel and accounts for approximately 50% of total transport emissions. Local projects to meet the GHG emissions target reduction will need to focus on local travel more.

The Climate Action Programme team would need to partner regionally and nationally to work on emissions that they have less influence on.

Data source: 2017 SCATTER data as referenced previously

Car Journeys



The pie chart above shows data on journey purposes at the National level, drawn from a Department of Transport 2018 traffic survey (DfT 2019c). It highlights the significance of commuting and other private journeys.

	A Road travel	Minor road travel	Motorway travel	Total
Bus-Diesel	1%	1%	0%	2%
Car-Diesel	14%	7%	12%	33%
Car-Petrol	15%	8%	8%	31%
HGV-Diesel	7%	0%	12%	19%
LGV-Diesel	6%	3%	5%	14%
LGV-Petrol	0%	0%	0%	0%
Motorcycle-Petrol	0%	0%	0%	0%
	42%	20%	38%	100%

The chart above shows emissions from journeys by road and vehicle type for Warwick District. It uses 2017 data taken from "Sub-national road transport fuel consumption statistics, 2005 – 2017", BEIS (2019a). This shows private cars to be the most significant contributor to emissions in this part of the analysis, covering 44% of journeys on 'A' and minor roads.

These insights were used to select measures used in an interim model exploring how the 2020-2022 estimated emissions reduction target for transport could be met, described in the following section.


Transport Workstream

Illustrative Transport Emissions Reduction Strategy

To illustrate how insights into priority measures from the data analysis could be used to explore a scenario for meeting the 2020-2022 interim transport emissions reduction target a spread sheet model was developed. The results from the model need to be confirmed once SCATTER Phase 2 is available, (March 2020). The SCATTER Pathways tool could be used to explore multiple scenarios. This analysis is therefore illustrative only of what will eventually be possible.

KEY POINTS:

- **Estimated emissions reduction target of 290 ktCO₂e in 2020-2022 is required to meet the Carbon Budget**
- **Priority to switch to cars use: switch to battery electric cars, commuting and short journeys**
- Estimated Emissions reductions results from the 20-22 model were: 1) Switch to battery electric cars = 245 ktCO₂e, 2) low emission commute3s = 30ktCO₂e, 3) short journey modal shift = 15ktCO₂e



For this scenario, three priority measures for reducing emissions from car use were tested:

- a) Switch to electric cars;
- b) Reduce emissions from commuting;
- c) Encourage modal shift for short journeys.

Haulage traffic and longer journeys were not tested as that requires a regional as opposed to a local approach. SCATTER Phase 2 Pathways will permit a wider and more rapid approach to emissions reduction scenario modelling.

Different percentage contributions were tested, and this indicated that the largest contribution to the emissions reduction target came from the adoption of battery electric vehicles (BEV).

It is emphasised that this is only one possible of the many scenarios that should be explored.

This scenario gave the following results:

- Electric vehicle adoption 245 ktCO₂e saving, requires 6,200 drivers switching to electric cars in 2020-2022
- Low emission commutes 30 ktCO₂e saving, requires 5,800 commuters switching to low emissions commutes
- Modal shifts for short journeys 15 ktCO₂e saving, requires 7,300 travellers regularly switching to low emissions transport for short journeys.

The short distances involved and the larger number of people that would need to make changes is suggested as the reason why the changes in journeys did not provide more significant reductions in emissions. A switch to a battery electric vehicle replaces all of the fossil fuel journeys of that vehicle.

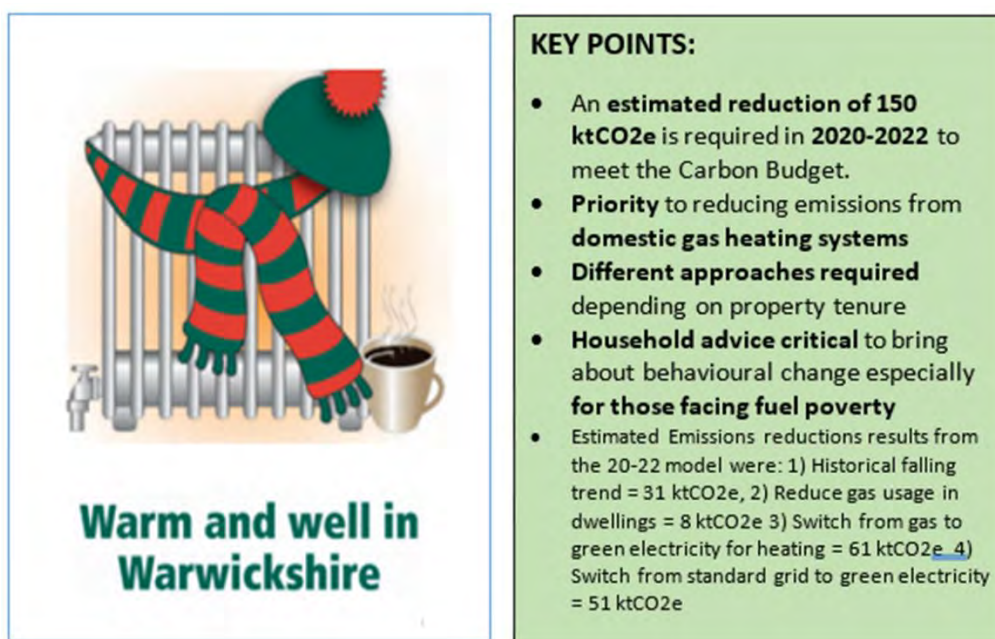
The costs and benefits of these transport emission reduction measures need to be developed further using the methods outlined above. Registration of BEVs is showing an exponential increase as of December 2019 (DfT 2019d) but from a very low base. Achieving 6,200 new BEVs on Warwick District by 2022 would require the local influence that the Climate Action Programme could provide. This will likely to be in partnership with Warwickshire County Council to ensure all BEV users have easy access to BEV charging points (EVCs). The current grant award from the Off-Street Charging Fund (OLEV) will boost the existing charge point network – and funding some 30 new public access charging sockets likely to be installed across Warwick District during 2020.

As a sample of the potential projects that could be initiated in the Transport workstream and in order to achieve the transport emissions reductions modelled above, the CEAP Programme Team would need to:

- Promote electric vehicles (cars, vans, bikes) and provide information on financing and cost benefits.
- Engage in promoting low emission commuting schemes with local employers.
- Engage in promoting modal shifts – with emphasis upon public transport, cycling and walking.
- Identify capital projects required to support and promote walking and cycling e.g. cycleways; work based changing facilities.
- Another key priority will be to work with WCC and other organisations e.g. Transport for West Midlands; Sustrans; Chiltern Railways on an overall low emissions transport strategy for the District and region which would have wider and more integrated transport emission benefits.

Domestic Workstream

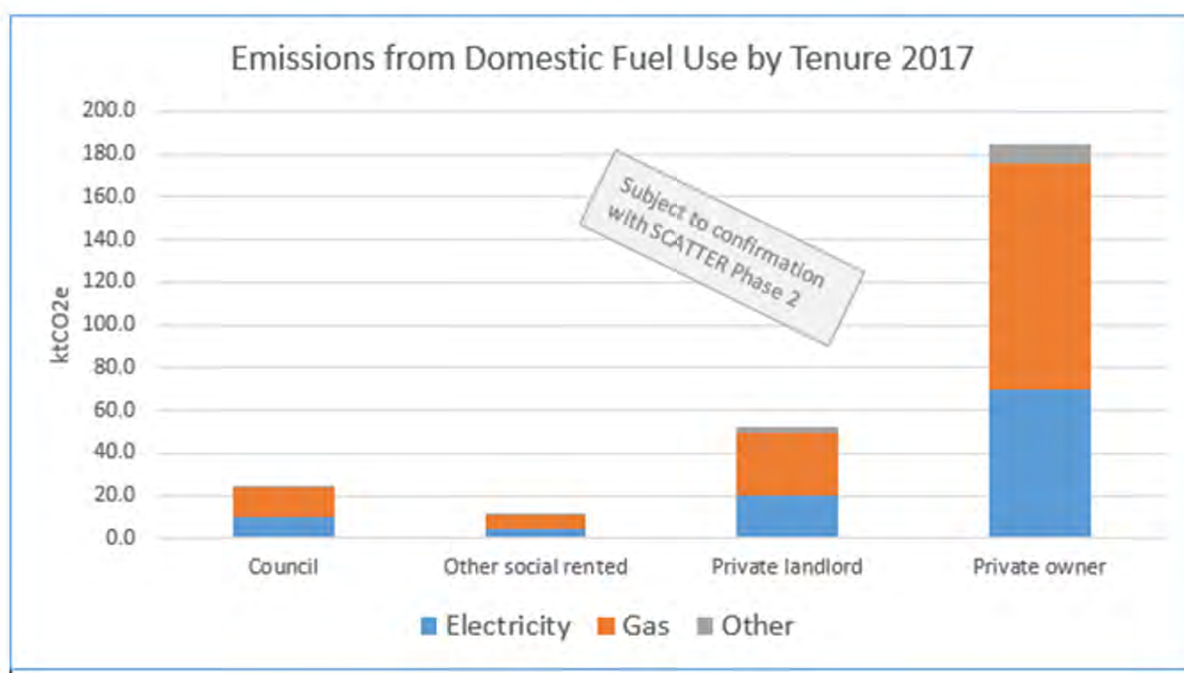
Domestic Workstream and Illustrative Emissions Reduction Strategy



Our interim calculation of the emissions reduction required for the domestic sector to meet the District's Carbon Budget in the 2020-2022 period is 150 ktCO₂e.

Note: These results and the analysis from the model described below need to be confirmed once SCATTER Phase 2 is available, (March 2020). This analysis is therefore illustrative only

Analysis of emissions by tenure and fuel type shown in the chart below:



Private properties are the largest contributor and gas the largest fuel user. “Other social rented” refers to housing associations we believe. The data source was 2017 SCATTER data split by tenure using 2011 Census data, UK Census Data (2011a).

Reducing the emissions from the rented stock presents a challenge to the programme as the owners and users of the properties are different and have different priorities. The council is obviously positioned to act on improving its own housing stock. Housing Associations may have their own Carbon /energy reduction programmes that the team can engage with. Private landlords are likely to need more support and guidance. As noted above private owners hold most of the housing stock (nearly 70%) and their involvement in the emissions reduction programme is vital.

In order to explore how the 2020-22 interim emissions target of 150 ktCO₂e might be achieved we developed an illustrative spreadsheet model.

Measure chosen from the priorities identified in the data analysis were:

- a) Accounting for the historical decline in emissions in the domestic category
- b) Reducing gas usage in dwellings
- c) Switch from gas to green electricity for heating
- d) Switch from standard grid to green electricity

The largest savings shown in this scenario result from switching to green electricity use.

- a) Historical falling trend in the domestic category 31 ktCO₂e saving assuming a 15% fall in 2020 to 2022
- b) Reduce gas usage in dwellings, 8 ktCO₂e from reducing emissions by 10% in 10,000 properties in the district
- c) Switch from gas to green electricity for heating, 61 ktCO₂e from switch space heating in 7800 properties to 100% renewable electricity
- d) Switch from standard grid to green electricity, 51 ktCO₂e from switching (or accounting for) 10000 properties to 100% renewable electricity contracts

Emissions from the falling historical trend in the category is caused largely by improving equipment efficiency, falling heating demand due to rising temperatures, falling grid emissions factor due to the implementation of large-scale renewables and decommissioning of coal fired power stations

Reducing gas usage in dwelling covers measures to improve energy efficiency in buildings. More work needs to be done to model the likely costs and saving across the District of raising the Building Energy Efficiency.

Switch from gas to green electricity for heating, relates to using heat pumps and solar heaters. There is an issue of cost in switching from Gas to electricity as electricity costs approximately 5 times more than gas. This will need to be done in conjunction with improved efficiency. There are issues to do with access to energy and fuel poverty that will need to be addressed.

Switching from standard grid to green electricity is not currently accounted for in the SCATTER data but is allowed for in WRI's Scope 2 Guidance WRI (2019)

It is possible that residents already have 100% renewable contracts as a result of group energy switching or personal initiatives.

Activities for the domestic category

In order to achieve the reductions modelled above the team would need to:

- a) Initiate a building energy efficiency programme of information and support for the private sector. This is about making buildings more energy efficient with links to the Carbon Action Fund
- b) Include in this a switch from gas heating to electricity and the associated costs and efficiencies. If the switch is to be adopted the programme will need to address the issues of the large difference between gas heating costs and electricity heating (gas is cheaper by a factor of approx. 5). Gas usage will need to be reduced; solutions still require development.
- c) Support further group energy switch schemes and find ways to count existing residents with 100% renewable electricity contracts.

Non Domestic Workstream

KEY POINTS:

- This covers industrial, commercial and institutional buildings and use
- An estimated reduction of 170 ktCO₂e is required in 2020-2022 to meet the District's Carbon Budget (*subject to confirmation in SCATTER Phase 2*)
- Priority is to engage with commercial and institutional organisations to identify their own energy and emissions reduction plans.
- Aggregate the impacts of the individual organisation's plans to provide a picture of contribution to the District's emissions reduction target

The non-domestic / non-residential workstream will rely to a large extent on the current and future actions of commercial and institutional organisations developing energy and emission reduction plans. There is a role for Warwick District to lead the District's Climate Action Programme in supporting this and aggregating the individual plans into a District picture.

Commercial organisations could also assist with reducing CO₂e emissions from commuting through introducing and investment in Green Travel planning. Some of the required 170 ktCo₂e in 2020-2022 (interim model subject to confirmation in SCATTER Phase 2) to meet the District's Carbon Budget will come from the existing reduction trend in the category. Other reductions may become apparent as private sector plans are shared.

Offsetting Workstreams



KEY POINTS:

- Could covers **local tree planting and energy projects**
- Policy: members agreed not to purchase carbon credits and only carry out off set activity within the district boundary

Councillors have already agreed not to purchase carbon credits and only wish to conduct offset activities within the District boundary. The council will be planting trees on their own land and offsetting. A standard approach to offsetting needs to be developed.

There are differing views on the role of and priority for offsetting as an emissions reduction strategy. In general, it is recommended at the District level that offsetting is given a lower priority in the strategy than activity to reduce emissions directly. However, it is recognised that specific cases will be made for local projects which are of wider benefit. For example, increasing the tree cover in the District would have wider benefits to the community than just acting as a carbon sink. Local energy projects supported through off-setting will be of environmental, social and financial benefit to the District – as well as providing an important opportunity to engage with the local community.

Adaptation Workstream

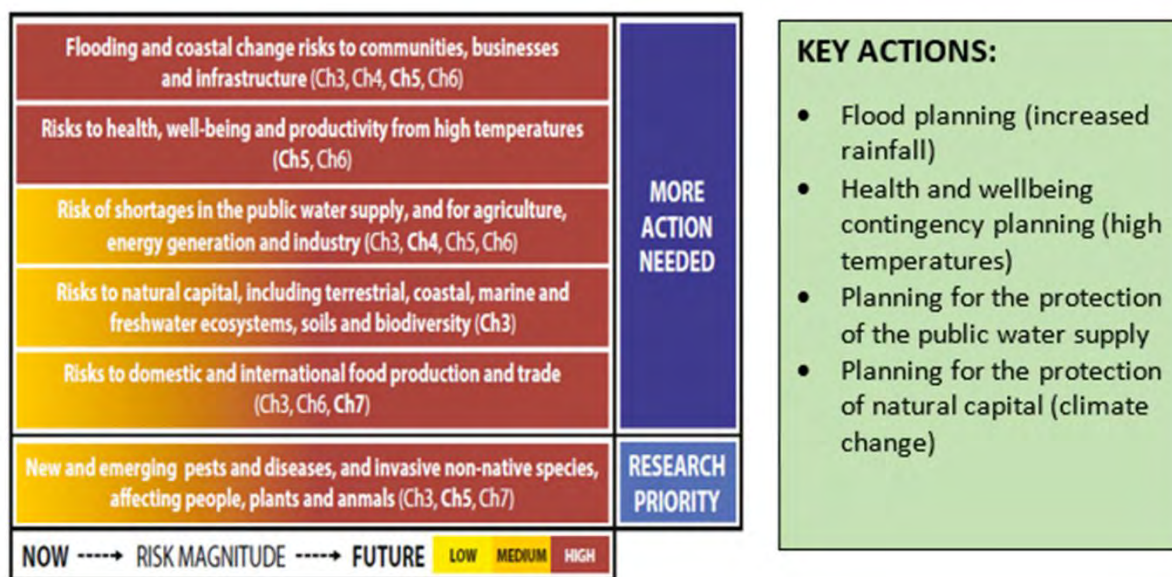


Image Source: UK Climate Change Risk Assessment 2017

Warwick District communities, institutions and businesses will require advice, support and grants to prepare for and manage the consequences of the climate emergency and global heating as it impacts the district.

The Government has prepared the UK Climate Change Risk Assessment 2017, (HMG 2017a) which highlights some key risks relevant to Warwick District. These include flooding, risks to health and natural capital (e.g. wildlife).

We would recommend that the Climate Emergency Action Programme ensures that planning for these risks are covered, contingencies developed – and where appropriate, financial support given.

Climate Emergency Action Programme Roadmap – Activity in 2020

Prior to the establishment of the Climate Action Programme team it is difficult to be too prescriptive about the plan for programme as that will need to be owned by that group. We have identified key actions and recommendation that would support the priorities identified in this Roadmap.

The programme will want to develop plans to cover the full 10 years of the programme and include measures and actions such as to:

- Establish the Climate Emergency Action Programme and review this plan and targets – a first step is to set the team up.

- Establish data set and models using SCATTER Phase 2 – planning and target setting requires data and models which SCATTER will provide.
- Review the results of this Roadmap in SCATTER Phase 2.
- Establish GHG emissions monitoring and reporting – as discussed earlier a method needs to be developed to monitor the impact of measures taken.
- Target action on transport particularly car use and also target gas use in space heating. To be confirmed by SCATTER phase 2.
- Establish community and business engagement as most of the assets are in private or commercial hands. This will require a communications plan.
- Initiate activity with WCC (and others) to establish a Sustainable Transport Plan for the region likely to include:
 - activity to adopt low emissions vehicles;
 - increasing charging point;
 - reducing commuting emissions;
 - promoting modal shifts for short to medium range car journeys.
- Engage with the private sector to include aggregating company low carbon / energy plans, support for commuting changes – assets that are in commercial and institutional hands will be covered by those organisations' energy / emissions plans.

Warwick District Climate Action Programme - Resources Required

It is understood that WDC will be recruiting a Climate Action Strategic Director to manage, coordinate and deliver both the Council's own Carbon Management Plan and the Warwick District Climate Action Programme. The availability of other WDC staff resource will be a determination of the success and timing of the actions proposed in this Roadmap.

The Strategic Director and supporting officers will, in the short term, be planning and developing methods as well as supporting activity by others across the District. While provision should be made in the Council's 2020-2021 budget to provide match funding incentives within a Community Climate Action Fund, the Strategic Director along with senior officers and the Councillor Climate Action Working Group will need to use the next year to develop a more detailed and targeted budget for the 2021-2022 financial year covering capital projects that have been identified, justified and require match funding support.

Appendix (Work Package 3) – References and Resources List

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Glossary and Abbreviations

1.5°C Temperature rise	This refers to the rise in the average global temperature above the pre-industrial period (pre-1750)
Abatement	In this context, the Greenhouse Gas reduction potential
Adaptation	Actions to reduce vulnerability to climate change impacts, reducing its effects on social, economic and natural systems
BEIS	UK government department of B usiness, E nergy and I ndustrial S trategy
BCC	Birmingham City Council
Biodiversity	The variety of animal and plant life on Earth
Business as usual (BAU)	Future emissions trend if the current state of affairs continue as they are today
Carbon Budget	A target for the maximum amount of greenhouse gases that an area or organization can emit in a particular period of time. Warwick District's is 7.5mtCO ₂ e from 2018 onwards (Tyndall).
BEV	Battery Electric Vehicles - an electric vehicle which uses batteries to store the electricity. Electricity is the only form of energy used by these vehicles
Carbon dioxide (CO₂)	A key greenhouse gas with a long-lifetime in the atmosphere and both natural and human sources.
CO₂e	Carbon dioxide equivalent - a standard unit for measuring carbon footprints – expressing the impact of each different greenhouse gas in terms of the amount of carbon dioxide that would create the same amount of warming.
Carbon neutral	Having no net release of carbon dioxide into the atmosphere
Carbon Sink	A feature in the natural environment that absorbs greenhouse gases, for example woodlands
CEAP	Climate Emergency Action Programme including the WDC Carbon Management Plan and the Warwick District Climate Emergency Roadmap
Climate change	The long-term change of climate, typically measured over decades or longer. This is different to weather, which is now.
Climate emergency	Climate change presents the greatest threat to life: on the economy, social well-being and the natural environment
DfT	Department for Transport

Emissions factor	A number used to derive GHG emissions from their sources whether it is fuel or energy use (for example electricity, petrol, gas) or non-energy sources (cattle, de forestation).
EV	Electric Vehicles, a generic term covering all vehicles powered by electricity
Fuel Poverty	Defined by the Warm Homes and Energy Conservation Act as: “a person is to be regarded as living "in fuel poverty" if he/she is a member of a household living on a lower income in a home which cannot be kept warm at reasonable cost”
GHG	A gas that contributes to the greenhouse effect by absorbing infrared radiation (net heat energy) emitted from Earth's surface and reradiating it back to Earth's surface.
GHG Protocol	Accounting and reporting standards for Greenhouse Gas emissions. Those produced by the WRI are widely used.
Hybrid Vehicles	Hybrid Vehicles combine energy from a conventional internal combustion engine with electric traction.
ICE	Internal Combustion Engine
Instruments	In this context refers to the collection of policies and regulations available to the council in the implementation of mitigation measures
ktCO2e	Thousands of tonnes of carbon dioxide equivalent
Local Plan	Sets out the long-term spatial vision for how the towns, villages and countryside in a district will develop and change and how this vision will be delivered through a strategy for promoting, distributing and delivering sustainable development.
Mitigation	Mitigation (of climate change in this context): consists of actions to limit the magnitude or rate of long-term global warming and its related effects. Climate change mitigation generally involves reductions in human (anthropogenic) emissions of greenhouse gases (GHGs). Mitigation may also be achieved by increasing the capacity of carbon sinks, e.g., through reforestation. An aggregation of mitigation policies can substantially reduce the risks associated with human-induced global warming. (Source: Wikipedia with some modification)
Modal Shift	A change from using one type of transport to another. In this context it usually refers to moving from the use of internal combustion engine vehicles to public transport or walking and cycling.
mtCO2e	Millions of tonnes of carbon dioxide equivalent

Natural Capital	Stock of natural resources. In this context within Warwick District.
Natural Environment	Anything occurring naturally and not man made.
Net Zero	Any greenhouse gas emissions are balanced by absorbing an equivalent amount from the atmosphere. Sometimes referred to as 'carbon neutral'
NOx	Term for the nitrogen oxides that are most relevant for air pollution, namely nitric oxide and nitrogen dioxide.
Off setting	The reduction of GHG emissions made to compensate for emissions that are made else where
OLEV	Office for Low Emission Vehicles
PID	Project Initiation Document: A document to define a project and form the basis for its management and assessment of overall success. (Source: Managing Successful Projects with Prince2)
Resilience	The ability of a system and its component parts to anticipate, absorb, accommodate, or recover from the effects of a hazardous event in a timely and efficient manner, including through ensuring the preservation, restoration, or improvement of its essential basic structures and functions
SCATTER	Setting City Area Targets and Trajectories for Emissions Reduction: A Local authority greenhouse gas reporting and modelling tool produced by Anthesis. Phase 2 of the tool (Pathways) will be used by WDC to model the impact on emissions of various mitigation measures in Warwick District.
Scope 1 (Greenhouse Gas emissions)	GHG emissions caused by the consumptions of fuels within the reporting boundary and by emissions from non-energy sources within the reporting area.
Scope 2 (Greenhouse Gas emissions)	GHG emissions caused outside of the reporting boundary by the consumption of electricity and steam imported into the reporting area. This mostly covers electricity use.
Scope 3 (Greenhouse Gas emissions)	GHG emissions caused outside of the reporting boundary by the consumption of food, goods and services within the area.
tCO2e	A metric ton of CO2e: One thousand kilograms CO2e.
ULEV	An 'Ultra Low Emissions Vehicle' refers to any electric or hybrid vehicle that emits less than 75g of carbon dioxide per kilometre travelled, with a capacity of travelling a minimum range of 10 miles with zero CO2 emissions.
WCC	Warwickshire County Council
WP	Work Package

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in association with



Potential Climate Change Projects to call upon the Climate Action Fund (CAF)

i) **Helping to reduce household energy bills and fuel poverty by improving the energy efficiency of houses**

- Develop a grants scheme for a District wide retro fit and upgrade of energy conservation to EPC C and examine the potential for renewable energy systems in existing private dwellings throughout the District which will improve air quality and reduce the dependency on fossil fuels;
- Encourage Housing Associations and private landlords to bring their properties up to EPC level C as a minimum;
- Set out new and higher standards for energy efficiency in new homes;
- Grant scheme to also support community group to invest in renewable energy projects.
- **Installation of water harvesting and 'grey water' systems** to reduce water consumption.

ii) **Introducing a Sustainable Transport Strategy to reduce congestion and improve air quality**

- Park & Ride/Stride projects on the south, north, east and west sides of the Districts towns to alleviate traffic congestion and improve air quality; that will also act as hubs for charging of vehicles, transfer of goods to smaller vehicles, bike hire served by electric or other fuelled buses;
- Develop rail stations as transport interchange hubs, especially Leamington;
- Install a comprehensive EV charging **infrastructure throughout the Council's** car parking and other assets to encourage adoption of electric vehicles which will improve air quality and reduce carbon emissions; and seek further charge point installations on street and at key journey points of arrival/destination e.g. stations; major employers, tourist attractions; etc.;
- Pump prime or incentivise EV hiring/pool car/car share schemes to reduce short-haul car use in urban areas;
- Roll out bike hire schemes to encourage cycle use and encourage electric bikes in particular;
- Implement a dedicated cycleway system to reduce car dependency and **improve the towns' air quality e.g. University** to Kenilworth to Leamington cycle superhighway and a Warwick to Draycote Water cycle superhighway; Europa Way e-cycle network to Warwick and Leamington town centres;
- Cooperate with others to install an electric taxi infrastructure to improve the **towns' air quality**;
- Cooperate with others to install an electric bus infrastructure to improve the **towns' air quality**;
- Electric buses introduced on key routes, including between the University and Leamington;
- Encourage and incentivise all taxis to become electric;
- Implement a differential free car parking regime for electric cars to encourage their use and **improve the towns' air quality**.

iii) Helping to improve health and well-being through better housing standards and encouraging more active lifestyles


- Improve waste collection services to increase recycling proportions and reduce the amount sent to landfill;
- Develop a grants scheme for a District wide retro fitting of energy conservation to EPC C or above and encourage renewable energy and heating systems replacement in existing private dwellings throughout the District to improve air quality and reduce the dependency on fossil fuels;
- Encourage Housing Associations and private landlords to bring their properties up to EPC level C as a minimum;
- Set out new and higher standards for energy efficiency in new homes;
- Encourage walking and cycling in the Districts parks and open spaces, e.g. Warwick to Draycote Water cycle superhighway.

iv) Helping to improve the natural 'green' environment by improving the area's biodiversity through tree planting and creating new habitat areas

- A comprehensive 168,000 tree planting programme throughout the District to improve carbon sequestration throughout the District;
- Extend Tach Brook Country Park to create new habitats;
- Create a continuous green park between Warwick and Leamington to include a new Commonwealth Park
- Create other new habitats wooded or otherwise;
- Undertake a comprehensive 'Green Spaces' planting project with self-seeding and drought tolerant plants to improve the District's carbon capture and significantly reduce maintenance journey requirements;
- Encourage permeable surface water surfaces to assist in water management and address potential flooding;
- Installing an urban 'Green Roof' and 'Green Barrier' system within the District's towns' to improve carbon sequestration;
- Phasing out the use of peat to ensure that existing peat beds remain intact to remain as natural carbon sequestration domains.

v) Helping to improve the local economy and create more jobs and businesses by helping companies to reduce energy costs and encouraging a cluster of "environmental enhancing industries and companies" in the District

- Introduce a grant scheme to assist SME's to undertake energy conservation schemes;
- Promote area as a cluster for companies involved in carbon reduction markets e.g. create a "net zero carbon" business park;
- Extend the 'Water Refill' scheme to reduce the use of single use plastics;
- Investment and installation of renewable energy facilities to significantly reduce the use of fossil fuels and improve the District's air quality, including solar farms;
- A LED luminaire replacement project on all of the District's lighting installations to reduce the consumption of fossil fuel and maintenance journey requirement and maintenance costs.

 EXECUTIVE 12 February 2020		Agenda Item No. 7
Title	Community Infrastructure Levy (CIL) Fines & Surcharges	
For further information about this report please contact	David Butler (01926 456017) david.butler@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	Full Council, 15 Nov 2017 Item 12 Executive, 05 April 2018, Item 07	

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 - 1094
Equality & Sustainability Impact Assessment Undertaken	Yes
The Local Plan and the policies within it has been subject to equalities impact assessment.	

Officer/Councillor Approval	Date	Name
Chief Executive	09/01/2020	Chris Elliott
CMT	09/01/2020	Chris Elliott, Bill Hunt, Andrew Jones
Section 151 Officer	09/01/2020	Mike Snow
Monitoring Officer	09/01/2020	Andrew Jones
Head of Service	09/01/2020	Dave Barber
Portfolio Holder(s)	13/01/2020	Councillor John Cooke
Consultation & Community Engagement		
Prior to adoption, the CIL scheme was subject to a public consultation and examination in public		
Final Decision?	Yes	

1 SUMMARY

- 1.1 The Community Infrastructure Levy (CIL) was adopted by Warwick District Council in December 2017. The CIL Regulations provide for the addition of surcharges and fines in the event of circumstances such as late payment or non-completion of forms, and this report provides a mechanism for the appropriate addition of such charges to CIL liabilities.

2 RECOMMENDATIONS

- 2.1 That Council approves the addition of CIL regulations surcharges and fines as set out at Appendix 1.
- 2.2 That Executive authorises the Head of Development Services, in consultation with the Portfolio Holder, to apply fines and surcharges inline the CIL Regulations (see Appendix 1) and asks the Council to amend the scheme of delegation to reflect this.

3 REASONS FOR THE RECOMMENDATIONS

- 3.1 The CIL regulations make provision for a range of surcharges and fines to be applied to a CIL liability. These charges change from time to time with revisions of the CIL Regulations. However, the current scale of charges is attached as Appendix 1.
- 3.2 The enforcement of an appropriate scale of charges is important for the effective management of the CIL scheme, and will help ensure that there is sufficient strength in the process to encourage reluctant applicants to follow due process.
- 3.3 Should revised regulations amend the scale of charges then these will take precedence and the information on the Council website will be updated accordingly.
- 3.4 Any fines or surcharges applied and received will join other CIL liabilities received and will be distributed as part of this, in line with the new Infrastructure Funding Statement process

4.0 POLICY FRAMEWORK

- 4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. Amongst other things, the FFF Strategy contains Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The **Council's SAP's are the programme** of work fundamental to the delivery of the strands described in the table below.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
n/a	n/a	It is hoped a more responsive approach to the imposition of surcharges will result in prompt payment of CIL monies that are required to support the District's infrastructure needs
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
Provision of appropriate regime of fines and surcharges will help ensure prompt and accurate payment of the CIL liabilities, thereby making the collection more efficient	n/a	Provision of appropriate regime of fines and surcharges will help ensure prompt and accurate payment of the CIL liabilities

4.2 **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies. The Local Plan is one of the key strategies, cutting across many of the FFF strands.

4.3 **Changes to Existing Policies**

This document is in line with the Policies of the Local Plan and the adoption of the Community Infrastructure Levy.

4.4 **Impact Assessments**

CIL was subject to public consultation and public examination during 2017.

5 **BUDGETARY FRAMEWORK**

- 5.1 There are no implications to the budgetary framework. The use of surcharges and fines is not expected to add significantly to the amount of monies available to be spent on infrastructure projects, although it is anticipated that a more responsive process to the imposition of surcharges will support improved information from applicants and prompt payment of CIL liabilities.

6 **RISKS**

- 6.1 There are no specific risks related to implementing this amendment to the scheme of delegation.

7 **ALTERNATIVE OPTIONS CONSIDERED**

- 7.1 The Council could decide not to enforce the adopt the surcharges but this would remove the ability to issues these to those who were not undertaking their CIL requirements.
- 7.2 The Executive could decide not to delegate the requisite authority needed to apply appropriate surcharges and fines to CIL liabilities. This would mean that Executive approval was required each time a surcharge or fine needed to be applied, which is considered disproportionately time consuming and inefficient.

8 **BACKGROUND**

- 8.1 Warwick District Council adopted the Community Infrastructure Levy in December 2017, following adoption of the Local Plan.
- 8.2 Since the introduction of CIL a total Liability Notices totalling £10,817,423 have been issued. Demand Notice for sites that have commenced comes to a total of £7,7018,702.80 of which £1,953,274.80 are exempted from payment (for example, due to affordable housing provision).
- 8.3 Warwick District Council has so far received a total of £1,589,748.61 of CIL payments.

Appendix 1 - CIL fines and surcharges

The Community Infrastructure Levy Regulations 2010 (as amended) contain enforcement provisions, aimed at ensuring the CIL collection process is adhered to, by giving collecting authorities the power to issue a range of surcharges, stop notices, and recover funds by legal action if necessary.

Collection and enforcement arrangements are supported by the right to appeal certain decisions.

Authorities can charge:


- A £50 surcharge on each person liable to pay CIL if nobody has assumed liability before the development has commenced
- A £500 surcharge on each person liable to pay CIL where the authority is required to apportion liability between each material interest in the relevant land
- An amount equal to 20% of the chargeable amount, or £2,500 (whichever is the lower amount), where development starts without the Authority first receiving the Notice of Chargeable Development
- An amount equal to 20% of the chargeable amount, or £2,500 (whichever is the lower amount), where development starts without the Authority first receiving the Commencement Notice
- An amount equal to 20% of the chargeable amount, or £2,500 (whichever is the lower amount), for failure to notify the Authority of a Disqualifying Event, in relation to exemption and relief, within 14 days of the event
- An amount equal to 5% of the chargeable amount, or £200 (whichever is the greater amount), where payment is not received by the end of a period of 30 days, and then if still not received after 6 months another 5% is charged, and a further 5% charge if still not received after 12 months
- An amount equal to 20%, or £1,000 (whichever is the lower amount), for failure to comply with any request from the Authority for further information

Late Payment Interest

Interest must be paid on the relevant amount if it is not received on the day it is due, calculated at an annual rate of 2.5% above the Bank of England base rate.

VAT

As with the CIL liability, and fine or surcharge is outside of the scope of VAT

 Executive 12 February 2020		Agenda Item No. 8
Title	Information Governance Framework	
For further information about this report please contact	Shafim Kauser Information Governance Manager 01926 456136 Shafim.kauser@warwickdc.gov.uk	
Wards of the District directly affected	None	
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	5 April 2018	
Background Papers	General Data Protection Regulation, Data Protection Act 2018	

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	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Andrew Jones
Head of Service		Graham Leach
CMT		Andrew Jones
Section 151 Officer		Mike Snow
Monitoring Officer		Andrew Jones
Finance		Andrew Rollins
Portfolio Holder(s)		Andrew Day
Consultation & Community Engagement		
All Heads of Service –		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 This report proposes updates to the Information Governance Framework, associated policies and documents adopted by Warwick District Council on 5 April 2018 in preparation for the General Data Protection Regulation (GDPR).
- 1.2 This follows a review that considered the introduction of Data Protection Act 2018 (DPA) and follows best practice and guidance issued by the Information Commissioner's Office.

2. **Recommendation**

- 2.1 That the Executive approves the Warwick District Council, revised Information Governance Framework (Appendix 1).
- 2.2 That the Executive approves the following policies, as set out in the appendices to the report:
 - (a) Data Protection & Privacy (Appendix 2)
 - (b) Information Access and Rights (Appendix 3)
 - (c) Information Security & Conduct (Appendix 4)
 - (d) Information Security Incident Management (Appendix 5)
- 2.4 That the Executive revises Delegation G (13) to read as follows: Make decisions under the provisions of the General Data Protection Regulation and Data Protection Act 2018.; so that it removes reference to the Data Protection Act 1998 and asks Council to amend the Constitution to reflect this.

3. **Reasons for the Recommendation**

- 3.1 The review updates the Framework and documents to reflect best practice guidance.
- 3.2 A summary of the changes is set out below:
 - a) Information Governance Framework – changes to Appendix 1 to reflect current policies and procedures
 - b) Data Protection & Privacy Policy – update to make reference to the Data Protection Act 2018 and minor changes to reflect best practice
 - c) Information Access and Rights Policy – Update to make reference to Environmental Information Regulation 2004 (EIR) and provide additional information about policy requirements
 - d) Information Security & Conduct Policy – changes to Appendix 1 to reflect current policies and minor changes to clarify system owner and data confidentiality
 - e) Information Security Incidents Management Policy – Clarify process for reporting, handling and investigating breaches of security and personal data breach
- 3.5 Overall, as part of the review, the review period for all Policies has been amended to every 23 months or more frequently where necessary. This will allow for an early review if required but otherwise allows the policies to remain in force for a reasonable period.

- 3.6 The Framework and associated policies are based on good practice issued by the **Information Commissioner's Office** and shared knowledge through partnership but also reflect the requirements placed on the Council by GDPR and DPA.
- 3.7 The proposed amendments to the scheme of delegation are proposed to reflect the changes in statute and regulation to enable current working practices to continue.
4. **Policy Framework**
- 4.1 **Fit for the Future (FFF)**

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
No direct impact	No direct impact	No direct impact
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money

behaviours		
Impacts of Proposal		
<i>The framework and polices intend to put in place good governance structure to ensure staff can act in accordance with the law and continue to deliver excellent service.</i>	<i>The framework and policies provide assurance to our customers that their personal data and information is handled securely and treated with the respect that it deserves.</i>	<i>No direct impact.</i>

4.2 **Supporting Strategies** - The report does not directly relate to any of the supporting strategies.

4.3 **Changes to Existing Policies** – the report does not propose any amendments to Existing Policies

4.4 **Impact Assessments** – An impact assessment has not been undertaken because the report updates existing brings forward new policies in line with EU regulations and statutory requirements.

5. Budgetary Framework

5.1 The report does not impact on budget framework for the Council.

6. Risks

6.1 The main risk associated with the report is the non adoption of the proposed Framework and Policies as this may result in the Council failing to implement best practice and changes in legislation.

7. Alternative Option(s) considered

7.1 The Executive could consider approving the Information Governance Framework and policies with suitable amendments but this is not recommended because these have been developed using best practice and experience from other authorities.



Version: 24

Date Issue: April 2018 January 2020

Next Review date: Issue date plus 12 months

Team Owners: Democratic Services

Protective Marking: Official

Warwick District Council – Information Governance Framework

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Approvals

Executive	5/4/2018

Review

✓	N/A	5/4/2018
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Warwick District Council – Information Governance Framework

Revision History

<i>Document</i>	<i>Information Governance Framework</i>
<i>Author</i>	<i>Democratic Services Manager & Deputy Monitoring Officer</i>
<i>Date Completed</i>	<i>January 2020</i>
<i>Review Date</i>	<i>January 2021</i>

<i>Version</i>	<i>Revision Date</i>	<i>Revised By</i>	<i>Revisions Made</i>
<i>1.0</i>	<i>April 2018</i>	<i>Democratic Services and Deputy Monitoring Officer</i>	<i>Original Document</i>
<i>2.0</i>	<i>January 2020</i>	<i>Shafim Kauser</i>	<i>Minor changes to document and update of appendix 1</i>

Author: ~~Democratic Services Manager & Deputy Monitoring Officer~~

Warwick District Council – Information Governance Framework

1. Introduction

- 1.1 Information is a vital asset for the provision of services to the public and for the efficient management Council services and resources. As well as protecting confidentiality and ensuring rights to access public and personal information, it plays a key part in governance, service planning and performance management.
- 1.2 Information governance is concerned with how information is held, obtained, recorded, used and shared by the organisation to achieve compliance with information governance laws and current best practice.
- 1.3 Information is used here as a collective term to cover terms such as data, documents, records, web content, images and biometric data.
- 1.4 It is essential that the Council has a robust information governance management framework, to ensure that information is effectively managed with accountability structures, governance processes, documented policies and procedures, staff training and adequate resources.

2. Senior Roles

2.1 Executive and Portfolio Holder

The Executive is the lead Councillor body responsible for ensuring governance and decision making within Council policies. The Leader as Portfolio Holder for Strategic Leadership has specific service responsibilities and this includes the Democratic Services team, who lead on information management, and IT.

2.2 Chief Executive and Corporate Management Team

The Chief Executive is the Head of Paid Service who leads the council's staff and advises on policies, staffing, service delivery and the effective use of resources. Together with Deputy Chief Executives **they form the council's Corporate Management Team** ensuring delivery of an effective council-wide information governance approach.

2.3 Senior Information Risk Owner (SIRO)

The Senior Information Risk Owner (SIRO) is overall responsible for managing information risk in the council and is a member of the Senior Management Team. The SIRO is the Deputy Chief Executive & Monitoring Officer and:

- ensures information governance compliance with legislation and council policies
- provides a focal point for managing information risks and incidents
- prepares an annual information risk assessment for the council.
- fosters a culture for protecting and using information within the council

2.4 Information Asset Owners

Heads of Service are designated Information Asset Owners and are responsible for the management of **information risk for their service's** information assets. This includes ensuring that their information assets are properly recorded in the Council's information asset register.

Warwick District Council – Information Governance Framework

3. Key Policies

- 3.1 The key policies in the framework (shown below) are:
- The Data Protection **and Privacy** Policy – aimed at all staff
 - Information Rights Policy – aimed at the public **and staff**
 - Information Security & Conduct Policy – aimed at all staff
 - **Information Security Incident Management Policy**– *aimed at all staff*
- 3.2 These policies are supported by sub-policies, standards and procedures are shown in the framework diagram. Outputs will be produced from use of these standards and templates, for example privacy assessments, awareness guides and training material.

4. Key Governance Body – Senior Management Team

- 4.1 The Senior Management Team's (SMT), which comprises of the Chief Executive, Deputy Chief Executives and Heads of Service, will have information governance responsibilities ~~are~~ to:
- Approve and ensure a comprehensive information governance framework, policies, standards, procedures and systems are in place and operating effectively throughout WDC.
 - Prepare the annual Information Governance Assessment and update the Information Risk Assessment, including action plans.
 - Coordinate Information Governance compliance and improvement activities (DP, FOI/EIR, security, quality, and records management) across WDC.
 - Monitor information handling and breaches, implement assurance controls (including regular audits) and take corrective actions
 - Ensure training and action plans for information governance are progressed throughout WDC, evaluate the impact and effectiveness of governance training.
 - Communicate the information governance agenda
- 4.2 The Group will meet as part of the regular SMT agenda and for the relevant items the Senior Information Risk Owner, Democratic Services Manager, ICT Services Manager, and Information Governance Manager, or their nominated deputy, will also attend the meeting.
- 4.3 They will also receive advice and guidance from Internal Audit, Legal Services, and other relevant organisations and officers as they require.

5. Resources

- 5.1 The Information Governance Manager will provide expert advice and guidance to all staff on all elements of Information Governance. The team is responsible for:
- Providing advice and guidance on information governance to all staff.
 - Developing the Information Strategy, Information Governance Framework of policies, standards and procedures and the Information Governance Improvement Plan.
 - Working with Information Asset Owners (and their representatives) to establish protocols on how information is to be used and shared.
 - Developing Information Governance awareness and training modules

Warwick District Council – Information Governance Framework

for staff.

- Ensuring compliance with Data Protection, Freedom of information, Records Management, Information Security and other information related legislation via the regular information audit and register of processing activity update.
- Providing guidance and advice on Privacy Impact Assessments.
- Coordinating and processing corporate information requests, processing requests on behalf of business units and supporting information coordinators in other business units.
- Integrating Government and Information Commissioner guidance, policies and codes of practice
- Providing support to the Senior Information Risk Owner for internal Information Governance related issues.

5.2 The ICT Management team is the lead for technical security management of the infrastructure and technical security advice, including areas such as: PSN Code of Connection, PCIDSS and device policy.

5.3 The Legal Services team provide expert legal opinion on all information governance matters to all service teams.

5.4 There will be identified roles in the Service Areas whose role includes some aspects of information governance and ensuring compliance. These will vary according to the services provided.

6. Governance Framework Responsibilities

6.1 Service Area Management Teams

They are accountable for the effective management of information risk and information governance compliance, as well as supporting and promoting the policies, standards and procedures. The teams comprise of the Heads of Service and Managers for each service area.

6.2 Heads of Service

Each is an Information Asset Owner who is accountable for information assets within their business unit. They are able to understand how it is held, used and shared and address risks to the information. They are responsible for updating the Register of Processing Activity as required and at least annually.

6.3 Council Managers

Managers are responsible for the implementation and adherence to this policy framework and any associated standards and procedures within their service and teams.

6.4 Other Parties

Disregard for information governance policies by employees may be **regarded as misconduct to which the council's Dismissal and Disciplinary Procedure** applies and a serious breach of any policy may be treated as gross misconduct and may lead to dismissal.

Disregard by contractors and agents working for the council will be regarded as a contractual breach. Disregard by volunteers and work experience

Warwick District Council – Information Governance Framework

students working for the council may lead to terminating their work agreement.

7. Training and guidance

- 7.1 Information Governance training for all staff will be mandatory as part of induction, to include all employees, secondees, agency and voluntary staff. This will be through e-learning modules that are accessible on any device.
- 7.2 Further modules as appropriate to the role will be available through e-learning or classroom session, developed internally or through recognised providers, for example the NHS.
- 7.3 All staff will be required periodically to complete update/refresher training.
- 7.4 Awareness sessions may be given to staff as required, at team meetings or other events.
- 7.5 Regular reminders on information governance topics are made through corporate and local team briefings, staff news and emails.
- 7.6 Policies, procedures, standards and advice are available to staff at any time on the Information Governance pages.

8. Information Security Incident Reporting

- 8.1 The Information security incident reporting procedure is available to all staff, and is available for download. All information security incidents involving digital or manual records whether actual or suspected, should be promptly reported to the **Data Protection Officer and the ICT Services' Helpdesk** via **an individual's line or Service Area Manager, or to the Democratic Services Manager and Deputy Monitoring Officer.**

9. Monitoring and review

- 9.1 This policy and the supporting standards will be monitored and assessed annually in line with legislation and codes of best practice and subject to audit review.
- 9.2 An Equality Impact Assessment/ Analysis on this policy ***is not required***. ~~was undertaken on ? and will be reviewed each time the policy is updated, or before if required.~~

10. Further Information

Democratic Services Manager, Riverside House, Milverton Hill, Royal Leamington Spa, CV32 5HZ
Telephone: 01926 456114

Appendix 1 Information Governance Framework

	IG Managem ent	Confidentiality	Access to Information	Information Security	Records Management	Data Quality
Policies (Executive or Employment Committee approval)	Information Governance Framework	Data Protection & <i>Privacy</i> Policy	Information <i>Access and</i> Rights Policy	Information Security & Conduct Policy Information Security Incident <i>Management</i> and Breaches Policy	Records Management Policy	Data Quality Policy
Sub-Policies (SMT approval)	N/A	Privacy Impact Assessments <i>Third Party Network Access Agreement</i> <i>Appropriate Policy Document (Special Category and Criminal Offence Data)</i>	Freedom of Information Act Publication Scheme	Information Asset Register Monitoring Policy (Electronic communication s) Removable Media Policy Remote Working Policy Email	Data Retention Sub-Policy Data retention Schedules	To be confirmed during 2018/19

Warwick District Council – Information Governance Framework

				Acceptable Usage Policy		
				Internet Acceptable Usage Policy		
				Data Handling Policy		
				Software Policy		
				Digital Forensics Readiness Policy		
				GCSx Acceptable Usage policy		
				Human resources Information Security Policy		
				Information Risk Classification Schemes		
				Physical Environmental Security Policy		

Warwick District Council – Information Governance Framework

				Body Worn Video Camera Policy		
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Warwick District Council – Information Governance Framework

Training and Awareness	There will be a planned approach to training and awareness for each policy. This will be role based, regularly assessed and should equip each person to fulfil their responsibilities. For example Requests for Information – A Quick Guide					
Procedures	N/A	<i>Privacy Impact Assessment Toolkit</i>	Requests for information – <i>A Quick Guide</i>			
New and Changed Systems	N/A					
Compliance	There will be a timely and effective monitoring, reporting and compliance regime through, 1/4 reports SMT and Annual reports through the Service Area Plans and Portfolio Holder statements as well as being a monitored feature within internal and external audits.					

Appendix 2 - External Legislation and Regulation

[Data Protection Act 1998](#)

[Human Rights Act 1998](#)

[Freedom of Information Act 2000](#)

[Environmental Information Regulations 2004](#)

[Local Government Acts](#)

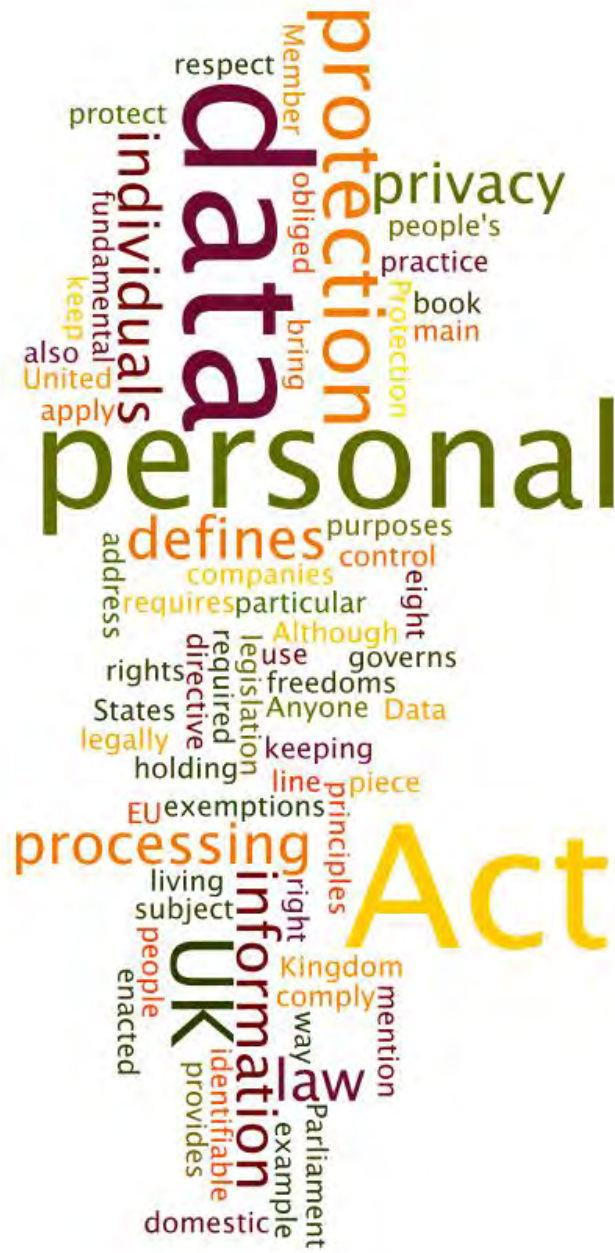
[Copyright, Design and Patents Act 1998](#)

[Computer Misuse Act 1990](#)

[EU Data Protection Regulation \(GDPR\) 2016 \(applicable from 25 May 2018\)](#)

[Privacy and Electronic Communications Regulations](#)

CCTV - Code of Practice / Commissioner



For queries regarding this policy, please contact:

Democratic Services Manager and Deputy Monitoring Officer.



www.warwickdc.gov.uk

Data Protection and Privacy Policy

Data Protection and Privacy Policy

Revision History

Document	Data Protection and Privacy Policy
Author	Graham Leach
Date Completed	9 February 2018
Review Date	<i>December 2021</i>

Version	Revision Date	Revised By	Revisions Made
1.0	February 2018	Graham Leach	Original Document
2.0	<i>November 2019</i>	<i>Shafim Kauser</i>	<i>Update with reference to Data Protection Act 2018</i>

Approvals

This document requires the following approvals:

Name	Date
Information Governance Manager	<i>07/11/2019</i> 15/3/2018
ICT Manager	<i>07/11/2019</i> 15/3/2018
SIRO	15/3/2018
Executive	5/4/2018

Distribution

This document has been distributed to:

Title
All Staff
All Members
WDC Website

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1 Management Summary

- 1.1. This is a key policy in a set that is underpinned by a number of other related **policies, codes of practice and guidelines that form the WDC's Information Governance Framework**. The Framework covers the wider requirements for compliance with information law and best practice.
- 1.2. Data Protection Legislation requires Warwick District Council to handle personal information relating to living identifiable individuals in a fair, safe, responsible and secure manner. There are other rules relating to information privacy, such as, the Privacy and Electronic Communications Regulation and the common law of confidentiality. In addition a range of information is defined as exempt from disclosure under the Freedom of Information Act and should also therefore be treated as private and confidential.
- 1.3. **This policy sets out the Council's requirements regarding the appropriate and responsible use of personal and private information.**
- 1.4. Data Protection Legislation ***includes*** ~~and~~ the General Data Protection Regulation (GDPR), ***Data Protection Act 2018 (DPA), Privacy and Electronic Communications Regulation (PECR) Human Rights Act 1998 (HRA)*** ~~that~~ attempts to strike a balance between the privacy rights of individuals and the legitimate interests of other parties who need to **collect and process** ~~access~~ that personal information for specified purposes.
- 1.5. The Council deals with **individuals' personal information every day, in all sorts of** formats, much of which is very private. ~~Much~~**Some** of this personal information is shared with other organisations (~~mainly~~**e.g. Data processors**, contractors and government bodies), mostly in the interests of the individuals concerned **to deliver the services required** but it may also be **shared** ~~used~~ **where it is lawful to do so.** ~~for purposes deemed to be in the public interest.~~
- 1.6. The Council expects everyone who works on its behalf to recognise their responsibility for treating personal and private information with the care and respect it deserves. The same applies to those bodies with which the Council shares personal information.
- 1.7. The effect of a data protection breach can be very distressing and damaging to the individual concerned, and can also be damaging for the party responsible for the breach. The law does not create unreasonable barriers to the use of personal or private information, but it does subject individuals and organisations to significant sanctions for unfair, unlawful, disproportionate, or reckless use of private data.

2 Policy Statement

- 2.1 Warwick District Council regards the lawful and correct treatment of personal information as very important to successful operations and to maintaining the confidence of those with whom we deal. We will always do our utmost to ensure that our organisation treats all information lawfully and correctly.
- 2.2 To this end we fully endorse the requirements of the General Data Protection Regulation (GDPR) and Data Protection Legislation

3 Purpose

- 3.1 To ensure that all managers and staff apply appropriate measures to comply with the requirements of the ~~GDPR and~~ Data Protection Legislation and so meet the **Council's statutory requirements and avoid any incidents involving personal** information that might cause harm or distress to individuals or cause the Council to incur statutory penalties.

4 Scope

This policy applies to:

- all employees
- all workers who are not employees (e.g. individuals supplied through an agency or other company or partner or subsidiary organisations, contractors, individuals seconded to the Council or otherwise engaged on Council business)
- all volunteers and any individuals on work experience at the Council
- all Councillors.

Any reference in this document to "employee" is deemed to be a reference to any of the above.

Note that the access to information and rights aspects of Data Protection Legislation are covered by the Access and Rights Policy.

5 Policy Requirements

There are a number of requirements set out in this Policy under the following headings: -

- **The Council's Data Protection and Privacy Commitment**
- The Data Protection Principles
- **'Special Data'**
- Data Protection Breaches

The Council's has other policies, sub-policies and guidance on the use of personal information, which also form **part of the Council's Information Governance Framework**.

5.1 Data Protection and Privacy Commitment

The Council has made a Data Protection and Privacy Commitment which explains the approach taken by the Council to comply with the Data Protection Legislation, the Human Rights Act 1998, the duty of confidence, other legislation and best practice relating to the use of personal information. Everyone to whom this policy applies is required to meet the Data Protection *and Privacy* Commitment.

The Data Protection and Privacy Commitment is as follows:

The Council will seek to meet its obligations in law and in spirit by ensuring that we: -

- **Value the personal information entrusted to us** and make sure we respect that trust. There should be no surprises for the data subject in the way that we process, use or share their personal information. The data subject will be already well informed before we use their data.
- **Go further than just the letter of the law** when it comes to handling personal information, and adopt good practice standards, that ensure transparency and accountability.
- **Address privacy risks first** when we are planning to use or hold personal information in new ways, such as when introducing new systems. We will assess the risks and impacts on data subjects in a Privacy Impact Assessment document when required by data protection law.
- **Inform individuals when information will be shared** and why, and ensure that the organisations that we share information with fully comply with the information law.
- **Give access to data subject's information** when they request it, as well as processing updates and corrections in a timely manner. Please also refer to the Information Access and Rights Policy.
- **Keep personal information to the minimum necessary** and delete it when we no longer need it. The Council's record retention policy and schedule will be publically available and the information retention period for personal data will be stated when the information is collected.
- **Have effective safeguards in place to make sure personal information is kept securely** and does not fall into the wrong hands. The Council has an Information Security and Code of Conduct Policy and range of sub-policies including a ~~data~~ information handling policy that deals with protective marking.
- **Provide awareness training and regular refresher training to all staff who handle personal information** and treat it as a disciplinary matter if they misuse or don't look after the information properly;
- **Put appropriate financial and human resources into looking after personal information** to make sure we can live up to our promises;

- **Regularly check that we are living up to this commitment** and report on how we are doing.

5.2 The Data Protection Principles

All employees must comply with the six *data protection* ~~GDPR~~ principles and the Council's policies and guidelines that underpin those principles, which state that an individual's personal information shall be:

1. Processed lawfully, fairly and in a transparent manner in relation to individuals;
2. Collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;
3. Adequate, relevant and limited to what is necessary in relation to the purposes for which they are processed;
4. Accurate and, where necessary, kept up to date.
5. Kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed.
6. Processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures.

5.3 Special Category Data & Criminal Offence Data

Data Protection Legislation makes it clear that there are some categories of personal information that require extra caution when handling: -

Special category data

- racial information
- ethnic information,
- health information,
- religious beliefs,
- political views
- sexual life,
- sexual orientation
- trade union membership,
- biometric data
- genetic data)

Criminal offence data

This relates to processing of criminal convictions and offences or related security measures and includes personal data relating to the alleged commission of offences or proceedings for an offence committed or alleged to have been committed.

Some special category data and criminal offence data may only be processed where the Council has an appropriate policy document in place. In cases where we process special category data in reliance of a condition set out in Schedule 1 of the Data Protection Act 2018, the Council has an appropriate policy document in place and the processing will be in compliance with the requirements of the General Data Protection Article 5 principles..

All those handling personal information must be aware of the extra sensitivity of these categories of personal information and be aware that any data protection breaches involving these will have correspondingly more serious consequences for the data subject and the Council.

5.4 Register of Processing Activity

The General Data Protection Regulation (GDPR) (**Article 30**) requires the Council to ~~maintain~~^{keep} a record of *processing activities under its responsibility. This is a measure designed to demonstrate compliance with the accountability principle. To meet this responsibility, the Council maintains a Register of Processing Activity (ROPA) that includes* all personal datasets that it holds with essential details about collection (legal basis), use, security, sharing, and retention. This register must be kept fully maintained by the services teams collecting and using the personal data.

5.5 Data Protection Breaches

Any incident that could or does lead to loss, disclosure or temporary exposure of personal information must be reported as prescribed by the WDC Information Security Incident Management Policy and Procedure. The Council has procedures for investigating data protection and privacy breaches and all those affected will be expected to co-operate with any such investigation.

Certain types of personal data breach must be reported to the information Commissioner's Office. In such a case, the report will be made where possible ~~data protection breaches will be reported to the Information Commissioner by the Council's Data Protection Officer.~~ ^{Serious}

Disregard for the Council's data protection and related policies by employees may be regarded as misconduct to which the council's Dismissal and Disciplinary Procedure applies and a serious breach of any policy may be treated as gross misconduct and may lead to dismissal. In the case of contractors, representatives, workers and volunteers, this may be grounds for termination of that relationship with the council.

Disregard for the Council's data protection and related policies by Councillors will be regarded as a breach of the Code of Conduct and will be considered in line with the adopted arrangements for the determination of complaints about Councillors.

6 Roles & Responsibilities

Every employee and other person to whom this policy applies is responsible for the appropriate use and protection of personal information which is in their possession or use. Everyone is also responsible for familiarising themselves with their obligations under this policy and related ones, for ensuring their own compliance and for seeking guidance where they need it.

6.1 The Executive

The Council's Executive are responsible for ensuring that sufficient resources are made available to support the Council and its employees in meeting the obligations under this policy.

6.2 Chief Executive and Deputy Chief Executives

The Chief Executive and Deputy Chief Executives are responsible for ensuring a co-ordinated response from the Council and its employees to this policy and for keeping under review the Council's approach to personal information, data protection and privacy.

6.3 Data Protection Officer

The Council has appointed an Information Governance Manager who will act as Data Protection Officer for the Council. They are responsible for reporting on Data Protection compliance, advising on Privacy Impact Assessments for new systems and liaison with the Information Commissioner over data breaches, data protection notifications and other issues as appropriate.

6.4 Heads of Service

Heads of Service are responsible for the information assets under their control including personal information.

- This includes identification, access, security, and privacy of personal information and updating their information asset details in the Register of Processing Activity (ROPA).
- They are responsible for making sure employees who access or handle personal information are suitably trained in data protection and privacy in order to understand their obligations under this policy.
- They will incorporate an assessment of data protection and privacy risk into their risk management arrangements as designated Information Asset Owners.
- Any new or amended systems for processing personal data must be screened for the possible need to produce a full Privacy Impact Assessment (PIA) as specified by the GDPR Privacy by Design requirement.

6.5 Managers

Managers are responsible for controls that ensure compliance with this policy. This will include:

- The induction of new staff,
- The implementation of compliant new procedures and systems
- Providing appropriate communications and awareness-raising of the policy requirements (both among employees and contractors with whom the deal)

7 Review & Revision

- 7.1 This policy will be reviewed as it is deemed appropriate, but no less frequently than every ~~24~~12 months.
- 7.2 Policy review will be undertaken by the Council's Data Protection Officer.

8 References

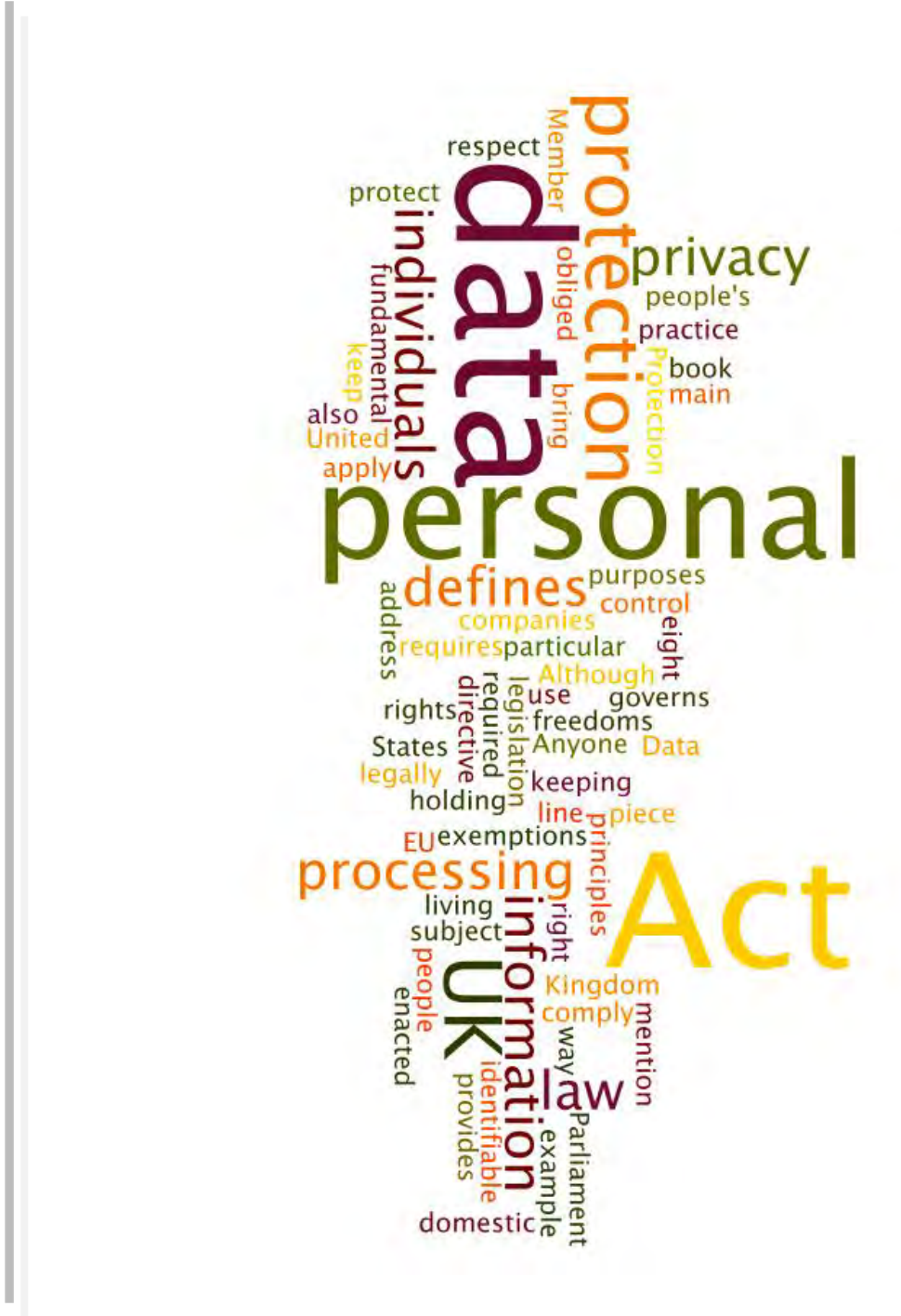
8.1 The following Warwick District Council documents are relevant to this policy:

- Information Governance Framework
- Information Access and Rights Policy
- Information Security and Code of Conduct Policy
- Records Management Policy
- Information Security Incident Management Policy
- *Data Handling Policy*

9 Key Messages

9.1 The following are key messages from this Policy:

- All employees must comply with the **Council's Data Protection and Privacy Commitment**, the six Data Protection Principles and the all underpinning Council policies and guidelines.
- Special care must be taken when handling '**special**' personal information.
- Any incident that could, or does lead to loss, disclosure or temporary exposure of personal information must be reported.



For queries regarding this policy, please contact:
Democratic Services Manager and Deputy
Monitoring Officer.



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Information Access and Rights Policy

Revision History

Document	Information Access and Rights
Author	Shafim Kauser Anna Moore
Date Completed	<i>December 2019</i>
Review Date	TBC once approved <i>December 2021</i>

Version	Revision Date	Revised By	Revisions Made
1.0	February 2018	Anna Moore	Original Document
2.0	<i>December 2019</i>	<i>Shafim Kauser</i>	<i>Update to make reference to EIR and provide additional information about policy requirements</i>

Approvals

This document requires the following approvals:

Name	Title
Information Governance Manager	15/3/2018 <i>Dec 2019</i>
ICT Manager	15/3/2018
SIRO	13/3/2018
Executive	5/4/2018

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1 Management Summary

This document sets out the Council's policy in relation to both access to information and the exercise of information rights, including compliance with information law, primarily Freedom of Information, *Environmental Information Regulation* and Data Protection legislation and the associated best practice.

This policy aligns with other policies in the Information Governance Framework, these are: -

- the Data Protection and Privacy Policy,
- the Information Security and Conduct Policy; and,
- the Records Management and Retention Policy.

There is also more detail guidance in sub-policies and procedures also falling within the scope of the Information Governance Framework.

This policy is to ensure that the Council gets the balance right between: -

- Being transparent and proactive by making information accessible whenever it can be and by disclosing and sharing information when necessary.
- Being helpful in ensuring people can exercise their information rights.
- Protecting information that needs to be retained, secure and confidential.

The issues covered are: -

- Privacy Notices
- Data Subject Consent
- Freedom of Information requests.
- Data Protection Subject Access) request handling.
- Protectively marked documents
- Self-service information
- Fraud and phishing.
- Other information rights

2 Policy Statement

Warwick District Council recognises that information rights are important in ensuring that the Council operates in a transparent and accountable way, ~~but~~ that they ***keep individuals informed about the collection and use of*** ~~give the power to the individual to control the use of their personal information~~ ***and make information available to individuals proactively.*** This policy set outs the Council's requirements in order to meet its legal obligations.

3 Purpose

The purpose of this policy is to ensure that: -

- Council's approach to access to information complies with legal, transparency and established best practice requirements.
- Services are aware of the broader information rights defined under data protection law and able to handle correctly and promptly with any request received.

More specifically to ensure that: -

1. When we collect or receive peoples' information they are provided with the details of how we use that information that we are required to give by law.
2. When we ask for a person's consent to collect and use their information, we do so according to data protection legal requirements.
3. Guidance is available to persons wanting to access either **the Council's** information or the information that we hold about them personally.
4. Requests for information are correctly identified. Not all will require a formal Freedom of Information response if they can be dealt with more quickly.
5. Requests for access to personal data are generally treated formally and include the necessary safeguards to prevent inappropriate disclosure.
6. Protectively marked **documents** are handled correctly under Freedom of Information, Data Protection and confidentiality law.
7. A self-service approach is actively encouraged where public information that is regularly requested can be made available on the WDC website using search facilities or by reference to the Publication Scheme.
8. Employees do not fall victim to phishing techniques or others involving fraud that are aimed at illegally obtaining access to confidential or personal information.

Where a requestor is invoking rights other than access to information, e.g. data rectification or erasure, services must ensure that these can be dealt with on a timely basis.

4 Scope

This policy applies to:

- all employees
- all workers who are not employees (e.g. individuals supplied through an agency or other company or partner or subsidiary organisations, contractors, individuals seconded to the Council or otherwise engaged on Council business)
- all volunteers and any individuals on work experience at the Council
- all Councillors.

Any reference in this document to "employee" is deemed to be a reference to any of the above.

5 Policy Requirements

5.1 Privacy Notices

- When we collect or receive peoples' personal information they must be provided with the details of how we will use that information.
- The data protection legislation requires that the Council gives the detail shown in Appendix 1.
- ***This information must be provided using clear and plain language.*** The provision of this range of information is very important as the data subject

needs it to exercise their rights. *This will help the Council to comply with its legal obligations and build trust with people.*

- The Information Commissioner has set out very specific guidance on **when and** how this can be provided without information overload. This information must be provided for all existing and new uses of personal information.
- *It should also be regularly reviewed and where necessary updated.*

5.2 Consent

- *The General Data Protection Regulation ("GDPR") sets a high standard for consent.*
- Where consent is required to obtain personal information, because there is no other legal basis for collecting it, consent must be positively and unambiguously affirmed.
- *Genuine consent should put individuals in charge by offering real choice and control.*
- No reliance can be placed on consent obtained by default, implied consent or inferred consent, and a record must be held of the consent.
- In ~~addition~~**addition**, it is no longer permissible to use consent as a legal basis for holding and using information where, for example, the information is necessary to perform a statutory function or any situation where the data subject has no effective choice.
- *It should be easy for people to withdraw consent and we will tell individuals how this can be done*
- *Consent must be kept under review and refreshed if anything changes.*
- This approach must be taken to all existing and new uses of personal information involving consent.

5.3 Access to Information – Guidance

Guidance ~~is~~**must be** available to persons wanting to access either the Council's information or the personal information that we hold about them. This will be on the Council's website with links to and from the Council's top level Privacy Notice and to the Publication Scheme

5.4 Freedom of Information Requests

Requests for information under Freedom of Information Act (FOIA) or Environmental Information Regulations (EIR) must be correctly identified. The request does not have to name the Act or Regulation specifically and conversely the requestor may name the FOIA or EIR mistakenly when the request is for personal data. Deal with requests for publically available information as routine requests unless the information is more difficult to locate, complex in nature, or subject to possible restrictions. *The Council will ensure that:*

- *Everybody has access to official information. Disclosure of information should be the default – in other words, information should only be withheld where there is good reason and is permitted by law.*
- *A requester does not have to give a reason for requesting the information.*
- *All requests must be treated equally.*
- A self-service approach is encouraged for FOIA/EIR requests where public information that is regularly requested can be made available on the WDC website using search facilities or by reference to the WDC Publication Scheme.

5.6 Subject Access Requests / Data Protection

A right to access information gives individuals a right to a copy of their personal data. Requests for access to personal data will be treated formally and include the necessary safeguards to prevent inappropriate disclosure.

The Council recognises that a right to access personal data will help individuals to understand how and why their personal data is being processed.

Officers will recognise requests for personal information and will aim to respond to these requests within one month. A response will also provide the required supplementary information detailed in the GDPR.

Everyone must however be aware that there are situations where personal information **may be disclosed lawfully** ~~is disclosable~~ **such as** :-

- For the prevention, detection and prosecution of crime
- Where there is a risk of significant harm to an individual.

There is more detailed information on dealing with these situations in the **Data Protection** ~~Confidentiality~~ and Privacy Policy and the Guide to Information Requests (see 5.8 also Fraud and Phishing).

5.7 Protective Marking

Protectively marked records and information must be handled correctly **in accordance with the Council's Data Handling Policy.** ~~under Freedom of Information, Data Protection and confidentiality laws.~~ Be aware that the protective marking is a broad indication of the content and handling required. A more detailed examination of the document content may be required for FOI and DPA request purposes. There is more specific guidance on Protective Marking in the Information Handling Sub Policy

5.8 Fraud and Phishing

Not all requests for personal or confidential information will be genuine. Employees must be alert to the possibility that the person requesting the information may not be genuine. Fraudsters and phishers can be very credible. Anyone routinely applying for information in an official capacity must follow an established sharing protocol. There must be a sharing protocol in place for any routine sharing of personal or confidential information. For ad hoc confidential information sharing identity and authorisation checks must be carried out.

5.9 Personal Information Breaches

Information security issues are covered in the Information Security and Conduct Policy and breaches by the **Information Security and** Incident Management Policy. Where an incident **is likely to result in a high risk to the 'rights and freedoms' of a person the Data Controller shall notify the data subject without undue delay unless action has already been taken to address those potential concerns.** This is partly to ensure that affected individuals can take timely action where this is needed.

5.10 Other Rights - Rectification, Erasure, Restriction

A requestor may invoke other rights e.g. data rectification or erasure etc. Services must ensure that these can be dealt with on a timely basis. The

Appendix shows the other rights now available to data subjects. The Council is required to act on any such request without undue delay. Services must make sure that their information systems whether manual, network and email folder based, Electronic Records Management or Business Application enable the Council to fulfil those requests fully and reliably where they are found to be correctly invoked.

6 Roles & Responsibilities

6.1 The Council's Executive

The Council's Executive are responsible for ensuring that sufficient resources are made available to support the Council and its employees in meeting the obligations under this policy.

6.2 Chief Executive and Deputy Chief Executives

The Chief Executive and Deputy chief Executives are responsible for ensuring a co-ordinated response from the Council and its employees to this policy and for **keeping under review the Council's approach to** information access and data rights.

6.3 Data Protection Officer

The Council has appointed an Information Governance Manager who will act as Data Protection Officer for the Council. They are responsible for reporting on Data Protection compliance, advising on Privacy Impact Assessments ~~for new systems~~ and liaison with the Information Commissioner over data breaches, data protection notifications and other issues as appropriate.

6.4 Heads of Service

Heads of Service are accountable, as Information Asset owners, for ensuring that all information risks relating to their information assets or service areas are **properly assessed and action is taken where necessary to reduce the Council's** information risk exposure.

6.5 Managers

Service Managers are responsible for ensuring that their service areas comply with this Policy and act to ensure that compliance is maintain, including for new or changed services or business processes.

7 Review & Revision

This policy will be reviewed as it is deemed appropriate, but no less frequently than every ~~24~~2 months.

Policy review will be undertaken by the Council's Data Protection Officer.

8 References

The following Warwick District Council documents are relevant to this policy:

- Warwick District Council – Information Governance Framework
- Warwick District Council – Data Protection and Privacy Policy
- *Warwick District Council – Data Handling Policy*

- *Warwick District Council – Requests for Information – A Quick Guide*

9 Key Messages

- Information rights are important in ensuring that the Council operates in a transparent and accountable way,
- These rights give some powers to the individual to control the use of their personal information.
- The Council must be able to respond to rights requests in an appropriate and timely way.

Privacy Notice Contents

Privacy Notices must to include the following information, but there is flexibility about how this is provided and the Information Commission advocate a tiered approach that provides information at the most appropriate time in the data collection process:

- The identity and the contact detail of the data controller.
- The contact details of the data protection officer.
- The purposes of the processing for which the personal data are intended as well as the legal basis for the processing.
- The right to withdraw consent where data is collected under this legal basis.
- The recipients of the personal data, or categories of recipients.
- Being informed about transfer outside the EEA and the personal data safeguards that would apply.
- The period for which the personal data will be stored, or the criteria used to determine that period.
- The existence of the right to request from the controller access to and rectification or erasure of personal data or restriction of processing concerning the data subject or to object to processing as well as the right to data portability.
- The right to lodge a complaint with the supervisory authority.
- The right to be informed of automated decision making including profiling as well as the significance and consequences for the data subject.
- Details of any further or secondary processing.



Warwick DC Data Handling Classification - Public



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Revision History

Document	Information Security and Conduct Policy
Author	Ty Walter
Date Completed	10 August 2009
Review Date	23 September 2019 <i>December 2022</i>

Version	Revision Date	Revised By	Revisions Made
1.0	31 Dec 2008	Ty Walter	Original Document
1.1	20 Oct 2010	Ty Walter	Update to include Card Data Policy
1.2	13 Oct 2011	Ty Walter	Minor updates, plus revised Compliance, Monitoring and Assurance section and inclusion of a new sub-policy on Digital Forensic Readiness.
1.3	15 Nov 2011	Ty Walter	Update to the System Owner responsibilities.
1.4	21 Nov 2011	Ty Walter	Minor update to the disposal of equipment.
1.5	13 Jan 2012	Ty Walter	Minor update to explicitly indicate that the use of Council equipment by non-council staff is prohibited.
1.6	28 May 2012	Ty Walter	Inclusion of the section: Joint Working – Warwickshire Councils Inclusion of a section on 'Personal Data Storage'
1.7	06 Aug 2012	Ty Walter	Inclusion of the Physical & Environmental Security Policy
1.8	09 Sept 2013	Ty Walter	Reference to the sub policies was moved to a separate appendix.
1.9	02 Mar 2016	Ty Walter	Update to Internal Audit (IA) section permitting IA access to systems and data without approval from system owners.
1.10	07 Mar 2018	Anna Moore	Update to include references to GDPR and associated requirements of the regulations.

1.11	30 Jan 2019	Ty Walter	Update to System Owner responsibilities to clarify the requirement to audit users and provide training (ICTSG Jan 19)
1.12	23 Sep 2019	Ty Walter	Removal of the GCSx Sub-Policy
1.13	20 Jan 2020	<i>Shafim Kauser</i>	<i>Update Appendix 1 and minor changes to document to clarify data protection</i>

Approvals

This document requires the following approvals:

Name	Title
ICT Steering Group	
Senior Management Team	
Employment Committee	Approved 21 March 2018

Distribution

This document has been distributed to:

Name	Title
All Staff	
All Members	

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1 Management Summary

This high level policy is one of a series that forms the policy core of the Information Governance (IG) Framework. The IG Framework recognises that sound information management relies on best practice from a number of different disciplines. These are privacy management, Information law and rights, information security and risk management, records management and information quality management.

Information resources are vital to the Council in the delivery of service to residents, businesses and visitors. Their confidentiality, integrity and availability are essential to maintain service levels, legal compliance and the public image and public perception of our Council.

It is important that citizens are able to trust us to act appropriately when **obtaining and holding information and when using the authority's facilities, particularly where this involves personal data**. It is also important that information owned by other organisations made available to our Council under secondary disclosure agreements is also treated appropriately by us.

Any Public Authority that uses or provides information resources has a responsibility to maintain, safeguard them and comply with the laws governing the processing and use of information and communications technology.

As an organisation we must take security very seriously and that relies on all staff playing their part. We are all personally responsible for following the **requirements set out in the Council's Information Security & Conduct Policy**.

Warwick District Council has a significant investment in computer systems and networks and is increasingly dependent upon the processing of the data which it holds.

The increasing use of mobile computer devices and the need to transmit information across networks both within the Council and to/from external organisations renders the data more vulnerable to accidental or deliberate modification or disclosure. Some of the information systems contain highly **sensitive and** critical data which, if not handled securely, could present a serious problem **and breach** to the Council, its employees, Members and customers.

The loss of data, computer processing facilities or breaches of data access security could incur significant costs, loss of revenue and damage to the Council's reputation **as well as fines and legal action**. Furthermore, defamation and harassment actions, negligence cases, breaches of copyright and claims in respect of disclosure of trade secrets are just some of the legal claims that have arisen recently as a consequence of e-mail, Internet and other electronic activities.

Information security management is an on-going cycle of activity aimed at continuous improvement in response to emerging and changing threats and vulnerabilities. It can be defined as the process of protecting information from

unauthorised access, disclosure, modification or destruction and is vital for the protection of information and **the Council's reputation**.

This policy, and its associated sub-policies (See Appendix 1), describes what is required of us and how security is to be implemented for all the information systems concerned. Line Managers are responsible for implementing the necessary procedures to bring these Policies to operational life and ensure individuals' compliance with them

2 Policy Statement

Warwick District Council is committed to the development and maintenance of an Information Security and Conduct Policy as part of the wider ***information governance framework***. The Information Security and Conduct Policy will ensure that:

- Information will be **protected against unauthorised access**.
- **Confidentiality** of information will be assured.
- **Integrity** of information will be maintained.
- **Regulatory** and **legislative** requirements will be met.
- **Business Continuity plans** will be produced, maintained and tested.
- **Information security training** will be available to all staff.
- **All breaches of information security**, actual or suspected, will be reported to, and investigated by the Information Security Officer *and/or the data protection officer*.
- **An Information Asset Register is maintained**
- **Information security risks are regularly re-assessed**

3 Purpose

An effective Information Security Policy provides a sound basis for defining and regulating the management of information systems and other information assets. This is necessary to ensure that information is appropriately secured against the adverse effects of failures in confidentiality, integrity, availability and compliance which would otherwise occur.

This policy document, and sub-policies, establishes the ICT Security and Conduct Policy for Warwick District Council (the Council) to ensure efficient and effective use of all information and communication systems. Further, this policy and sub-policies, **aims to ensure that the Council's investment in information, software, hardware and electronic resources is protected**.

This policy is designed to:

-
- Provide direction and support for ICT security in accordance with business requirements, regulations and legal requirements;
 - State the responsibilities of staff, partners, contractors and any other **individual or organisation having access to the Council's ICT systems**;
 - State management intent to support the goals and principles of security in line with business strategy and objectives.
 - Provide a framework by which the confidentiality, integrity and availability of ICT resources can be maintained.
 - Optimise the management of risks, by preventing and minimising the impact of ICT security incidents;
 - Ensure that all breaches of ICT security are reported, investigated and appropriate action taken where required;
 - Ensure that supporting ICT security policies and procedures are regularly reviewed to ensure continued good practices and protection against new threats;
 - Ensure ICT information security requirements are regularly communicated to all relevant parties.

This policy, and sub-policies, are based on industry good practice and intend to satisfy the requirements set out by **the Government's** Code of Connection (CoCo) and establish an organisational structure and framework of controls from which detailed security procedures can be implemented. To this end, the document contains a number of Policy Statements which are supplemented by a series of security guidelines. The guidelines are for reference by Service Area Managers, System Owners, line managers etc. in ensuring that their systems are protected in the most appropriate and effective way.

4 Scope

This policy, and its sub-policies, applies to all Warwick District Council employees, Councillors (Members), temporary / agency staff, consultants, suppliers, partners, contractual third parties and agents of the Council who have been designated as authorised users of Council electronic communication **systems**. **Any reference in the document to "employee" or "staff" is deemed to include all of these groups of authorised users.**

Any reference to information shall include reference to personal and non-personal data.

5 Exceptions to this Policy

If any member of staff feels that they cannot comply with this policy, they must first discuss the matter with their line manager. If these discussions do not lead to an agreement by the individual to comply, then the line manager may apply to the Information Security Officer for:

- An exemption for the individual and / or,
 - An amendment to the policy
-

If, after consideration of the risks and consultation with the appropriate Information Asset Owners, the Information Security Officer cannot agree an exemption or change to the policy, they will write to the individual giving reasons for refusal and requiring written confirmation (within a reasonable timescale) of the individual's intent to comply. If no confirmation is received, Warwick District Council's disciplinary procedures will be invoked.

6 Responsibilities

Whilst information security policies, guidelines and measures have been devised, implemented and managed by specific functions and individuals, everyone within the council has a responsibility to ensure that they take basic steps to safeguard the security of the information that they are using and seeing. Line managers must ensure that the all staff under their control receive and adhere to the guidelines.

6.1 Employment Committee

Warwick District Council's Employment Committee is responsible for:

- approving the council's Information Security and Conduct Policy.

6.2 Senior Information Risk Officer (SIRO)

The SIRO has overall responsibility for information as a strategic asset, ensuring that the value to the organisation is understood and recognised and that measures are in place to protect against risk. **The Council's SIRO is the Deputy Chief Executive & Monitoring Officer.**

6.3 Information Security Officer (ISO)

Corporate Management Team has nominated *the ICT Manager* as Information Security Officer who is responsible for:

- co-ordinating the operational implementation and monitoring of this policy and associated guidelines;
- arranging for the review and monitoring of security incidents and investigation of major breaches of security;
- arranging for the policy and guidelines to be updated as new technology and systems change the risk scenario.
- co-ordinating awareness initiatives across the Council to maximise impact and effectiveness.
- developing administrative, physical, and technical security controls to meet the Council's information security objectives.
- joining forums, user groups, institutes and other relevant organisations to keep up to date with security and regulatory issues.

6.4 HR & OD Manager

This policy will be reviewed regularly by the HR Manager, in consultation with the Information Security Officer and representatives from recognised Trade Unions, to ensure that:

- a copy of this policy is contained within the Induction Pack issued to new staff and a signature of receipt and understanding held on individual personal files before access to computer systems is provided.
- induction training courses outline the key elements of this policy, provide general guidance on the use of electronic systems and cross-reference **with the Council's Equal Opportunities Policy.**

The HR & OD Manager will take responsibility for any disciplinary actions resulting from breaches of this policy.

6.5 Heads of Service

Heads of Service will overview the implementation of, and adherence to, the policy within their respective Service Areas. Service Area Managers will ensure that:

- this policy is transmitted to all staff, contractors, consultants and agency staff within their Service Area and to all Members who access Service Area systems.
- **new starters attend the council's ICT Induction training.**
- the procedures within this policy are complied with and appropriate security measures are established and maintained.
- Service Area property used by an employee is returned prior to leaving/terminating employment with the council.
- contingency plans exist to enable service delivery in the event that the **council's computer facilities** and services are unavailable
- Heads of Service are also designated Information Asset Owners and are **responsible for the management of information risk for their service's** information assets. This includes ensuring that their information assets are properly recorded in the **Council's information asset register.**

6.6 Line Managers

Line managers have day to day responsibility for ensuring that their staff understand and comply with this Policy and associated guidelines.

6.7 System Owner

For each information system, there shall be a named senior member of staff designated as System Owner - typically the manager or section head responsible for the principal service(s) for which the system operates. *Guidance about the System Owner role is available on the staff Intranet at <https://intranet.warwickdc.gov.uk/sites/ict/Pages/SystemOwnerRole.aspx>* The System Owner is responsible for:

- determining who can access the system and the scope of operation available to each permitted user as appropriate **to the user's business** needs, retaining documentary evidence for assurance purposes;

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- ensuring appropriate training is provided to all new users of the system and subsequent training if the user role changes;
 - approving remote access connections from third parties, including the system supplier;
 - ensuring that the system is appropriately licensed for its business use and that the correct number and type of licence exists for the users of the system;
 - removing users and associated access rights from the system when an employee leaves the organisation or changes job role and no longer requires access to the system;
 - perform, as a minimum, an annual user audit to validate existing user access rights and to identify any leavers;
 - ensuring that a risk assessment is carried out on a new or replacement system, prior to going live;
 - ensuring that the system is maintained in an effective and controlled manner;
 - ensuring that all changes to the software are performed to an agreed change control mechanism;
 - ensuring that staff immediately report any violations or misuse of the system to their line manager;
 - ensuring that the sharing of information between internal departments, the public, suppliers, contractors and partners is in accordance with Council security policies and the General Data Protection Regulations.
 - dealing with requests under the General Data Protection Act / Freedom of Information Act in a timely manner.

The ICT Services Applications Support Manager is responsible for ensuring that each system has a nominated System Owner prior to any system going live and that all System Owners are contacted at least annually to reaffirm their role and responsibilities.

6.8 Information Governance Manager

The Information Governance Manager is responsible the development, implementation and maintenance of the Information Governance Framework and the coordination of all component elements that ensure compliance with information law and best practice.

6.9 All Users

All end users of information systems are responsible for ensuring that the Information Security Policy and guidelines are complied with.

In addition, all staff must take reasonable steps to protect the information in the care of Warwick District Council, and report all actual or suspected information security incidents.

Staff are encouraged to join mailing lists, forums and other relevant organisations that provide accurate and timely information/ advice on information security issues relevant to their job role.

6.10 ICT Services

ICT Services has specific responsibilities for managing the security of the ICT service that it provides, but is not responsible for the security of the information that they process. That is the responsibility of each System Owner, whose role is to establish and manage the security of the information in their application. In addition, ICT Services is responsible for:

- Wide Area Network Security
- Local Area Network Security
- Electronic links to and from third parties
- Corporate backup services

6.11 Internal Audit

The principal role of the Council's Internal Audit Service is to provide an independent opinion to management on the control environment governing all the Council's affairs and activities. As part of this, Internal Audit will:

- plan and implement reviews to evaluate and report on risks and controls in relation to ICT provision and management of the ICT infrastructure;
- undertake tests to verify that Council policies, guidelines and procedures are being complied with;
- provide general advice to management on risks and control in relation to ICT provision, including the implementation of new systems and technologies.

To facilitate the above, **to support the Council's audit plan and to undertake any** necessary investigations, the Internal Audit function shall be given temporary access to those systems, applications and data required to meet their audit needs. Temporary access to data shall be granted by ICT Services without prior approval from the appropriate system owner. Internal Audit must notify ICT Services when access is no longer required to enable permissions to be reset.

6.12 Human Resources

Human Resources will:

- provide the ICT Services Helpdesk with a list of Starters at least two weeks before their start date and Leavers one week before their last working day so that user information is kept up to date.
- ensure that background verification checks on all candidates are undertaken in accordance to the relevant laws and are proportional to the business requirements. See **Human Resources Information Security Policy** for further details.

7 Joint Working – Warwickshire Councils

ICT Services will enable network access for any of the Warwickshire authorities if **authorised to do so by a member of Warwick DC's Senior Management Team**. Under such Circumstances staff from the connecting Warwickshire authority will **not be required to undertake Warwick's security induction training**, providing the connecting authority has a current CESG approved Code of Connection and the

staff member has completed the connecting authority's security induction/training.

If a connecting staff member is responsible for any security breaches, the connecting authority will be responsible for undertaking any associated disciplinary action.

Access to individual Council systems will be subject to approval by the relevant System Owner. System Owner responsibilities apply to connecting staff members.

8 Confidentiality of Information

All employees and contracted third parties working for the council must observe the utmost care and attention in dealing with personal information – ***every employee is required to meet the Data Protection Commitment and comply with the Data Protection Principles set out in the Council's Data Protection & Privacy Policy.*** In no circumstances must any information about the Council or its customers be divulged to anyone outside the organisation, without proper authority from a line manager who must ensure that such a disclosure would not contravene ~~the Data Protection Act 1998,~~ the General Data Protection Regulations or Data Protection Act 2018.

All information developed by or on behalf of Warwick District Council will remain the property of Warwick District Council and shall in no way be sold, copied or used without the express permission of Warwick District Council.

All third parties who require access to council information are required to sign a confidentiality and non-disclosure agreement. If network access is required, then **connections must be approved in accordance with the Council's Third Party Network Access Policy.**

For further information on data handling, please see the council's **Data Handling Policy.**

9 Contingency Planning

It is the responsibility of Service Area Managers to ensure the availability of the service(s) under their control in the event of various system breakdown scenarios. Service Area Managers must ensure that alternative procedures and processes are in place to deliver the service in such scenarios and that appropriate data is available. These Scenarios might typically include failure for two hours, one day, one week, or one month.

Service Area Managers are responsible for ensuring that any data that has been entered into a computer system is recoverable in the event that their system(s) fails before the system is next backed up.

Each system contingency shall form part of an overall Business Recovery Plan determined by Senior Management and co-ordinated by the Chief Executive.

10 Inventory Management

ICT Services is responsible for maintaining a current and complete inventory of production, test and hosted systems hardware and software. (See **Software Policy**)

All software packages used on Council owned, leased or rented computer systems, including copyrighted freeware and shareware, must be registered prior to installation in the Council's Inventory managed by ICT Services.

All ICT hardware will be registered, when procured, with a unique asset number recorded on ICT's inventory.

Employees should not move PCs, printers, scanners or other ICT equipment without the permission of ICT Services Helpdesk

11 Usage of Council Owned Hardware and Software

11.1 Responsible Usage

Council electronic equipment and software must be used in a responsible, legal, and ethical fashion. Staff or Members must not take any action that could bring the Council into disrepute, cause offence, interfere with Council work or jeopardise the security of data, networks, equipment or software.

11.2 Personal Use

Council computer equipment and software, as well as telecommunication services and other electronic equipment, are for Council business purposes. Occasional personal use by staff is permitted at the discretion of line managers provided it does not interfere with Council work, is not conducted in Council time, conforms to this policy and is not associated with personal business interests. However, under no circumstances should staff/members allow Council owned equipment to be used by individuals not employed by the Council. For further clarity, this means family, friends, etc are **NOT** permitted to use Council equipment (laptops, PCs, phones, or any other devices supplied by the Council).

Members may use Council equipment for personal use and for Council and ward matters. However, Council equipment must **never** be used to promote support for a particular political party nor for conducting personal business interests.

11.3 Personal Equipment

Those who use their own PCs or other equipment to connect to the Council's network remotely and who use that connection in contravention of this policy will face disciplinary action in the same manner as those using Council owned equipment.

11.4 Workstation Risk Assessments

Risk assessments must be carried out by each Service Area on workstations used by staff in their Service Area. Help on this can be obtained from the Council's Health and Safety Officer.

11.5 Connection of Equipment / Devices

No hardware, such as peripherals or laptops, should be connected to the Council's network without the permission of ICT Services.

Representatives of outside agencies visiting WARWICK DISTRICT COUNCIL premises are not permitted to connect laptops or other items of portable equipment to the Council's internal network.

Only ICT Services are permitted to install software and hardware on council owned PC's and equipment. The connection of personal portable devices such as cameras, phones and tablets to a Council owned PC constitutes hardware installation and presents a risk to the integrity of the network and therefore is strictly prohibited without prior agreement by ICT Services.

For further information on connecting peripheral devices such as USB memory sticks, cameras, mobile phones, etc, please refer to the Council's **Removable Media Policy**.

11.6 Personal Data Storage

Staff must **not** store ~~personal~~ non – business data on Council equipment or the corporate network. This includes, but is not restricted to, photos, videos, music files etc.

In the event that ~~personal~~ non-business data is identified on Council devices, including the corporate network, the Council shall have the right, in its sole discretion, to remove (whether by remote means or otherwise) all or any ~~personal~~ non-business data from the device. In no event will the Council be liable for any damages resulting directly or indirectly from the deletion of ~~personal~~ non-business data

12 Secure Disposal or Re-use of Equipment

All items of equipment containing storage media (e.g. fixed hard disks) must be checked by ICT Services to ensure that any sensitive data and licensed software is removed or overwritten prior to disposal.

Equipment that is to be 'donated' to other organisations or sold must have all data erased via overwriting. This must be done via an approved tool which is capable of deleting data so recovery is impossible. All Council owned software which is still required by the Council for compliance reasons, must be removed.

If a third party disposal company is used, certificates confirming the destruction of all data on the equipment must be provided.

Damaged storage devices containing sensitive data may require a risk assessment, to determine if the item should be destroyed, repaired or discarded.

All Waste Electrical and Electronic Equipment (WEEE) shall be disposed of in accordance with European Community directive 2002/96/EC.

13 Corporate Desktop Security Profile

ICT Services is responsible for identifying and implementing a Corporate Desktop Security Profile which will enforce a consistent and best practice approach to desktop security.

14 Unattended Workstations

If a workstation is to be left unattended, users must save all open documents and securely lock their PC using the [CTRL][ALT][DEL] [lock computer] facility. This will prevent unauthorised access to PCs and the use of unauthorised credentials to gain access to applications.

However, if the workstation is to be left unattended for a significant period of time, e.g. going to lunch or a meeting, then all open systems must be closed and the workstation should be locked as above.

15 Intellectual Property

Warwick District Council owns all data, information and software design or code produced by or on behalf of WARWICK DISTRICT COUNCIL, regardless of format, unless otherwise specified by a valid third party agreement.

All information or Software developed by or on behalf of the Council will remain the property of WARWICK DISTRICT COUNCIL and must in no way be sold, copied or used without the express permission of the Council or authorised designate.

All contracts with third parties, including contract personnel, must define the ownership of software and information. Any information used shall comply with relevant legal instruments.

16 Password and Logins

All users of any Council computer system must be issued with an individual password and login, unless a generic user name and password has been approved by the System Owner.

Employees and Members must adopt sound password practices:

- Passwords must be kept secret and must not be disclosed to others.
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- Passwords must not be recorded unless the record is stored securely.
 - If a Password is disclosed, for whatever reason, it must be changed immediately
 - Passwords must not be saved and option boxes for saving passwords must not be checked (i.e. not ticked).
 - Passwords must be changed at frequent intervals.
 - Passwords must be a minimum of six digits and must be alpha-numeric (unless there are system constraints)
 - Passwords must not be recycled (i.e. used again)
 - If temporary passwords are required these must be changed or deleted as soon as possible
 - Temporary passwords must be conveyed to users in a confidential manner.
 - Where generic user logins are in use, the password must be changed when a member of staff leaves Warwick District Council or moves to another job role.
 - Employees and Members must use only their own user name and password to access any system, unless a generic user name and password has been approved by the System Owner.

Employees and Members must not allow anyone else to use their user name and password. This is not only a security risk but could lead to false accusations of misuse.

Users must not attempt to find out the password of another user.

Outside **suppliers dialling in remotely to the Council's network to support** applications are not required to have individual user names and passwords, but should have a company user id and password created.

Where laptops are used for home logins the password file must not be saved (i.e. the dialogue box indication to save the password should not be activated) in order to prevent unauthorised access if the laptop is lost or stolen.

17 Computer Viruses

Anti-virus software is running in the background on all Council PCs, but all PC and laptop users still face a potential threat from computer viruses.

Users should ensure that they are aware of the nature and danger of computer viruses and should take all care to ensure that they are not introduced to the **Council's computers or its networks.**

There are two types of viruses. A benign virus may simply flash an annoying message on the screen, whilst a malicious virus may destroy information. Viruses are most frequently spread via the downloading of files from the Internet, through the use of infected memory sticks or CD or by attachments to email messages.

To reduce the chance of getting a virus, users should virus check all discs before using them. Software should only be downloaded from the Internet by the **Council's ICT Services. ALL suspected viruses must be reported to the ICT Services Helpdesk IMMEDIATELY.**

Any information about virus warnings should be given to ICT Services who will check the information and issue a message to all users if appropriate.

Employees and Members should be cautious about opening email from an unknown source and should not open attachments to such emails. Any suspicious emails should be referred to ICT Services Helpdesk.

Users should also refer to the Council's Removable Media Policy.

18 Compliance, Monitoring and Assurance

The Council is ultimately responsible for all business communications but will, as far as possible and appropriate, respect your privacy while you work. It is important, however, that you understand that the Council will monitor the use of all of its ICT Equipment for reasons which include:

- **Ensuring that the Council's procedures and policies** are adhered to;
- Monitoring standards of service and staff performance;
- Record keeping;
- Preventing or detecting unauthorised use of Council Equipment and systems, including compliance with this policy;
- Complying with legal obligations and preventing and detecting criminal activities; and
- **Maintaining the effective operation of the Council's communications systems.**

In particular, the Council will monitor the use of the telephone, email and internet traffic data (i.e. sender, receiver, subject, attachments to emails, numbers called and duration of calls and pages/files downloaded from the internet) at a network level, irrespective of whether they are for Council or private use. The Council may also monitor the content of communications where it appears to the Council that the use of the ICT equipment is being abused or used inappropriately. More details on the use of monitoring information is given in the Monitoring Policy.

You should be aware that this monitoring may reveal personal information about you, for instance which websites you visit, the identity of people you email for personal reasons etc.

If inappropriate use of Council equipment is suspected, a line manager may request access to the required log files. ICT Services will seek authorisation from the individuals Service Area Manager prior to their release, and will assist in the interpretation of the logs. Where necessary ICT Services, the HR Services

Manager or the Chief Executive will advise on the suitability of material, investigate sites or seek the opinion of the police.

Further to the above, the Council will only disclose information obtained through monitoring to:

- A relevant external agency if required by law or regulatory compliance; or
- To those directing an investigation for criminal, civil or disciplinary purposes.

Information obtained through monitoring will only be held for as long as operationally necessary or required by compliance regimes such as the Code of Connection (CoCo). However, monitoring logs for Internet and e-mail usage which are not required for disciplinary or legal proceedings will only be retained for two weeks. Where information is part of disciplinary proceedings, the information will be kept in accordance with the retention period for such proceedings.

All of the above monitoring will be carried out for legitimate purposes only and in accordance with the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000.

Furthermore, the Council reserves the right to access data files held within personal folders or password protected files in connection with the legitimate business of the Council.

19 Policy Compliance

Any breach of this policy by staff may lead to disciplinary action being taken and, in cases of gross misconduct, termination of employment without notice. Some cases may result in the council informing the police and criminal action may follow. For Members, references in this policy to disciplinary action will be considered under the Arrangements for dealing with complaints about Councillors and this document will be treated as a local protocol for this purpose. Any breach of this policy by suppliers will be subject to appropriate action by the relevant Deputy Chief Executive.

Should the Council be sued due to misuse of Council ICT equipment or the actions of a user which contravene this policy, the Council reserves the right to claim damages from the authorised user concerned.

19.1 Infringements of Policy

In support of the above, attention is drawn to the following infringements:

- Viewing, creating, circulating, distributing, storing, downloading or printing material that might be offensive, illegal, pornographic or sexually explicit, that brings the Council into disrepute or that exposes it to legal action. For staff, such action is likely to be considered as gross misconduct and, if so, would result in termination of employment without notice. The

Council reserves the right to recover defamatory material and use it as evidence against an individual.

- ***Unlawful processing of personal data.***
- Using communication facilities for purposes that may be illegal or contravene Council policy such as disclosing official information without authority.
- Hacking, hoaxing, spamming, phishing, damaging Council or other networks
- Knowingly using unlicensed software.
- Bulk personal e-mailing without permission.
- Using communication facilities for unreasonably extensive private use.

20 Policy Governance

The following table identifies who within Warwick District Council is Accountable, Responsible, Informed or Consulted with regards to this policy. The following definitions apply:

- **Accountable** – the person who has ultimate accountability and authority for the policy.
- **Responsible** – the person(s) responsible for developing and implementing the policy.
- **Consulted** – the person(s) or groups to be consulted prior to final policy implementation or amendment.
- **Informed** – the person(s) or groups to be informed after policy implementation or amendment.

Accountable	Deputy Chief Executive & Monitoring Officer
Responsible	ICT Services Manager
Consulted	ICT Steering Group, Human Resources, CMT, Trade Unions & Employment Committee
Informed	All council personnel, temporary / agency staff, contractors, consultants, suppliers and Members.

21 Review & Revision

This policy will be reviewed as it is deemed appropriate, but no less frequently than every 12-23 months.

Policy review will be undertaken by **the council's Information Security Officer.**

22 References

The following statutes, policies and other references are applicable:

- The Privacy and Electronic Communications (EC Directive) Regulations 2003
- Obscene Publications Act 1959
- Sex Discrimination Act 1975
- Race Relations Act 1976
- Protection of Children Act 1978
- Telecommunications Act 1984
- Criminal Justice Act 1988
- Protection from Harassment Act 1997
- The Data Protection Act ~~2018~~1998
- General Data Protection Regulations
- ~~(following Royal assent) The Data Protection Act 2018~~
- Human Rights Acts 2000
- Regulation of Investigatory Powers Act 2000
- Freedom of Information Act, 2000
- Copyright, Designs and Patents Acts
- European Convention on Human Rights
- Dignity at Work Bill
- Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000
- BS7799 Code of Practice for Information Security Management
- Disposal of Surplus and Obsolete Equipment Guidelines

The following Warwick District Council policy documents are relevant to this policy:

- Staff Handbook
- Equal Opportunities Policy
- Disciplinary Policy and Procedure
- ICT Strategy
- **The Council's Constitution**

Appendix 1 - ISCP Sub-Policies

Policy	Description
Internet Acceptable Usage Policy	Describes the acceptable use of the Internet
Email Acceptable Usage Policy	Describes the acceptable use of the Council's email facilities.
Removable Media Policy	Establishes the principles and working practices that are to be adopted by all users in order for data to be safely stored and transferred on removable media e.g. CDs, DVDs, memory cards, USB memory sticks, USB hard drives
Remote Working Policy	This policy covers the provision of facilities to users to have secure and reliable remote access to any of the Council's information systems from locations other than their usual office base and/or from their own home.
Software Policy	Describes the policy associated with Council software ownership including acquisition, software use and licensing.
Data Protection and Privacy Policy	<i>Sets out the requirements regarding appropriate and responsible use of personal information</i>
Information Security Incident Management Policy and Procedure	How to react appropriately to any actual or suspected security incidents relating to information systems and data.
Data Handling Policy	It aims to identify and protect data which is personal, sensitive and/or critical to the organisation, by describing how data should be handled i.e. emailed, posted, etc.
Information Rights Policy	<i>Describes how the Council will ensure transparency and recognising the rights available to individuals</i>
Card Data Policy	This policy ensures that all credit and debit card payments received by the Council are processed in accordance with PCI security standards.
Monitoring Policy	Explains the monitoring arrangements that the Council has in place for electronic communications.
Mobile Phone Policy	This policy gives guidance to staff on the acceptable use of a Council owned mobile phone.
Physical & Environmental Security Policy	Sets out the minimum level of physical security for Warwick District Council facilities to safeguard information resources, including visitor/contractor access and deliveries.

Digital Forensic Readiness Policy	Describes the requirements to collect, preserve, protect and analyse Digital Evidence so that this evidence can be effectively used in any legal matters, in disciplinary matters, in an employment tribunal or in a court of law
Human Resources Information Security Policy	Ensuring staff are vetted, authorised and trained to use Council ICT systems.



For queries regarding this policy, please contact:
Democratic Services Manager and Deputy
Monitoring Officer.

Information Security Incident Management Policy and Procedure

Revision History

Document	Information Security Incident Management Policy and Procedure
Author	Ty Walter
Date Completed	10 August 2009
Review Date	<i>August 2021</i> 10 April 2015

Version	Revision Date	Revised By	Revisions Made
1.0	31 Dec 2008	Ty Walter	Original Document
1.1	06 Jan 2010	Ty Walter	Appendix 1 – 2.1 Procedure updated to include notifying GovCertUk.
1.2	12 Oct 2011	Ty Walter	Update to include reference to the Council’s Digital Forensic Readiness Policy and minor updates to the ‘reporting an incident procedure’.
1.3	23 Nov 2012	Ty Walter	Updated to include notifying PSN for any PSN security incidents categorised as ‘major’ or ‘emergency’.
1.4	13 Feb 2015	Graham Leach	Updates to include the role & responsibilities of the Democratic Services Manager and Deputy Monitoring Officer in the process.
1.5	Feb 2018	Graham Leach/ Anna Moore	Updated to reflect new
1.6	<i>October 2019</i>	<i>Shafim Kauser</i>	<i>Update to reflect process for dealing with personal data breach</i>

Approvals

This document requires the following approvals:

Name	Title
Executive	5/4/2018

Distribution

This document has been distributed to:

Title

All Staff

All Members

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1 Management Summary

This policy is a constituent part of Warwick District Council's Information Governance Framework which sets out a framework of governance and accountability for information governance across the Council.

Safe use of the Council's information and IT systems is essential to keep it working effectively. All users of Council information have a responsibility to

- Minimise the risk of vital or confidential information being lost or falling into the hands of **unauthorised** people who do not have the right to see it
- Protect the security and integrity of IT systems on which vital or confidential information is held and processed
- Report **actual or suspected information security incidents** promptly so that appropriate action can be taken to minimise harm.

This document provides a framework for information security incident/event handling and response within Warwick District Council. Underpinning the **Council's approach** is the need to take prompt action in the event of any actual or suspected breaches of information security or confidentiality to avoid the risk of harm to individuals, damage to operational business and severe financial, legal and reputational costs to the organisation.

The General Data Protection Regulations (GDPR) introduce a duty on the Council to report certain types of information security incidents known as a personal data breach to the Information Commissioners Office (ICO) within 72 hours of becoming aware of the breach. Failure to notify a personal data breach when required to do so can result in a significant fine by the Information Commissioner of up to £10 million euros or 2 percent of global turnover.

This document outlines the steps to be taken when information security events **including personal data breaches** are discovered and establishes the organisational requirements, including roles and responsibilities for incident processing and protection. Using this document, incident handling and response can be performed in a consistent manner **and enables the Council to meet its duties to report an incident to the ICO where necessary.**

It is **therefore** essential that all information security events within Warwick District Council are reported **immediately** to the, the ICT Services Helpdesk or **in the case of a personal data breach, to the Information Governance Manager or** the Democratic Services Manager and Deputy Monitoring Officer.

Any member of Warwick District Council staff or contractors, who become aware of an Information Security Breach **(including a personal data breach)**, or attempted breach of Warwick District Council systems, must report it immediately.

2 Policy Statement

All Warwick District Council staff, contractors and third parties, will report details of any information security incidents *including any personal data breach* ~~events~~, actual or suspected, related ~~to the Council's~~ paper or electronic information systems and data.

These information security weaknesses and events must be reported ~~immediately in a timely manner~~ through appropriate channels *allowing the Council to take necessary action and discharge its duties to report any personal data breach to the ICO where required*.

The Council requires commissioned services holding or processing information on its behalf to have in place internal reporting requirements equivalent to this procedure and for any third party breaches to be reported using this procedure.

3 Purpose

The purpose of this policy is to ensure that:

- all staff understand their roles in *identifying*, reporting and managing suspected incidents *in particular being able to quickly establish whether a security incident leads to a personal data breach*
all actual or potential information security incidents are reported centrally to enable the Council to react quickly and effectively to minimise the impact.

The aims of the procedure are as follows:

- timely advice on containment and risk management
- investigate the incident and to determine whether further controls or actions are required
- evaluate lessons learnt and *identify* areas for improvement

The investigation should not be part of any disciplinary procedure that may take place subsequently.

4 Scope

This policy applies to:

- all Warwick District Council Councillors, employees (including temporary staff), contractors, sub-contractors and third parties with access to Warwick District Council information and information systems. Any **reference in the document to "employee" or "staff" is deemed to include** all of these groups of authorised users.
- all information created, ~~or~~ received *or processed* by the Council in any format, whether used in the workplace, stored on portable devices and media, transported from the workplace physically or electronically or accessed remotely

5 Definition

This policy needs to be applied as soon as information systems or data are suspected to be, or are actually affected by an adverse event which is likely to lead to a security incident.

An Information Security incident is defined as any event that has the potential to affect the Confidentiality, Integrity or Availability of Council Information in any format. ***This includes a personal data breach which is defined as a security incident that affects the confidentiality, integrity or availability of personal data.***

It may be a single or series of unwanted or unexpected information security events, ***deliberate or accidental leading to the destruction, loss, alteration, unauthorised disclosure or access to that information.*** ***Information Security Incidents could*** have a significant probability of causing harm to individuals, damage to operational business and severe financial, legal and reputational costs to the organisation. Some examples of possible incident categories include, but are not limited to:

- The disclosure of confidential information to unauthorised individuals
- Loss or theft of paper records, data or equipment such as tablets, laptops and smartphones on which data is stored
- Inappropriate access controls allowing unauthorised use of information
- Suspected breach of the IT and communications use policy
- Attempts to gain unauthorised access to computer systems, e.g. hacking
- ***Records altered or deleted without authorisation by the data "owner"***
- Virus or other security attack on IT equipment systems or networks
- ***"Blagging" offence where information is obtained by deception***
- Breaches of physical security e.g. forcing of doors or windows into secure room or filing cabinet containing confidential information left unlocked in accessible area
- Leaving IT equipment unattended when logged-in to a user account without locking the screen to stop others accessing information.
- Covert or unauthorised recording of meetings and presentations
- Leaving confidential/personal information visible on desks without taking necessary precautions to protect while left unattended.
- ***Loss of availability of personal data for example loss of access to personal account***

Any activities that violate this policy are considered an incident. Security incidents can be either accidental or deliberate.

5.1 Vulnerability

Vulnerability is where there is a known susceptibility within a specific product or service that could cause either a major or minor breach of Warwick District Council's Information Management Systems. Examples include:

- An inherent weakness in a core software module that opens applications to specific and potentially harmful exploits.
- Compromise of key services (e.g. web servers, DNS servers)

6 Applying the Policy

6.1 Roles and Responsibilities

6.1.1 All Users

Users are responsible for following the controls in place to protect the information they use and reporting any actual or potential breach of Information security promptly in line with the incident management procedure

6.1.2 Senior Information Risk Officer

The SIRO has overall responsibility for information as a strategic asset, ensuring that the value to the organisation is understood and recognised and that measures are in place to protect against risk. The Council's SIRO is the Deputy Chief Executive & Monitoring Officer.

6.1.3 Information Asset Owners

Heads of Service are also designated Information Asset Owners and are responsible for the management of information risk for their service's information assets. This includes ensuring that their information assets are properly recorded in the Council's information asset register.

6.1.4 Senior Managers

Senior managers are responsible for identifying specific High and Medium risk information within their services and for putting appropriate controls in place to minimise the risk of unauthorised access and the loss of data.

6.1.5 Data Protection Officer

The Council has appointed an Information Governance Manager who will act as Data Protection Officer for the Council. They are responsible for reporting on Data Protection compliance, advising on Privacy Impact Assessments for new systems and liaison with the Information Commissioner over data breaches, data protection notifications and other issues as appropriate.

6.1.6 System Owners

The responsibilities of the System Owner are fully defined in the Council's Information Security and Conduct Policy. In the context of this policy they are primarily responsible for:

- determining who can access the system and the scope of operation available to each permitted user as appropriate to the user's business needs;
- approving remote access connections from third parties, including the system supplier;
- removing users and associated access rights from the system when an employee leaves the organisation or changes job role and no longer requires access to the system;
- ensuring that a risk assessment is carried out on a new or replacement system, prior to going live;

-
- ensuring that the system is maintained in an effective and controlled manner;
 - ensuring that all changes to the software are performed to an agreed change control mechanism;
 - ensuring that staff immediately report any violations or misuse of the system to their line manager;
 - ensuring that the sharing of information between internal departments, the public, suppliers, contractors and partners is in accordance with Council security policies and the Data Protection Act.

6.1.7 Deputy Chief Exec and Monitoring Officer (DCEMO)

The Deputy Chief Executive and Monitoring Officer has senior management accountability for information governance.

In the event of an suspected incident involving IT facilities, the DCEMO or **his/her nominee is responsible for authorising the monitoring of a user's IT account**, including use of computers, email and the internet in cases where this is necessary to investigate allegations of illegal activity or breaches of information security and for reporting such breaches, where relevant, to the relevant legal authorities.

6.1.8 Democratic Services Manager and Deputy Monitoring Officer (DSMMO)

The Democratic Services Manager and Deputy Monitoring Officer has senior management responsibility for the information governance and for providing proactive leadership to instil a culture of information governance within the Council through clear direction, demonstrated commitment, explicit assignment, and acknowledgment of information governance responsibilities.

6.1.9 ICT Services Manager

The ICT Services Manager is the lead officer responsible for ~~reporting~~ investigating and taking appropriate action to address breaches of IT systems and network security, and for escalating incidents to the ~~Information Security Officer~~ **Data Protection Officer as appropriate**.

6.1.10 ~~Information Security Officer (ISO)~~ Data Protection Officer (DPO)

For the purposes of this policy the ~~Information Security Officer~~ **Data Protection** will be the ~~Information Governance Manager~~ **Democratic Services Manager and Deputy Monitoring Officer**. The ~~DPO+ISO~~ **DPO** is the lead officer responsible for investigating and taking appropriate action in all cases involving loss, theft or unauthorised disclosure of Council **personal data** ~~information~~ and for liaising with the other lead officers and Heads of Services in the management of other information security incidents. The ~~Information Security Officer~~ **Data Protection Officer** will record and review all information security incidents and make reports, as appropriate, to the ICT Steering Group/**Senior Management Team**, recommending further action and any issues and risks to be escalated to the DCEMO and to the **Council's Risk Management Group**.

6.2 Information Security Incident Handling Procedure

Please refer to Appendix 1 for the Information Security Incident Handling Procedure

6.3 Reporting

All information security incidents whether actual or suspected, should be **promptly reported to the ICT Services' Helpdesk and an individual's line or Service Area Manager**. *In the case of a security incident involving personal data (personal data breach) the incident should be reported to the Information Governance ~~or~~ Manager or to the Democratic Services Manager and Deputy Monitoring Officer.*

Even if an incident is not considered to be serious, it should always be reported as it may be part of a wider issue or trend *and helps the Council maintain a record of incidents*

6.4 Reporting of Software Malfunction

Users of information processing services are required to note and report any software that appears not to be functioning correctly (e.g. according to specification). They should report the matter directly to the ICT Services Helpdesk.

If it is suspected that the malfunction is due to a malicious piece of software (e.g. a computer virus) the user should:

- Note the symptoms and any messages appearing on the screen.
- Stop using the computer (isolate it if possible) and inform line management and notify the ICT Services Helpdesk immediately. If any investigations are to be performed on the machine it should be disconnected from the network before being switched back on again.
- Users should be informed that they should not, in any circumstances, attempt to remove the suspected software. All recovery action should only be undertaken by appropriately trained and authorised staff.

6.5 Incident Rating (See Appendix 2)

Incidents involving potential or actual data loss will be rated on a 1-5 scale when logged, but may be reclassified once the initial facts are determined. The description and examples are a guideline, but will be set by the ICT Steering Group.

Incidents at Level 3-5 are classed as a **Major Security Incident**.

A major incident is defined as a loss, potential loss, or breach of confidentiality of any information owned by WDC that is classified at the Confidential (Protect) or Restricted level, that will impact on WDC, an individual, or organisation.

~~Whilst there is no legal obligation in the Data Protection Act to report losses, the Information Commissioner's Office (ICO) consider serious breaches need reporting to them.~~

6.6 Information Security Response Team

Although the ICT Steering Group will be responsible for setting out the procedure for dealing with information security incidents in WDC, an Information Security Response Team will be responsible undertaking the investigations and making recommendations for action.

6.7 Standard Procedure for Investigations

For full details of the procedure for incident handling please refer to Appendix 1.

7 Policy Compliance

Any breach of this policy by staff may lead to disciplinary action being taken and, in cases of gross misconduct, termination of employment without notice. Some cases may result in the council informing the police and criminal action may follow. For Members, references in this policy to disciplinary action will be considered under the Arrangements for dealing with complaints about Councillors and this document will be treated as a local protocol for this purpose. Any breach of this policy by suppliers will be subject to appropriate action by the relevant Deputy Chief Executive.

Should the Council be sued due to misuse of Council ICT equipment or the actions of a user which contravene this policy, the Council reserves the right to claim damages from the authorised user concerned.

8 Policy Governance

The following table identifies who within Warwick District Council is Accountable, Responsible, Informed or Consulted with regards to this policy. The following definitions apply:

- **Accountable** – the person who has ultimate accountability and authority for the policy.
- **Responsible** – the person(s) responsible for developing and implementing the policy.
- **Consulted** – the person(s) or groups to be consulted prior to final policy implementation or amendment.
- **Informed** – the person(s) or groups to be informed after policy implementation or amendment.

Accountable	Deputy Chief Executive
Responsible	<i>Information Governance Manager</i> /ICT Services Manager / Democratic Services Manager and Deputy Monitoring Officer.
Consulted	SMT, ICT Manager, HR Manager

Informed	All Council personnel, temporary / agency staff, contractors, consultants, suppliers and Members.
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9 Review & Revision

This policy will be reviewed as it is deemed appropriate, but no less frequently than every 24 months.

Policy review will be undertaken by the Council's Information Governance Manager.

10 References

The following Warwick District Council documents are relevant to this policy:

- Warwick District Council - Digital Forensics Readiness Policy
- Warwick District Council – Data Handling Policy
- *Warwick District Council – Data Protection and Privacy Policy*

11 Key Messages

- All staff should report any incidents or suspected incidents immediately.
- ~~We can maintain your anonymity when reporting an incident if you wish.~~
????
- If you are unsure of anything in this policy you should ask for advice from ICT Services *or Information Governance Manager.*

Appendix 1 – Procedure for Incident Handling

1. Establishing an Information Security Response Team

Depending on the nature of the reported information security incident, the response will be led by either the Democratic Services Manager and Deputy Monitoring Officer (Information Governance) or the ICT Services Manager (ICT System Breach)

In the case of a personal data breach, the response will be led by the Information Governance Manager

In the event of a reported security incident, the response lead officer has the option of establishing an Information Security Response Team. The size and structure of this team will be appropriate to Warwick District Council and comprise key personnel from ICT Services, Human Resources, Property Services (Building Security) and Legal.

In addition to the above, where a major breach has occurred, specialist forensic services may be included within the team and the Police will be notified and/or included within the team if appropriate.

2. Reporting an Incident

2.1 Reporting

All information security incidents whether actual or suspected, should be **promptly reported to the ICT Services' Helpdesk via an individual's line or Service Area Manager, or to the *Information Governance Manager*/Democratic Services Manager and Deputy Monitoring Officer *where the security incident involves personal data*.**

2.2 Capture details

Establish the basic facts of the incident with the user/ service manager to give a provisional Incident Rating based on business risks and privacy. Use Appendix 2 (Incident Levels) for assistance.

- What happened
- When did it occur
- Who was involved
- What information assets were compromised/lost/disclosed/put at risk
- What security measures were in place
- **What is the impact on individuals' privacy**
- What is the impact on WDC, or others, business/services
- What immediate actions have been taken to minimise risk, recover any data loss **and** inform individuals/organisations affected

2.3 Record

Create an on-line Security Incident record within the Warwick District Council ICT Services Helpdesk system **or send the record to the *Information Governance Manager*/Democratic Services Manager**

2.4 Immediate Actions

The *Information Governance Manager*/Democratic Services Manager and Deputy Monitoring Officer or the ICT Services Manager will advise on any further actions that are required immediately to prevent further damage and facilitate initial recovery.

- Investigate the incident
 - Evidence Collection
 - *Contain the breach*
 - *Assess the potential adverse consequences*
 - *Carry out a risk assessment to establish the likelihood and severity of risk*
 - *Notify ICO within 72 hours of becoming aware of the personal data breach (if appropriate)*
 - *Notify individuals (if appropriate)*
 - *Notify a data controller (if appropriate)*
 - *Notify third parties such as insurers/banks (if appropriate)*
 - Notify GovCertUK (if appropriate)
 - Notify Police (if appropriate)
 - Immediately Inform the PSN Security Manager of all PSN Security Incidents **with a PSN security severity level of 'Major' or 'Emergency'**
- ~~Resolution identified~~
- ~~Resolution implemented (where applicable)~~
- ~~Report Produced~~
- ~~Appropriate documentation updated~~
- ~~Warwick District Council Management advised~~
- ~~Warwick District Council staff advised (e.g. procedural changes, additional training)~~
- ~~Legal Activity~~
 - ~~Civil~~
 - ~~Criminal~~
 - ~~Regulatory~~

~~In all cases, progress and outputs will be recorded within the security incident record held within the Warwick District Council helpdesk system.~~

3. Security Incident Investigation

When a security incident is reported or received by the ICT Services Helpdesk/*Information Governance Manager or Democratic Services Manager and Deputy Monitoring Officer*, a decision will be made by either the *Information Governance Manager*/Democratic Services Manager and Deputy Monitoring Officer or the ICT Services Manager as to whether an investigation into the incident will be carried out and who will be tasked to carry out the investigation. This may also involve establishing an Information Security Response Team where a major incident has occurred.

All investigations will be treated in confidence and disclosure only made when authorised by the Democratic Services Manager and Deputy Monitoring Officer or the ICT Services Manager.

The investigation will identify:

- When, how and who discovered the breach
- What happened
- What were the reasons for the actions that led to the incident
- Who was involved
- What information assets were compromised/lost/disclosed/put at risk
- What security measures were in place
- **What is the potential impact on an individuals' privacy**
- Who has been notified so far
- What is the potential impact
- Is there media interest and/or complaints
- What remedial actions are already underway
- What areas of improvement, organisational issues or training needs can be identified.
- if any person is culpable and whether disciplinary action is necessary.

If the incident level is major or, as a result of the investigation, the incident has been reclassified as major then the Information Security Response Team will need to consider if the incident should be reported to:

- GovCertUK (if appropriate)
- the Police (if appropriate)
- the ICO
- the PSN Security Manager for all PSN Security Incidents with a PSN security severity level of 'Major' or 'Emergency'

4. Security Investigation Records

For all Warwick District Council investigations, an investigation record must be maintained throughout the conduct of the investigation and the resolution of the breach. All investigations will be classified as Restricted and handled accordingly.

5. Collection of Evidence

5.1 Paper Documents

Any paper information retained as evidence must be kept securely, with a record of the individual who found the document, where the document was found, when it was found and who witnessed the discovery. This information must be recorded in the investigation log. Any original documentation retained, as evidence, must not be tampered with.

5.2 Information Held Electronically

For further information please refer to the Council's Digital Forensics Readiness Policy and ACPO's Good Practice Guide for Computer-Based Electronic Evidence

6. Report and Retention

~~On completion of every investigation, an investigation report is to be submitted by the investigator to the ICT Steering Group and held centrally in a secure repository and retained for a period of 36 months from the date of report being completed.~~ *On completion of every investigation, an investigation report is to be submitted by the investigator to the ICT Steering Group/SMT and held centrally in a secure repository and retained for the period defined in the Council's retention policy.*

7. Learning from Incidents

Once an information security incident has been closed, it is important that the lessons learned from the handling of the information security incident are quickly identified and acted upon. This could include:

- Implementation of additional controls (physical, technical or procedural)
- Raising security awareness
- Changes to the information security incident management process
- *Providing additional training*

Information contained within the information security incident database should be analysed on a regular basis in order to:

- Identify trends/patterns
- Identify areas of concern
- Analyse where preventative action could be taken to reduce the likelihood of future incidents.

8. Identification of Security Improvements

During the review process of a security incident, additional controls may need to be implemented by Warwick District Council. The recommendations and related additional controls may not be feasible (financially or operationally) to implement immediately, in which case a Risk Assessment should be conducted and the actions added to the appropriate services Risk Log.

Appendix 2 – Incident Levels

Level	Incident Type	Description	Notifications Internal	Notifications External
1	Minor	No loss, policy/process followed e.g. lost encrypted laptop/iPad		
2	Moderate	No loss or possible minor loss, low risk and impact to individual, but policy/process not followed or previous incidents. Examples: email policy breach, laptop not encrypted but only public data stored.		
3	Major	Temporary loss of personal data or council confidential (Protect) data, medium risk potential impact on individuals or organisations. Policy/process followed, data recovered or secured. Examples: letter lost, letters/emails sent in error to wrong recipients.		
4	Major	Personal or confidential (Protect) business data breach. Policy process not followed, data recovered. Consider impact and if a 'serious' breach of data under DPA for reporting to ICO. Examples: correspondence and assessment lost or sent to wrong recipient, unencrypted device with minor personal data.		
5	Major	Data breach for sensitive personal data or Restricted data for a person, business or a number of people. Data not located or recovered. Consider impact and if a 'serious' breach of data under DPA for reporting to ICO. Examples: benefit claim information, including health and financial information lost, significant volumes of customer data lost/released into the public domain, confidential waste lost, health related data sent to wrong address/email, unencrypted device with sensitive personal data. Further Examples;		

		<p>Information that could be used to commit identity fraud such as personal bank account and other financial information and national identifiers, such as national insurance numbers and copies of passports and visas</p> <p>Personal information relating to vulnerable adults and children</p> <p>Detailed profiles of individuals; including information about work performance, salaries or personal life that would cause significant damage or distress to that person if disclosed</p> <p>Sensitive negotiations which could adversely affect individuals.</p> <p>Security information that would compromise the safety of individuals if disclosed.</p> <p>Information received in confidence .e.g. legal advice from solicitors, trade secrets and other proprietary information received from contractors, suppliers and partners</p> <p>Information that would substantially prejudice the University or another party's intellectual property rights, commercial interests or competitive edge if it were disclosed</p> <p>Information relating to high profile/high impact strategy or policy development before the outcomes have been decided and announced.</p> <p>Information that would compromise the security of buildings, equipment or assets if disclosed.</p>		
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Notifications Key

For PSN purposes a major breach is a Security Incident with a PSN security severity level of 'Major' or 'Emergency';

Emergency	<p>An incident that the service users should be aware of, and may have a significant impact to the service as:</p> <p>they have specific core or widespread use of the vulnerable technology</p> <p>or</p> <p>the vulnerable technology is security enforcing for part, or all of the system, service, or infrastructure</p> <p>and</p> <p>the exploitation of the vulnerability may be possible either locally and/or remotely</p> <p>the exploitation would likely lead to high / very high impact to the service, users, or PSN infrastructure.</p>
Major	<p>An incident that users should be aware of, and may have a detrimental impact to the service as:</p> <p>they have specific core or widespread use of the vulnerable technology</p> <p>and</p> <p>the exploitation of the vulnerability may be possible either locally and/or remotely</p> <p>the exploitation would likely lead to a medium / high impact to the service, users, or PSN infrastructure.</p>

Appendix 1 – IS Incident Handling Procedure

1. Incident Notification

- All information security incidents whether actual or suspected, should be promptly reported to the **ICT Services' Helpdesk**, or *in the case of a personal data breach to the Information Governance Manager*/~~to the Democratic Services Manager~~ and Deputy Monitoring Officer (DSMDM) **by completing the attached Incident Log (Appendix 3).**
- Incident reporting requires the notifying officer to provide key details of the incident including:
 - ✓ What happened
 - ✓ When did it occur
 - ✓ Who was involved
 - ✓ What information assets were compromised/lost/disclosed/put at risk
 - ✓ What security measures were in place
 - ✓ What is the impact on **individuals' privacy**
 - ✓ What is the impact on WDC, or others, business/services
 - ✓ What immediate actions have been taken to minimise risk, recover any data loss and inform individuals/organisations affected
- Once the Incident has been reported it will be logged centrally by the ICT Helpdesk **or the Information Governance Manager.**
- **Important:** In the event of a Cyber security Incident, the ICT Services Manager or any ICT staff member may invoke the Major Outbreak Virus Procedure. This procedure is designed to prevent further damage and facilitate initial recovery. This may include:
 - ✓ **Immediate disconnection of the Council's corporate Internet connection**
 - ✓ Disconnection of server network adaptors

2. Incident Assessment

- The *likelihood and* severity of an incident will be determined by the incident rating – See Appendix 2
- Upon notification an initial assessment of risk will be undertaken by the **DPO/DSMDM** or ICT Services Manager to determine a provisional incident rating and appropriate notifications will be made as per the applicable rating.
- An incident rating may change once the full facts and impact of risks has been determined and the status of the incident will be kept under review accordingly.

3. Incident Investigation

- Not all incidents will require an in depth investigation to establish the facts and determine what went wrong. This will often depend on the level of detail provided when the incident was reported, *the nature of the incident and any action already taken*.
- If any additional information is required then the Incident Lead will contact the notifying officer or any other persons involved in the incident to seek clarification or further information.
- Any incidents rated as medium or high risk may require a full scale investigation by the Incident Lead:
 - ✓ **Breaches of ICT Security:** ICT Services Manager
 - ✓ **Breaches of Information Security:** *Information Governance Manager*/Democratic Services Manager and Deputy Monitoring Officer
 - ✓ **Breaches of Physical Security:** Building Manager
- At the conclusion of the investigation the Incident Log should be ~~completed and/or~~ updated.- See Appendix 3

4. Incident Review

- The *Incident Lead will review the Incident and carry out a risk assessment* ~~completed Incident Log will be produced within 5-10 days setting out:~~
 - ✓ observations and conclusions about any information governance non-compliance issues, risks, adverse consequences or implications
 - ✓ remedial recommendations to mitigate the risks and impact including preventative measures to address areas for improvement and training needs.
- Any repeat or previous similar incidents will be flagged and may result in additional or escalated action.
- The final Incident Log *and risk assessment* will be *retained by the* ~~sent to the~~ *DPO/DSMDM/ICT Services Manager* and/or the Deputy Chief Executive and Monitoring Officer. *This may to sign off and accept* ~~set out the~~ recommendations *and by* appointing a responsible officer and target dates for implementation.
- It ~~may will also~~ *may also* be shared with other key staff or specialist teams in accordance with the incident rating.
- This procedure is independent of any disciplinary investigation but the final Incident Log *and risk assessment* may inform any consequential action taken or considered.

5. Incident Monitoring & Closure

- The responsible officer will be required to update an Incident Log to indicate **when recommended action has been implemented by completing the 'actions taken' and 'date action complete' fields.**
- If appropriate, the *DPO*/DSMDM and /or the ICT Services Manager shall report to the ICT Steering Group (ICTSG) with any recommendations for changes to corporate policies, procedures and training including lessons learnt
- An incident will only be closed when all recommendations have been completed.

Appendix 3 – Incident Log

Type of Incident	Please Tick
ICT Security	
Information Security	
Physical Security	

Initial Log	
Date and time of Incident	
Who reported the Incident?	
Who was involved in the Incident? Member, Officer, 3 rd Party	
Was personal / sensitive data involved?	
If yes to the above, how many records were involved?	
Summary of the actual or suspected security breach	
What immediate actions have been taken to minimise risk, recover any data loss and inform individuals/organisations affected	

- ✓ What information assets were compromised/lost/disclosed/put at risk
- ✓ What security measures were in place
- ✓ **What is the impact on individuals' privacy**
- ✓ What is the impact on WDC, or others, business/services
- ✓ What immediate actions have been taken to minimise risk, recover any data loss and inform individuals/organisations affected
- When, how and who discovered the breach

-
- What happened
 - What were the reasons for the actions that led to the incident
 - Who was involved
 - What information assets were compromised/lost/disclosed/put at risk
 - What security measures were in place
 - **What is the potential impact on an individuals' privacy**
 - Who has been notified so far
 - What is the potential impact
 - Is there media interest and/or complaints
 - What remedial actions are already underway
 - What areas of improvement, organisational issues or training needs can be identified.
 - if any person is culpable and whether disciplinary action is necessary.


Appendix 4 – Examples of Incidents and Possible responses

Level	Incident Type	Description	Possible response
1	Minor	No loss, policy/process followed e.g. lost encrypted laptop/iPad	Record note, consider learning opportunities and feedback for staff.
2	Moderate	No loss or possible minor loss, low risk and impact to individual, but policy/process not followed or previous incidents. Examples; email policy breach, laptop not encrypted but only public data stored.	Example could be a general email or letter going to the wrong individual. For example notification of public consultation starting. Note the issues and consider future mitigations, remind staff of appropriate procedures that are in place. -
3	Major	Temporary loss of personal data or council confidential (Protect) data, medium risk potential impact on individuals or organisations. Policy/process followed, data recovered or secured. Examples; letter lost, letters/emails sent in error to wrong recipients.	Sending the response to a complaint or about personal service to the incorrect recipient but the letter is returned to

			<p>the Council or it is confirmed email deleted and not opened.</p> <p>Remind staff about correct procedure and record to look for patterns of behaviour or breaches. Potential review of how information is despatched to look for ways to remove human error.</p>
4	Major	<p>Personal or confidential (Protect) business data breach. Policy process not followed, data recovered. Consider impact and if a 'serious' breach of data under DPA for reporting to ICO.</p> <p>Examples; correspondence and assessment lost or sent to wrong recipient, unencrypted device with minor personal data.</p>	<p>An example could be an email sent to a mailing house, via an unsecure method, with contact details for mailing to be sent to individuals. However email blocked from sending by IT due to content restriction filter. Remind staff of process and no need to inform effected customers. However if released and sent to</p>

			incorrect address then there would be a need to notify ICO, consider action and notify all customers who's data was released.
5	Major	<p>Data breach for sensitive personal data or Restricted data for a person, business or a number of people. Data not located or recovered. Consider impact and if a 'serious' breach of data under DPA for reporting to ICO.</p> <p>Examples; benefit claim information, including health and financial information lost, significant volumes of customer data lost/released into the public domain, confidential waste lost, health related data sent to wrong address/email, unencrypted device with sensitive personal data.</p> <p>Further Examples;</p> <p>Information that could be used to commit identity fraud such as personal bank account and other financial information and national identifiers, such as national insurance numbers and copies of passports and visas</p> <p>Personal information relating to vulnerable adults and children</p> <p>Detailed profiles of individuals; including information about work performance, salaries or personal life that would cause significant damage or distress to that person if disclosed</p> <p>Sensitive negotiations which could adversely affect individuals.</p> <p>Security information that would compromise the safety of individuals if disclosed.</p>	<p>For example loss of a personal file in a public domain such as housing tenancy file, personnel file complaint file, disciplinary file or subject access request. There would be a need to notify the individual of potential loss once identified, carry out reasonable searches to identify location of material and provide reassurance. LAlso notify the ICO expecting a full audit by them of practice and behaviours. Potential actions against staff if not following policy.</p>

		<p>Information received in confidence .e.g. legal advice from solicitors, trade secrets and other proprietary information received from contractors, suppliers and partners</p> <p>Information that would substantially prejudice the University or another party's intellectual property rights, commercial interests or competitive edge if it were disclosed</p> <p>Information relating to high profile/high impact strategy or policy development before the outcomes have been decided and announced.</p> <p>Information that would compromise the security of buildings, equipment or assets if disclosed.</p>	
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 Executive - 12th February 2020		Agenda Item No. 9
Title	Review of Position in respect of the West Midlands Combined Authority	
For further information about this report please contact	Chris Elliott 01926 456003 chris.elliott@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	6 February 2019, Minute Number 141	
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)	No
Equality Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	21.01.20	Chris Elliott, Andrew Jones, Bill Hunt
Heads of Service	21.01.20	
Section 151 Officer	21.01.20	Mike Snow
Monitoring Officer	21.01.20	Andrew Jones
Finance	21.01.20	Mike Snow
Portfolio Holder(s)	27.01.20	Cllr Andrew Day; Judith Falp
Consultation & Community Engagement		
N/A		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 This report **reviews the Council's position in respect of membership of the West Midlands Combined Authority (WMCA)** and proposes that it seeks Observer status for year following which it can either withdraw or proceed to become a Non Constituent Authority member.

2. **Recommendation**

- 2.1 That the Executive writes to seek Observer status of the West Midlands Combined Authority with the intention of reviewing its position by the end of 2020 and either withdrawing or becoming a Non Constituent Authority member.

3. **Reasons for the Recommendation**

- 3.1 When the WMCA was being set up in 2015/2016 this Council decided that it would not join as it was not convinced of the benefits of such membership. This Council is the only Council in the Coventry and Warwickshire Sub Region that is not an either a Constituent Member (Coventry) or a Non Constituent Member – all other sub regional Councils. However, in reaction to the last peer review, the Council agreed that it needed to formally review its position as circumstances may have changed.
- 3.2 A Combined Authority is a legal entity where Councils can collaborate to deal with strategic issues such a transport, economic development, regeneration, housing, skills and other matters such as elements of the environment and planning. It is not a unitary authority. The legal device has been used as the mechanism for the devolution of some powers and funding from Central Government and has with one exception been accompanied by the creation of a Mayoral post to provide a political focus for that devolution.
- 3.3 A Combined Authority has 2 categories of membership – Constituent Members (CMs) which in the **WMCA's case are the Unitary Authorities of the West Midlands** – Birmingham, Coventry, Dudley, Sandwell, Solihull, Walsall and Wolverhampton; and Non-Constituent Members (NCMs) which are the 2 tier areas involved; in this case Warwickshire County Council, all the Districts of that County except Warwick District; and Redditch; Tamworth; Cannock Chase from adjacent areas. Other Unitary Councils e.g. Telford, Shropshire and Herefordshire have also joined as Non Constituent Members or Observers as have some other organisations including the Local Enterprise Partnerships (LEPs) for Coventry and Warwickshire; Greater Birmingham and Solihull and the Black Country; joined more recently by the Marches LEP.
- 3.4 In democratic terms the Mayor only has authority over the Constituent Member areas even if the WMCA itself has wider coverage albeit that the primary area it focuses upon is the Constituent Members areas as required by law. Therefore, the forthcoming Mayoral elections do not have an impact on the District Council area not does the power for an additional precept. It is possible for a District Council to become a Constituent Member of a Combined Authority, this is the case in Cambridgeshire, but is dependent on either the County Council also becoming a Constituent Member or that it seeks the Transport powers of the County Council in order to be able to join. It cannot otherwise legally become a Constituent Member.

- 3.5 **It is timely to review this Council's position as it is now a few years since the WMCA was established and the benefits accruing to NCMs can be considered;** but also with a new Government in being a new Devolution white paper is to be published with the government having promised to devolve more especially to established Mayoralities. There is a 3rd area to consider and that is simply the **ability to influence. This is important in the context of the Council's new priorities and especially Climate Change.**

Benefits Accrued

- 3.6 **As part of the WMCA's own work some evidence has been collected on the** benefits accruing to NCM Councils. This is set out in the slides at Appendix 1. It shows for example that an early adopter, Nuneaton and Bedworth Borough Council, has received a significant amount of funding towards its town centre regeneration scheme. **There are also benefits from the WMCA's transport card Sprint** which has now been extended to Leamington. **Given this Council's** ambitions the ability to attract funds for some of its economic priorities e.g. Creative Quarter and for promoting public transport could be important. Ironically, this District has benefited from WMCA investment in the UKBIC site at Baginton but it cannot be promoted as being in WDC owing to the **Council's** formal position, instead its promoted as being Coventry.

Devolution

- 3.7 The Government has made it clear that it will issue a new Devolution White Paper and that Mayoral Authorities should expect to receive enhanced powers and funding. Given that all the other Councils in the sub region are members in one form or another of the WMCA it is difficult to see another body which may exist or be created just referring to the Coventry and Warwickshire Sub Region. This was attempted previously without success. Therefore, being part of an established body more likely to receive devolved powers and funding could be **crucial to achieving the Council's objectives especially around economic development, transport investment and Climate Change.**
- 3.8 For example, involvement at this time could be highly timely to delivering improvements to the communities around the Coventry and Warwickshire Gateway if investment to re direct traffic away from Stoneleigh village for example could be delivered; or, the Transport Strategy for the West Midlands identifies a need for a new rail station south of Coventry to serve the University which would be significant for traffic movements and to counter air pollution in Leamington if more movements could be moved to rail based journeys and away from diesel vehicles.as previously stated, a new rail station could also serve the proposed Kings Hill development. This could also be the opportunity to secure significant investment for the Creative Quarter and further investment on battery development. The WDC area has the opportunities and framework to make the most of the opportunities that WMCA involvement could offer, though it needs to be recognised that these may be medium/long term.

Influence

- 3.9 It is often the case that it is soft power and indirect influence rather than hard power of legal authority or financial muscle that is important in achieving ambitions. The Council is elsewhere on this agenda adopting an ambitious set of priorities for the next few years and especially around Climate Change. It will be important for the Council to be able to influence other organisations in a

variety of ways and to do that it has to be literally at the table for certain discussions in order to exercise influence. The WMCA has powers relating to transport and economic development; it has ambitions relating to Climate Change; and these **are not at odds with this Council's position and yet this Council is not able to draw upon those powers or funding; or, to help set the direction of that Authority as it might want, because it is not at the table.** The consequence has been that the Council is marginalised by its own absence in regional discussions e.g. that UKBIC is related to Coventry than to WDC. This **isn't to say that the Council's views would always be accepted** and it will be one voice amongst many but it is very clear that non participation does nothing to **enhance the Council's position or its credibility.** In fact, partners cannot understand why an ambitious Council is in this position.

- 3.10 However, recognising the Council's previous reticence and recognising the legal process to joining the WMCA, it is suggested that a "suck and see" approach be adopted. It can ask to become an Observer which has not formal status but gives the Council a seat at the table and so the opportunity for influence. Drawing down funds would require NCM membership but that in any case will need at least a year to be undertaken. Consequently, this gives the Council an opportunity to participate and then either withdraw or become a NCM.

4. Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things, the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal, if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health,Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all. Housing needs for all Met. Impressive cultural and sports activities. Cohesive and active communities.	<u>Intended outcomes:</u> Area has well looked after public spaces. All communities have access to decent open space. Improved air quality. Low levels of crime and ASB.	<u>Intended outcomes:</u> Dynamic and diverse local economy. Vibrant town centres. Improved performance/ productivity of local economy. Increased employment and income levels.
Impacts of Proposal		
The proposal is relevant to all aspects of the Council's intended policy outcomes.		
Internal		

Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained. All staff have the appropriate tools. All staff are engaged, empowered and supported. The right people are in the right job with the right skills and right behaviours.	<u>Intended outcomes:</u> Focusing on our customers' needs . Continuously improve our processes. Increase the digital provision of services.	<u>Intended outcomes:</u> Better return/use of our assets.
Impacts of Proposal		
The proposal is relevant to all aspects of the Council's intended policy outcomes.		

4.1 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and this is proposal is particularly relevant to several of them but especially around planning policy; economic development; and climate change.

4.2 Changes to Strategies

This proposal does not represent a new Council policy or Strategy.

5. Budgetary Framework

- 5.1 Becoming an Observe will involve a fee of £25,000 per annum which is the same amount as being a NCM. This will not be recurring expenditure unless the Council becomes an NCM. If agreed, then this would need to be included within the budget.

6. Risk

- 6.1 There maybe a risk around damage to reputation. If the Executive does not wish to join in any capacity, it needs to have a clear explanation as indicated previously by the Peer Review.

7. Alternative Option(s) considered

- 7.1 The only other option the Council could consider is to not join as an Observer. Section 3 of the report considers this option but suggests the Council has more to lose by not adopting the recommended approach.



Benefits and Costs of Non Constituent Membership

Benefits of Membership

- We are all working together across the West Midlands region to successfully take powers away from Whitehall and put them in local hands.
- The role of the Combined Authority is one of direct delivery, enabling investment and adding strategic value. As a result there isn't always a physical output for every £ spent.
- The existence of the Combined Authority has benefited the region financially both directly, through attracting devolution grant funding of over £2.3bn, but also indirectly by enabling Housing, Land, 5G and other pilot schemes and test beds.
- This is helping to fund major transport infrastructure projects, with new tram and rail lines as well as major road improvements to enable the region to get the maximum benefits from HS2 and help unlock long-dormant pockets of land for housing.
- We are focused on making sure our diverse communities actually feel the benefit of the economic and cultural renaissance in the West Midlands region. That means people have the skills needed to take advantage of the new jobs being created – jobs that will require different skill sets for a new, digital age.
- Our commitment to clean and inclusive growth means jobs, skills and development opportunities that benefit all our communities to give everyone the chance of a worthwhile job, a good home and a decent quality of life.
- This matters in the West Midlands because we are the most diverse UK region outside London with the youngest population in Europe.

Direct Financial Benefits – Access to Grants and Loans

- Non-constituent authorities are able to access the extended Collective Investment Fund (loans up to £20m on a £140m fund) and the Brownfield Land and Property Development Fund (BLPDF) (grants up to a total fund value of £50m).
- All non constituent authorities have access to the Single Commissioning Framework (£625M) of grant and loan funding for housing projects including the Residential Investment Fund (loans up to £20m on £70m Fund)
- Funds already awarded to Non-Constituent Authorities:
- CIF Collective Investment Fund £26.475M:
 - Cannock £12.850M
 - Nuneaton & Bedworth £ 2.400M
 - Shrewsbury £ 7.825M
 - Telford & Wrekin £ 3.400M
- BLPDF Brownfield Land and Property Development Fund £6.9M
 - Cannock £ 0.900M
 - Nuneaton & Bedworth £ 1.175M
 - Telford & Wrekin £ 4.831M

These funds deliver opportunity for real regeneration investment in housing, jobs and economic regeneration and growth.

Direct Financial Benefits – Lobbying & Influencing Central Government

- Support with lobbying and influencing Central Government.
- Examples from the last two years:
 - Housing Infrastructure Fund
 - High Streets Fund
 - LEP Review
 - Transport infrastructure projects
 - Trade, tourism and investment funding

Direct Financial Benefits - Employment

Connecting Communities Employment Support Pilot:

- Redditch – £173k
- Nuneaton & Bedworth – £210k
- Cannock Chase – £211k
- Tamworth – £189k

Non-constituent member areas, their residents and businesses are also able to access support through:

£5m Construction Retraining Fund

£5m Digital Retraining Fund

£40m Levy Transfer Fund


The Swift travelcard scheme has been rolled out across the West Midlands region, making travel easier for a wider employment pool and encouraging mobility in the workforce. Swift equipment has been installed in both Redditch and Cannock allowing the sale and collection of the Swift PAYG product which should facilitate movement across boundaries.

Other Benefits

- The West Midlands is experiencing an economic renaissance with GVA per hour increasing at 3.1%, significantly above the UK average of 2.5%.
- Additionally, the 5 year survival rate of businesses is 0.6% above the UK average at 43.5%, with those businesses creating a record number of jobs with a growth rate of 3.1%.

Thrive at Work	Number of Organisations	Number of Employees
Nuneaton & Bedworth	8	1,691
North Warwickshire	1	414
Redditch	4	356
Rugby	3	560
Shropshire	3	677
Stratford upon Avon	8	668
Tamworth	1	45
Telford & Wrekin	3	188
Warwickshire	21	8,128

Mental Health First Aid Training	Individuals trained
Cannock	27
Nuneaton & Bedworth	213
Redditch	115
Rugby	211
Shropshire	3,048
Stratford upon Avon	156
Tamworth	277
Telford & Wrekin	801
Warwickshire	3,285

 Executive - 12th February 2020		Agenda Item No. 10
Title	Adopting a Definition of Anti-Semitism	
For further information about this report please contact	Chris Elliott 01926 456003 chris.elliott@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	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	21.01.20	Chris Elliott, Andrew Jones, Bill Hunt
Head of Cultural Services	21.01.20	Marianne Rolfe; Tracy Dolphin
Section 151 Officer	21.01.20	Mike Snow
Monitoring Officer	21.01.20	Andrew Jones
Finance	21.01.20	Mike Snow
Portfolio Holder(s)	27.01.20	Cllr Andrew Day; Judith Falp
Consultation & Community Engagement		
N/A		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 This report seeks Executive approval to agree to adopt the IHRA definition of anti-Semitism **as part of the Council's and the wider Community Safety Partnership's Strategy relating to Hate Crime.**

2. **Recommendation**

- 2.1 That the Executive adopts the International Holocaust Remembrance **Alliance's** (IHRA) definition of anti-Semitism attached at Appendix 1.

3. **Reasons for the Recommendation**

- 3.1 Regrettably anti-Semitism has seen resurgence in the wider community in the UK and elsewhere as part of a growing phenomena of Hate Crime. All Local Authorities have been requested by the Government to account for their position in relation to the definition of Anti-Semitism.
- 3.2 Anti-Semitism is a prejudice that should be actively opposed by the Council, especially given that 2020 is the 75th anniversary of the discovery of the first concentration camps at the end of World War 2. Whilst the Council has not, thankfully, experienced such activity in relation to its services and activities and has not up to now felt the need to adopt any formal definition of Anti-Semitism, it is felt that the Council should make its stance absolutely clear by formally agreeing the widely acknowledged definition of anti-Semitism produced by the International Holocaust Remembrance Alliance (IHRA), based in Stockholm, attached at Appendix 1 and the Government be informed accordingly. This is approach **consistent with the Council's stated values.**

4. **Fit for the Future (FFF)**

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things, the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal, **if any in relation to the Council's FFF Strategy.**

FFF Strands		
People	Services	Money
External		
Health,Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all. Housing needs for all Met. Impressive cultural and sports activities. Cohesive and active communities.	<u>Intended outcomes:</u> Area has well looked after public spaces. All communities have access to decent open space. Improved air quality. Low levels of crime and ASB.	<u>Intended outcomes:</u> Dynamic and diverse local economy. Vibrant town centres. Improved performance/ productivity of local economy. Increased employment and income levels.

Impacts of Proposal		
The policy is relevant to all aspects of the Council's intended policy outcomes.		
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained. All staff have the appropriate tools. All staff are engaged, empowered and supported. The right people are in the right job with the right skills and right behaviours.	<u>Intended outcomes:</u> Focusing on our customers' needs . Continuously improve our processes. Increase the digital provision of services.	<u>Intended outcomes:</u> Better return/use of our assets.
Impacts of Proposal		
The policy is relevant to all aspects of the Council's intended policy outcomes.		

4.1 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and this is relevant to the Council's and the Community Safety Partnership's Strategy of which it is part relating to Hate Crime. It is also relevant and consistent with the Council's values.

4.2 Changes to Strategies

This proposal does represent a new Council policy but sets out a definition which can be used in the context of Hate Crimes and discrimination.

5. Budgetary Framework

- 5.1 There are no budgetary implications.

6. Risk

- 6.1 There maybe a risk around damage to reputation if the Executive does not adopt the statement.

7. Alternative Option(s) considered

- 7.1 The Executive could decide not to adopt the statement but this would infer that it does wish to support steps against antisemitism.
- 7.2 The IHRA's definition is the accepted international definition of anti-Semitism and whilst other organisations have attempted to find alternative definitions this has either proved elusive or has created more anxiety amongst the Jewish community. The definition referred to was adopted by the UK Government in 2016.

Appendix 1

Extract from the IHRA website.

In the spirit of the Stockholm Declaration that states: "With humanity still scarred by ...antisemitism and xenophobia the international community shares a solemn responsibility to fight those evils" the committee on Antisemitism and Holocaust Denial called the IHRA Plenary in Budapest 2015 to adopt the following working definition of antisemitism.

On 26 May 2016, the Plenary in Bucharest decided to:

Adopt the following non-legally binding working definition of antisemitism:

"Antisemitism is a certain perception of Jews, which may be expressed as hatred toward Jews. Rhetorical and physical manifestations of antisemitism are directed toward Jewish or non-Jewish individuals and/or their property, toward Jewish community institutions and religious facilities."

To guide IHRA in its work, the following examples may serve as illustrations:

Manifestations might include the targeting of the state of Israel, conceived as a Jewish collectivity. However, criticism of Israel similar to that leveled against any other country cannot be regarded as antisemitic. Antisemitism frequently charges Jews with conspiring to harm humanity, and it is often used to blame Jews for "why things go wrong." It is expressed in speech, writing, visual forms and action, and employs sinister stereotypes and negative character traits.

Contemporary examples of antisemitism in public life, the media, schools, the workplace, and in the religious sphere could, taking into account the overall context, include, but are not limited to:

- Calling for, aiding, or justifying the killing or harming of Jews in the name of a radical ideology or an extremist view of religion.
- Making mendacious, dehumanizing, demonizing, or stereotypical allegations about Jews as such or the power of Jews as collective — such as, especially but not exclusively, the myth about a world Jewish conspiracy or of Jews controlling the media, economy, government or other societal institutions.
- Accusing Jews as a people of being responsible for real or imagined wrongdoing committed by a single Jewish person or group, or even for acts committed by non-Jews.
- Denying the fact, scope, mechanisms (e.g. gas chambers) or intentionality of the genocide of the Jewish people at the hands of National Socialist Germany and its supporters and accomplices during World War II (the Holocaust).
- Accusing the Jews as a people, or Israel as a state, of inventing or exaggerating the Holocaust.
- Accusing Jewish citizens of being more loyal to Israel, or to the alleged priorities of Jews worldwide, than to the interests of their own nations.

- Denying the Jewish people their right to self-determination, e.g., by claiming that the existence of a State of Israel is a racist endeavor.
- Applying double standards by requiring of it a behavior not expected or demanded of any other democratic nation.
- Using the symbols and images associated with classic antisemitism (e.g., claims of Jews killing Jesus or blood libel) to characterize Israel or Israelis.
- Drawing comparisons of contemporary Israeli policy to that of the Nazis.
- Holding Jews collectively responsible for actions of the state of Israel.

Antisemitic acts are criminal when they are so defined by law (for example, denial of the Holocaust or distribution of antisemitic materials in some countries).

Criminal acts are antisemitic when the targets of attacks, whether they are people or property – such as buildings, schools, places of worship and cemeteries – are selected because they are, or are perceived to be, Jewish or linked to Jews.

Antisemitic discrimination is the denial to Jews of opportunities or services available to others and is illegal in many countries.

1. **Summary**

- 1.1 This report seeks **Executive's feedback and endorsement of the** Warwick District Creative Framework 2020 – 2025, a collaborative strategy for creative sector growth (**Appendix A**).

2. **Recommendation**

- 2.1 That Executive approve and endorse the Warwick District Creative Framework, 2020 – 2025.
- 2.2 That the Executive note the significant contribution that the creative sector makes in fulfilling **the Council's** economic and social goals.

3. **Reasons for the Recommendation**

- 3.1 A number of recommendations were previously presented to Executive Committee on 6th March 2019 (Item 8, Arts Service Framework) which were intended as a first step to allow the **Council's** Arts Section to become more strategic and outwardly focused. A key recommendation was to commission a specialist consultancy company to complete a comprehensive impact study of Warwick District's **creative sector** – with the aim of informing a new creative strategy or 'framework'. Executive approved the funds to resource an impact study **of the District's** creative sector.
- 3.2 After a short procurement exercise BOP Consulting were appointed to carry out the study on behalf of the Council. BOP is an established, international consultancy specialising in culture and the creative economy. BOP carried out the study between April and July 2019. As part of the study an online survey was sent to over 400 creative businesses in the District. BOP also facilitated workshops which were attended by representatives of various creative organisations, artists and stakeholder groups including Leamington BID, Warwick University, Coventry & Warwickshire Local Enterprise Partnership (CWLEP), and Warwickshire County Council. Desktop research, analysis and local context was provided by Professor Jonathan Neelands and Professor Stephen Roper of Warwick Business School.
- 3.3 BOP Consulting's **final report, 'Warwick District's Creative Sector: Analysis of Impact and Strategy for Growth' (Appendix B)** concluded that the creative sector should be acknowledged as a priority for Warwick District Council as there are significant and unique benefits to residents and the local economy.
- 3.4 **Warwick District's** first ever Creative Framework has been largely based upon **the findings of BOP's report**. It is also the outcome of engagement with over 40 creative organisations over more than six months, which helped to further refine the findings of the impact study. It is intended to offer a collective vision for our creative communities to coalesce around and provide participative ways for them to shape and influence how the sector is defined in the future. It highlights how the sector contributes to the identity and prosperity of the district, identifies opportunities for collaboration and proposes ways in which stakeholders might support our creative industries to continue to grow.
- 3.5 **Warwick District's creative sector is vibrant, varied and fundamental to the economy of the region. Our creative industries support the wellbeing, engagement and ambition of the district's residents. Our impressive cultural**

assets and events programmes attract visitors to our towns and a strong creative infrastructure entices highly skilled people to relocate here to work.

- 3.6 The District is home to a significant amount of creative organisations and has many of the necessary elements to become a world class creative cluster. Yet this has never been pursued through a dedicated growth strategy. While we are entering an exciting period of opportunity for the creative sector of the district, there are also warning signs that its growth might be beginning to slip backwards.
- 3.7 **Given the significant strengths of the district's creative sector and the range of unique opportunities arising in the West Midlands over the next few years now is the right time to launch this framework. A refreshed enthusiasm and momentum has been building in the region's creative communities for several years which is becoming increasingly energised as the opportunities presented by Coventry City of Culture in 2021 and the Commonwealth Games in 2022 approach.**
- 3.8 It is recommended that Warwick District Council continue to play a part in the **district's creative fabric** and that through the Creative Framework it should embrace **the sector's ambition and work with partners to unlock the potential of the creative industries.**
- 3.9 As a first step towards delivering the objectives of this framework it is the **intention to develop a creative sector 'compact' to provide strategic, visible leadership for the district's creative industries as a collective. The compact shall bring together local partners with the passion to 'make things happen' and a shared interest in maximising the growth of the sector who will champion the civic role of culture and creativity.**
- 3.10 This leadership group will work together to create an action plan to resource and deliver the priorities of the framework. Compact partners will potentially include representatives from across the creative sector, business, universities, local authorities, voluntary sector and CWLEP who are stakeholders in delivering the vision of the Creative Framework:

"By 2025 Warwick District will have an established reputation as a thriving creative cluster of national significance and be known for its distinctive blend of rich cultural heritage and cutting edge creative companies.

Residents will feel pride in their local area and be inspired by shared cultural experiences which celebrate the dynamic, innovative character of the district.

In five years' time Warwick District will be experiencing the positive economic and social benefits of creative regeneration. Our thriving, interconnected creative sector will play a crucial role in the prosperity of the area and support the ambition of Warwick District being the first choice for people to live, work, and visit."

- 3.11 The role of the Council is to provide support to the creative sector by recognising its needs, connecting the various sub-sectors, enabling, and facilitating growth. The Council will also offer long term oversight of the framework which will ensure the survivability of its aims through changes of policy and management within the various creative organisations and stakeholders. Specifically, the Council shall:

- Increase opportunities for residents and visitors to be inspired by, experience and participate in high quality creative activities and events by continuing to invest in and develop its own cultural facilities, open spaces and events programmes
- Identify opportunities and challenges, assist with setting direction and maintaining oversight of progress towards goals by using the Framework
- Continue efforts to attract national and regional investment in the district's creative sector and support external fundraising for projects and initiatives
- **Move forward with delivering strategic initiatives such as Leamington's Creative Quarter and the Commonwealth Games**
- Provide a strong evidence base for what works, why and what impact is being achieved
- Advocate for the creative sector on a local, regional and national level and promote its benefits

3.12 The strategic priorities of the Framework are:

a) 'Engagement'

Improve the quality of life for all residents of Warwick District by diversifying the variety of cultural experiences and artistic programmes; to increase opportunities for people to participate in, and be inspired by, high quality creative activity.

b) 'Voice'

Raise the district's national and regional profile as a high quality 'creative cluster' and articulate the offer locally to residents, visitor's, investors and business - advocating how it contributes to health and wellbeing, society and the economy.

c) 'Pathfinding'

Improve co-ordination and awareness of opportunities by fostering a culture of collaboration and communication.

To support creative organisations to be sustainable and financially resilient and increase levels of inward investment.

To attract and nurture exceptional talent and to become a place where creative practitioners are welcomed and supported to build sustainable careers.

d) 'Place-making'

Incorporate culture and creativity into the way we design and use our public spaces and use the creative sector to revitalise and enhance our town centres; to protect, preserve and grow our historic architecture, heritage and cultural venues.

e) 'Innovation'

Attract innovative companies to the area and encourage existing innovators to use their skills and knowledge to introduce new ways of thinking and **address challenges within the sector; to tangibly connect the 'digital'** strength of the district with cultural organisations to create original ways of engaging with creativity.

4. Policy Framework

4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things, the FFF Strategy contains several Key projects. This report shows the way forward for implementing a significant part of one of the Council's Key projects.

The FFF Strategy has three strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
Impressive cultural offering which encourages an increase in community led activities and use. Creative outdoor activities lead to cohesive and active communities.	Safe and vibrant town centres with an active programme of cultural events where the community feel comfortable at all times	Contributes to a dynamic and diverse local economy Increases visits from day-trippers and tourists to the area. Increased income levels and footfall
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money

Impacts of Proposal		
Much of the actions identified in the Framework are incorporated into existing work streams of officers. The Framework provides strategic direction and guidance for these projects.	The recommendations are focused on continuous improvement and development	The recommendations will establish better uses for the council's arts resources and seek new income streams

4.2 **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained here:

4.3 **Local Plan**

The Vision for the District as supported by the Local Plan (paras 1.30-1.34) is to make Warwick District a Great Place to Live, Work and Visit. Specifically, the Plan delivers a Spatial Strategy that, amongst other things, focusses employment, retail, leisure and cultural activities in town centres (1.34).

Furthermore, para 5.75 recognises the "multifunctional benefits" offered by sport and recreational facilities noting that "they have a positive impact on people's quality of life, particularly in terms of their health and wellbeing".

Clearly any activity that reinforces the usage of these facilities is in line with these paragraphs.

4.4 **Economic/Tourism Impact**

Cultural tourism in the region is expected to boom during the City of Culture year in 2021, as well as attracting tourists to events during the build-up years. In order to maximise the economic impact of this upon Warwick District the Council must intervene and use its thriving creative sector to ensure that there is a competitive offer.

4.5 The creative economy is recognised as being a unique strength for the District and the current success in the gaming industry can be widened to include the whole creative sector – which is interdependent.

4.6 The Creative Quarter will regenerate the south of Royal Leamington Spa and have a significant impact on the local economy.

4.3 **Changes to Existing Policies**

None

5. **Budgetary Framework**

5.1 The Arts team have been previously allocated additional resources with which to deliver its role within the Framework including the new, temporary post of Projects & Development Manager (Arts), a temporary increase in the working hours of the Arts Officer and pilot funding for a new Creative Forum. Therefore, no additional funding or resource is required at this time.

5.2 It is the aim of the Compact to identify funding opportunities with which to deliver the objectives of the Framework.

6. Risks

- 6.1 The primary risk for Warwick District Council is that local audiences for cultural events in the District and cultural tourists are attracted to the City of Culture programme in Coventry to the detriment of those cultural organisations and venues operating in the District.
- 6.2 A second risk is that without increased support the creative organisations based in Warwick District could potentially relocate their businesses outside of the District leaving its creative infrastructure considerably weaker.
- 6.3 It is also foreseeable that new and existing talent will be attracted to competing **'creative clusters'** because of the investment and expansion of the creative industries, leaving shortages in the surrounding region.

7. Alternative Option(s) considered

- 7.1 No alternative options have been considered.

8. Background

- 8.1 **In 2018 Warwick District Council's Arts Section successfully bid to be the subject of a Cultural Peer Challenge. The resulting report was extremely positive about the Council's Arts provision and made a number of practical recommendations.**
- 8.2 The Peer Challenge team identified that Warwick District Council is excellent at delivering services directly from its own cultural facilities and that significant advances had been made in recent years. However, despite the District having an exceptionally strong creative economy, including one of the most significant digital clusters nationally, there was an apparent lack of wider strategic planning and collaboration with key partners (within the Council itself and externally) which could maximise the impact of that creative sector upon Warwick District for the benefit of residents and the local economy.
- 8.3 In response to this, a number of recommendations were presented to Executive on 6th March 2019 (Item 8, Arts Service Framework) which were intended as a first step to allow the Arts Section to become more strategic and outwardly focused.
- 8.4 One of the key recommendations was to commission a specialist consultancy **company to complete a comprehensive impact study on Warwick District's creative sector** – with an aim of informing a new creative strategy or framework.
- 8.5 **The Council's Arts team commissioned BOP Consulting to carry out an impact study that would result in a comprehensive report that would identify the current profile and impact of the District's creative sector, identify particular strengths and opportunities for growth and reflect on areas of weakness, recommending a reasonable course of action to address them.**
- 8.6 BOP concluded that for a local authority area of its type and scale, Warwick **District's creative sector 'punches above its weight'**. The District's creative economy is high quality and varied and is therefore worthy of a dedicated growth strategy.

- 8.7 BOP concluded that the creative sector should be acknowledged as a priority for Warwick District Council as there are significant and unique benefits to residents and the local economy, in particular:
- **Warwick District Council's creative sector has much to celebrate** – with particular strengths in performing arts, visual arts and cultural festivals – all of which tangibly enhance quality of life and attract people to the area to live, work and visit.
 - The creative sector makes a significant contribution to the local economy. Gross Value Added (GVA) **from Warwick District's creative sector** is just under £500 million.
 - Creative employment contribution is significantly larger than other key sectors in the District including retail, accommodation and manufacturing. (Estimated at 12,975 jobs)
 - **The District's cultural offering is an important driver for the local Visitor Economy.** (Tourism brings over 3.8 million people annually to the District each year with a combined spend of over £282.6 million, sustaining 6.3% of local employment)
 - The creative and digital community combined with excellent transport connections to the capital are a key driver for inward investment to the District
 - Creative occupations feed directly into wider economy and 70% of those in creative occupations work outside the creative industries (for example – graphics designers working for Jaguar Land Rover in the car manufacturing industry)
- 8.8 BOP also identified that **within the context of the District's creative landscape the Council's** own cultural facilities are flourishing and have significant impact - having one of the largest reaches in the area – welcoming over 563,000 people through their doors in 2018/19.
- 8.9 On the whole the impact study found that the creative sector is thriving. However, it was also found that there is also significant risk and that the **District's creative sector is beginning to slip backwards. The main reasons** for this are:
- A lack of suitable space is a major barrier for majority of creative businesses – with many already outgrowing the space available and actively looking to relocate out of the District
 - Many creative businesses are struggling to attract suitable talent to the area – **in an increasingly competitive market. The District's profile is not as** prominent or attractive to creative talent as it should be.
- 8.10 The recommendations of the impact study were:
- For the District Council to develop and implement a growth strategy for its creative sector
 - To consider the development of a Creative Sector Compact for Warwick District
 - To move ahead with the Creative Quarter
 - To utilise Creative Sector Compact and Creative Quarter to support collaboration
- 8.11 The Council is uniquely placed to take action to help mitigate these risks and take action to grow the sector. The results of the impact study fed directly into the formation of the strategic objectives of the Creative Framework. It also identified issues across sub-sectors where Warwick District Council could

potentially make strategic interventions and take a proactive approach in supporting the sector to grow.

- 8.12 It became clear as part of the consultation carried out with local creative organisations that the Council **required an outward facing strategy or 'Creative Framework'**. There was evidently a great deal of frustration about Warwick District Council's fragmented approach to the creative sector and a perceived lack of support.
- 8.13 The framework was created in partnership with key arts organisations in District and clarifies **Warwick District Council's role as an influencer, key funder, collaborator and coordinator** within the sector. It is intended to prioritise and resource emerging opportunities and link those opportunities to **the Council's** strategic objectives across services. It also clearly identifies the benefits and value of the various creative sub-sectors, and how the Arts Section could better **help to deliver the Council's priorities**.

WARWICK DISTRICT CREATIVE FRAMEWORK

A collaborative strategy for creative sector growth

2020 - 2025

**ENGAGEMENT
VOICE
PATHFINDING
PLACE MAKING
INNOVATION**

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FOREWORD

Why does Warwick District need a Creative Framework?

Warwick District's creative sector is vibrant, varied and fundamental to the economy of the region. Our creative industries support the wellbeing, engagement and ambition of the district's residents. Our impressive cultural assets and events programmes attract visitors to our towns and a strong creative infrastructure entices highly skilled people to relocate here to work.

The district is home to a significant amount of creative organisations and has many of the necessary elements to become a world class creative cluster. Yet this has never been pursued through a dedicated growth strategy. While we are entering an exciting period of opportunity for the creative sector of the district, there are also warning signs that its growth might be beginning to slip backwards.

Given the significant strengths of the **district's creative sector and the range of** unique opportunities arising in the West Midlands over the next few years now is the right time to launch this framework. A refreshed enthusiasm and momentum has been building in **the region's** creative communities for several years which is becoming increasingly energised as the opportunities presented by Coventry City of Culture in 2021 and the Commonwealth Games in 2022 approach.

This document, Warwick District's **first** ever Creative Framework, is the outcome of engagement with a wide range of creative organisations over more than six months. It is intended to offer a collective vision for our creative communities to coalesce around and provide participative ways for them to shape and influence how the sector is defined in the future. It highlights how the sector contributes to the identity and prosperity of the district, identifies opportunities for collaboration and proposes ways in which stakeholders might support our creative industries to continue to grow.

The approach of developing a collaborative "framework" **has been chosen deliberately**. A framework can provide a clear narrative and define the key objectives of stakeholders without being too prescriptive. It is the intention that this framework will be flexible in adapting to changes and responding to fresh opportunities as they arise.

This framework seeks to introduce a coherent, collaborative approach across the sector, Council and funding bodies. It is ambitious but does not set the bar too high or attempt to mobilise a new wave of unrealistic initiatives. Rather, it attempts to celebrate and build upon the incredible work that has already been undertaken over recent years and to enable stakeholders the flexibility and autonomy to co-create a set of clear objectives to deliver going forward.

The Creative Framework has been shaped by a range of evidence, but evidence underpinned by the vision and aspirations of local creative businesses, individuals and organisations who are already doing remarkable work to grow the thriving creative environment that we are all so proud of.

Why Warwick District Council?

The Council has an established history of supporting the growth of creative industries based in the district, particularly the gaming and arts sectors, and it is fortunate to have extensive, long lasting relationships with a range of creative organisations. These relationships have been further developed through the formation of the 'Vision for Leamington Town Centre' and involvement in the Leamington Creative Quarter- including previous investment in a games-specific incubation centre (26HT), the

Creative Arches and Spencer Yard. This previous experience, combined with the consultation and research underpinning this framework, has helped the Council to form a deeper understanding of the opportunities and challenges facing the **area's** creative sector.

Warwick District Council acknowledges the importance of the creative sector in fulfilling its economic and social goals. The Council is itself a major contributor to the sector and continues to deliver its own programme of activities from its impressive cultural facilities and open spaces. It is also the landlord for many creative businesses across the district, provides grant funding and offers development support to cultural organisations. The Council is closely involved with driving forward strategic initiatives (for example, **Leamington's** Creative Quarter and the Commonwealth Games 2022) that have the potential to do most to seize the opportunities and address the challenges outlined in this Framework.

Therefore, the District Council, rather than other equally capable agencies, is uniquely placed to drive the development and implementation of a growth strategy for the creative sector within the district.

However, the Council has limited resources and there will be continued pressure upon public sector budgets, so there are limits to how much it can achieve in isolation. The strength of the **district's creative sector** will always lay with its skilled, passionate creative community, and it is they who must collectively own and develop this framework. The role of the Council is to provide support by listening to its needs, connecting the various sub-sectors, enabling, and facilitating growth. The Council can also offer long term oversight of the framework which will ensure the survivability of its aims through changes of policy and management within the various creative organisations and stakeholders.

For the outcomes of this framework to be achieved it will require all of the creative community, from across all its sub-sectors, to engage and to work together to deliver its common goals. Therefore, collaboration is the defining characteristic of this growth strategy. However, without action now these collaborations are unlikely occur spontaneously. Significant change and growth will require a catalyst and initially our creative community is looking to Warwick District Council to be that spark.

THE BIG PICTURE

Warwick District profile

Situated within 'Shakespeare's County' of Warwickshire in the West Midlands, Warwick District includes the towns of Warwick, Royal Leamington Spa, Whitnash and Kenilworth. The current population is approximately 140,000 and a large proportion lives in the district's villages and rural areas, many of which are Green Belt. The population is expected to grow rapidly over the next 10 years, to 177,119 in 2029, as the recently adopted Local Plan has allocated sites for 16,700 new homes, designed in part to address the overspill from neighbouring Coventry.

The district is a largely affluent area with a well-educated demographic and house prices higher than the national average. However, in contrast there are also pockets of deep deprivation in both Royal Leamington Spa and Warwick. Deprivation linked to education and skills is a particular issue, with three areas ranked within the top 10-20% most nationally deprived, and a further three in the top 20-30%.

The district is bordered to the south and west by Stratford-On-Avon District, to the east by Rugby Borough and to the north by Solihull and the city of Coventry. Positioned at the centre of the UK, the district has excellent road and rail links providing easy access to the whole country. There are major routes across the area including the M40 providing direct access to London and indirect links to the north-west via the M6 and M5 respectively, as well as links to the north and east. There are also excellent rail services to the rest of the West Midlands and London.

Warwick District has the largest population in the county and the population density of 4.9 people per square hectare is the second highest in Warwickshire and above national/regional averages. The population grew over the ten years from 2001 to 2011 by over 9%, a faster rate than England and Wales and the West Midlands and second only to Rugby in the county.

The district enjoys well-preserved heritage and architecture, which contribute to making it an attractive place to live, work and visit. With a rich cultural heritage, the district is home to the popular tourist attractions of Warwick Castle and Kenilworth Castle, as well as several museums. The district has been successful in achieving the prestigious Green Flag award in recognition of its outstanding parks and green spaces. Royal Leamington Spa has also achieved a Purple Flag award, acknowledging the excellent night-time management of the town centre. Both Kenilworth and Royal Leamington Spa were recently ranked in the top five of places to live in the Midlands as part of **The Sunday Times' 2019 Best Places to Live in Britain** list.

The national and regional context

The United Kingdom

The United Kingdom has an international reputation for innovative ideas, flair, talent and imagination which comes from the combination of our rich cultural heritage and cutting edge creative companies. In recent years the creative industries have gained increasing attention from central government as their significance to the **UK's wider economy** became clearer during the last recession. **Exports from the UK's creative industries** have grown faster than exports from other UK industries, with creative services exports increasing by 21% to £32.7 billion in 2017.

In November 2018 the Department for Digital, Culture, Media and Sport (DCMS) reported that the creative industries contributed £101.5 billion to the UK economy in 2017, an increase of 53.1% since 2010 (£66.3 billion). Based on current trends, the

creative industries are expected to deliver close to £130 billion Gross Valued Added (GVA) by 2025 and it is anticipated that approximately one million new jobs could be created by 2030.

Prompted by this unprecedented bloom of the creative sector, when compared to the rate of economic growth in the UK over the same period, the Government released a raft of measures designed to further amplify this success.

As part of the Government's Industrial Strategy, nine new Creative Clusters across the UK have already benefitted from £80 million in funding to boost innovation by part-funding research partnerships between universities and industry. They aim to increase the use of digital technologies to improve audience experience in the screen and performance industries, and shorten production times in the design industry.

There has also been a £20 million expansion of a Cultural Development Fund to encourage creative and cultural growth outside London and to give regional towns and cities the opportunity to invest in creative, cultural and heritage activities that lead to economic growth and productivity.

In 2016 the Government published the first White Paper for culture in fifty years. The paper **examined the UK's** cultural sectors and the important part they play in our economy and society. As well as highlighting the contribution that culture makes to economic growth and job-creation, the paper also evidenced the intrinsic, enriching value **of culture as well as the social value and culture's ability to improve** educational attainment and help people live healthier lives.

It is now universally recognised that investment in culture not only has immense economic value but also a wide range of benefits that touch all our lives every day. There is mounting evidence of the tangible impact that culture and creativity has upon education, community cohesion and health and wellbeing.

Coventry & Warwickshire

Culture and tourism is one of seven key priorities for Coventry & Warwickshire Local Enterprise Partnership (CWLEP), acknowledging the value of the region's cultural capital in supporting the tourism industry. These cultural attractions generate a significant contribution to **the region's** economy and further help to make Coventry and Warwickshire a desirable place in which to live, work and study. They also create jobs with an estimated 40,000 people employed in **the region's tourism industry**. CWLEP investment focuses on connecting public spaces, improving transport links and developing skills in the tourism and culture sector.

Shakespeare's England, is the destination management organisation for the region – incorporating Warwickshire, Birmingham Airport, Bicester Village and Coventry. **Shakespeare's England is a leading visitor destination and brand in the UK.** The marketing and promotion of the area ensures that it is front of mind for visitors choosing their next day visit, short break or longer holiday. The internationally significant home of William Shakespeare, including the Shakespeare Birthplace Trust and the Royal Shakespeare Company, draws 4.9 million people to Stratford-Upon-Avon every year. Warwick has high brand awareness in the West Midlands region (3rd behind Stratford and Birmingham) with Warwick Castle being an attraction with particularly high recognition.

Warwickshire County Council have recently adopted their new Heritage and Culture Strategy 2020 – 2025. The purpose of the strategy is to create the conditions to enable a thriving, innovative and creative heritage and culture sector in the county. The intention is to empower the heritage and culture sector to support the county council in transforming the way their services are designed and delivered for the benefit of all who live, work and visit Warwickshire. Warwickshire County Council is preparing to take advantage of the opportunity presented by the City of Culture coming to the

region in 2021. It has invested £1 million into the project and has a place on the board of the Coventry City of Culture Trust.

Coventry City of Culture 2021

The City of Coventry has won the title of UK City of Culture for 2021. The Coventry City of Culture trust is currently working on a programme of activity and events for 2021, which will be announced in Autumn 2020. The City of Culture will bring large-scale spectacle, music, dance, theatre and poetry as well as more intimate, celebratory cultural and heritage experiences in every area of the city. The impact will be felt across the region, as levels of cultural tourism are expected to rise dramatically during the year. An evaluation of the impact of the City of Culture year upon the last city to hold the title, Hull, has shown that it acted as a catalyst for creative place making and culture-led regeneration. Approximately 800 new jobs were created in the **Hull's** visitor economy and cultural sector, a direct result of investments totalling £219.5 million in the cultural and visitor infrastructure.

Birmingham 2022

Following on from the City of Culture year, Birmingham will host the Commonwealth Games in the summer of 2022. This will be the largest sporting event in the UK following the 2012 Olympic Games that were held in London. Leamington Spa will host the lawn bowls and para-lawn bowls competition in Victoria Park. The last time that the games were hosted in the UK it added an **extra £390 million to Glasgow's economy** and produced around 1,200 jobs annually, attracting 690,000 visitors with a global TV audience of over 1.5 billion viewers. Hosting the Commonwealth Games in Birmingham will have a hugely positive impact across the wider West Midlands region. Alongside the sporting events runs a cultural programme which celebrate of the power of art to bring people together and make connections across the UK and the Commonwealth.

Higher Education

There are two universities located in and around Warwick District. Although the majority of the campus is located outside of the district, the number of Warwick University students living in Leamington Spa has tripled in 15 years, rising from 1,600 to 5,200. The University of Warwick is home to the largest multi-platform Arts Centre outside of London. Coventry University is a leading provider of applied creative and cultural undergraduate and postgraduate courses.

The Universities of Warwick and Coventry are supporting the local creative economy through their cultural and creative partnerships. They have specific ambitions for graduate retention and gain in Leamington Spa and Coventry. They are also actively pursuing Industrial Strategy and other funding to support growth in digital creative and cultural partnerships.

The University of Warwick also has plans for digital and creative incubators and shared workspaces in Leamington Spa, starting with a collaboration with the 1 Mill Street project - a new community focused workspace **and venue in 'Old Town'** created specifically for the needs of start-ups and fast growing small businesses.

Defining creativity

Warwick District Council has previously developed Arts strategies and Culture & Heritage strategies (the last dedicated Arts strategy expired in 2013). However, these have all been focused on one sub-sector of the creative industries and ignored the interconnectivity of the wider sector, therefore underrepresenting its impact and the common challenges. Warwick District has never had an overarching creative strategy which embraces all of the creative sector.

This Framework has taken the approach of including all of the creative industries as described by the DCMS' definition of creativity, including the community and voluntary sector. The Creative Industries are defined in the government's 2001 Creative Industries Mapping Document as "*those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property*". These include:

- **Crafts**
- **Film, TV, Video, Radio and Photography**
- **Museums, Galleries and Libraries**
- **Music, Performing Arts and Visual Arts**
- **Advertising and Marketing**
- **Architecture**
- **Design: Product, Graphic and Fashion**
- **IT, Software and Services (including game design)**
- **Publishing**

The District's creative sector

Warwick District's creative sector has much to celebrate – with particular strengths in video game design, performing arts, design, visual arts and cultural festivals – all of which tangibly enhance quality of life and attract people to the area to live, work and visit.

It is estimated that 40% of Warwickshire's creative businesses are located in Warwick District. Royal Leamington Spa, in particular, has a very high concentration of creative firms and employment, especially the sub-sectors of design, the performing arts, advertising and software design. Leamington Spa has a rich history of design and innovation – be it a leader in automotive design, abstract art or developing camouflage designs in World War II.

The District's Creative Economy

The creative sector makes a significant contribution to the local economy. The creative industries contributed a little under half a billion pounds of GVA to the economy of Warwick District in 2017.

Employment in the district's creative economy supports approximately 12,975 jobs, which is significantly larger than other key sectors in the district including retail, accommodation and food services, and manufacturing. Overall, employment in the creative industries in the district increased by 9% between 2015 and 2017. Creative workers also directly impact upon the wider economy and 70% of those in creative occupations work outside the creative industries (for example – graphics designers working for Jaguar Land Rover in the car manufacturing industry). This is a much higher proportion than in Coventry (55%) or Coventry and Warwickshire (58%).

The district's cultural offering is an important driver for the local visitor economy. Tourism brings over 3.8 million people to the district each year with a combined spend of over £282.6 million, sustaining 6.3% of local employment. While visiting heritage sites and castles is by far the main reason for visiting Warwickshire, the wrap-around cultural offer of the district is also very important in sustaining this.

The creative and digital community combined with excellent transport connections to the capital are a key driver for inward investment to the district – attracting more businesses to the area. Therefore, it is clear that the creative economy plays fundamental role in the prosperity of the district.

Digital Creatives

The global video games industry is an economic and cultural success story. Approximately **130 of the UK's best games businesses are based in the West Midlands** – notably clustered in and around Leamington Spa. With an established history in game development spanning 30 years, the local area can call upon a uniquely skilled talent pool drawn here by the presence of key industry names including Codemasters, Playground Games, SEGA and Ubisoft.

When Nesta published *The Geography of Creativity in the UK* (2016) Leamington Spa was placed at 17th in a ranking of growing creative clusters across the UK. This placed a town in the district higher than any other creative cluster in the Midlands. This impressively high ranking for Leamington Spa was primarily driven by its thriving games sector. The presence of a games industry cluster in Leamington Spa and its branding as **'Silicon Spa'**, makes the district well-known nationally and even internationally as an innovative, creative town.

With over 2,500 employees across 83 studios, Silicon Spa is the third largest games cluster in the UK. This equates to well over 10% of the total games development employment in the country.

Leamington Spa town centre is also home to a high concentration of world class creative digital, marketing and communications agencies, all serving some truly impressive international brands. In an area of three square miles creative work is produced for the likes of Microsoft, Rolls-Royce and Disney along with media companies such as the BBC and Studio Canal.

Creative digital agency Fish in a Bottle create innovative digital products that engage audiences and create meaningful connections. Their recent projects range from creating an immersive and interactive 360 tour of artist Ai Weiwei's show for the Royal Academy of Art's through to designing mobile app games for Peppa Pig and SpongeBob Squarepants.

Made by Sonder is a content and digital experience marketing agency based in Leamington who has a diverse range of clients including Visa, Triumph Motorcycles, Speedo, Berghaus, and the British Heart Foundation.

The strengths of the district in performing and visual arts, as well as games, are perhaps already widely known but its strengths in other parts of the creative industries should not be overlooked. There are, for example, 120 design enterprises based in the district.

Freelance Workers

The success of the creative sector in the district is largely built on microenterprises and freelancers. 94% of creative sector enterprises in the district are micro (employing nine or less people) and 17% of creative sector workers are freelance. At the same time, there are also some substantial organisations within the **district's creative sector**. Five enterprises in the IT, Software and Computer Services sector employ over 50 people.

Performing Arts

Warwick District has key strengths in performing arts, with two organisations, Motionhouse and Live & Local, holding National Portfolio Organisation (NPO) status with Arts Council England. Others, from Playbox Theatre to Armonico Consort, the Loft to Heartbreak Productions, Leamington Music to Talisman Theatre and Arts Centre, and more besides, make up an impressively rich and varied performing arts sector.

Theatre venue provision within the district is also remarkable. In addition to the Royal Spa Centre in Leamington Spa, there are numerous small theatre spaces including the Bridge House Theatre (Warwick School), Loft Theatre (Leamington Spa), Priory Theatre (Kenilworth) and Talisman Theatre and Art Centre (Kenilworth).

There is also a number of high quality live music venues in the area including Warwick Hall (Warwick School), The Assembly (Leamington Spa), the Royal Pump Rooms (Leamington Spa), and Leamington Town Hall (Leamington Spa). Large scale open air popular music concerts take place regularly at Warwick Castle, on the lawn beside the lake. **Arguably the district's churches are some of the area's** most heavily used performance venues, with smaller live music and choral recitals often occurring every week.

Furthermore, the Playbox Theatre Company has its innovative theatre venue, Dream Factory, in Warwick, where it works specifically with young people. It was founded with the aim of creating an artistic environment in which all children and young people flourish. For over 30 years, it has facilitated the artistic development of young people in the district and, through international collaborations, across the globe.

The international touring contemporary dance-circus company Motionhouse has been based locally in Leamington for over 30 years. It tours full-length theatrical productions to major theatres across the UK and internationally. Their flexible outdoor productions tour to festivals and non-theatre spaces across the world. They also have a strong educational and training programme at their studio at Spencer Yard in Leamington Spa. The Artistic Director of Motionhouse Kevin Finnan MBE was Choreographer and Movement Director for the Opening Ceremony of the London 2012 Paralympic Games.

Motionhouse is one of two NPOs in the district, with the other being Live & Local. This is a not-for-profit arts organisation working with a network of voluntary groups across Derbyshire, Staffordshire, Warwickshire, Worcestershire, Nottinghamshire, Lincolnshire and Leicestershire. Its professional team is based in Warwick and provides practical support and advice by helping volunteers to choose shows for rural venues, as well as by co-ordinating the bookings, subsidising performances and helping them to attract an audience.

Critically acclaimed choir and instrumental ensemble Armonico Consort is based in Warwick and entertains audiences across the country with its concerts, recordings and projects. **Central to Armonico Consort's work is** an education programme, AC Academy, that reaches 15,000 children a year across the UK through its in-school Choir Creation Scheme and after-school AC Academy Choirs in partnership with music hubs.

Warwick Folk Festival has established itself as a highlight on the British music calendar, attracting people from across the UK and beyond. Live music and dance are programmed at the Warwick School site and around Warwick town centre, with a free concert and dancing in Market Place. It also features workshops, storytelling, and theatre as well as a real ale & cider festival, wine bar and craft market. The festival runs over 4 days in July and has a daily capacity of 5,000.

Heartbreak Productions, based in Spencer Yard, Leamington Spa, has been touring open-air theatre, across the UK and Ireland, since 1991. They collaborate with actors, designers, composers and crew to create exciting experiences for audiences. There is also an educational dimension to their work, with the Heartbreak Hub meeting locally on Saturday mornings during term time. This provides training in acting to students aged 5 to 18 years-old.

Leamington Music was launched in July 2006, and aims to maintain Leamington Spa and the district as a musical centre dedicated to promoting excellent classical music. As well as a packed programme of concerts throughout the year, it organises the

Leamington Music Festival and, working with Warwickshire Music, takes musicians into schools across the county of Warwickshire.

The **district's performing arts sector also has a wide and varied** amount of community choirs and orchestras, dance classes and stage schools, and amateur theatre groups.

In addition to performing arts being a strength of the district, many organisations deliver extensive educational and youth engagement activities. The district, consequently, is a place that sees art and culture as being important to its future.

Visual Arts

Leamington Studio Artists (LSA), located at East Lodge in Jephson Gardens, Leamington Spa supports the incredibly high number of artists that are based in the district. The galleries at East Lodge, which also features artist's studios, are open to the public. It aims to foster and increase public interest, awareness and appreciation of the visual arts. The membership of LSA includes artists working in a wide range of media- painters, ceramicists, photographers and jewellers.

It is entirely run by volunteers and boasts significant achievements, including instigating Art in the Park, an annual, free, arts festival based in Jephson Gardens, since 2014 and which attracts 40,000 visitors. The LSA have also published and distributed its high quality journal, Art Space, since 1998.

Since 2000, Warwickshire Open Studios has been helping visual artists and designer makers across Warwickshire connect with art-lovers who enjoy, buy, commission and participate in their work. During the annual Open Studios Summer Event, over 300 artists, many of which are based in Warwick District, open their homes and studios to the public.

There are also numerous commercial and community galleries across the district where artists can exhibit and sell their work.

Heritage

In addition to Warwick Castle and Kenilworth Castle, there are numerous heritage assets in the district – such as Baddesley Clinton and Stoneleigh Abbey and Country Park in Kenilworth, which has been inhabited since 1154 when King Henry II granted the lands to a community of Cistercian monks. The Lord Leycester Hospital in Warwick is one of the best preserved examples of medieval courtyard architecture in England and is now a charity supporting ex-servicemen.

Warwickshire County Council operates the Market Hall Museum, a 17th century landmark in the heart of Warwick. Recently refurbished with funding from the National Lottery Heritage Fund, the museum tells the story of Warwickshire and attracted 78,977 visitors in 2018/19.

St Johns House, a Jacobean mansion located in the town of Warwick, has a history spanning almost 900 years and attracted 6,279 visitors in 2018/19. These visitors all came via organised school groups, as the museum is not open to the general public. Separately, however, St Johns House is also the home of the Royal Warwickshire Regiment of Fusiliers Museum.

Festivals, Public Spaces and Events

The district benefits a huge range of exceptional public spaces, including Jephson Gardens, Victoria Park, the Pump Room Gardens and Newbold Comyn in Leamington Spa, St Nicholas Park and Priory Park in Warwick and Abbey Fields in Kenilworth, which covers 68 acres and features a swimming pool (both indoors and outdoors), a **lake, a children's** play area and heritage trails. All of these high quality green spaces help to facilitate cultural and creative, outdoor events.

There is a busy events programme in the district with over 135 planned outdoor events occurring annually in town centres. BID Leamington (Business Improvement District) are highly engaged in creating and delivering cultural events and projects (for example, the Lantern Parade and Leamington Food & Drink Festival) which enhance the town centre and attract footfall. They are instrumental in supporting many of the festivals and events that occur every year. There are numerous well-established cultural events taking place across the district, from **maker's** markets, carnivals, vintage fairs, and Comic-Con through to Kenilworth Arts Festival, Leamington Music Festival, Warwick Folk Festival, Warwick Words History Festival and Art in the Park.

Royal Leamington Spa's Art in the Park festival is a free curated arts festival that showcases, promotes and provides live demonstrations from over 280 visual artists and craftspeople in Warwickshire and the Midlands. The programme includes live music, dance and theatre from the creatives based in district alongside nationally and internationally renowned companies. The festival takes place over a weekend in early August in the beautiful surroundings of Jephson Gardens. The festival has grown exponentially in recent years, becoming a flagship event **for the region's creative** community. It now attracts over 40,000 people over the course of the weekend, generating an estimated £1.78 million additional economic activity for Leamington Spa.

Kenilworth Arts Festival is ten days of events, workshops and exhibitions, held in different venues around the historic town of Kenilworth. The festival brings together award-winning, internationally-acclaimed writers, musicians and visual artists from around the country, transforming everyday spaces into intimate arts venues and offering one-off live experiences to audiences.

Warwick Words History Festival is a week-long festival of history and the written and spoken word taking place across the historic town of Warwick every October. Storytelling sessions and writing workshops for both children and adults have featured strongly in the festival's **programme**.

This impressively broad range of high quality arts festivals attracts a great deal of community support, both in terms of attendance and in helping to deliver them. The widespread support for volunteering shown by the creative sector reflects a robust ethic of volunteering within the district and makes a significant social contribution.

Creative Talks and Networking Events

Now in its second year, Interactive Futures is a large gaming expo based in the district that showcases the latest developments and opportunities in the gaming industry. It brings **together the UK's games community, games enthusiasts, the next generation** of games designers, and creative powerhouses. The event highlights key issues facing the industry, shines a light on career opportunities and provides a chance to try out the best of the games created in Leamington Spa – home to industry leaders including Playground Games, Codemasters and SEGA.

TEDx Leamington Spa is an annual local, self-organised event that brings people together to share a TED-like experience. At a TEDx event, TED Talk videos and live speakers combine to spark deep discussion and connection. TED is a non-profit organisation devoted to 'Ideas Worth Spreading', usually in the form of short, powerful talks (18 minutes or fewer) delivered by leading thinkers. The TEDx event is run entirely by a team of dedicated volunteers, many of whom are themselves creative professionals. Leamington Spa is one of the most watched UK TEDx events online.

Creative Mornings is an international initiative of creative talks and networking events. Each month, early on a Friday morning, attendees gather in cities around the world to enjoy fresh coffee and an array of breakfast foods while they listen to a guest creative speak on a predetermined theme. Volunteer hosts and their team members

organize local chapters that celebrate a city's creative talent and connect like-minded, creative individuals. Speakers are selected by each chapter based on a global theme. Just like TEDx, all of the talks are filmed and published to the Creative Morning's website for people across the globe to enjoy. Usually franchised to cities, Leamington Spa is the only town in the world to have successfully bid to have its own Creative Morning chapter.

PechaKucha's 20x20 presentation format restricts speakers to showing 20 chosen images, each for 20 seconds only. In total speakers have just 400 seconds to tell their story, with visuals guiding the way. PechaKucha means "chit chat" in Japanese. Three million people have attended PechaKucha events worldwide. PechaKucha Leamington is incredibly popular and has a loyal following of attendees and speakers.

Warwick District Council and the Creative Sector

The Council supports the cultural sector through its grant giving function – allocating, in addition to guidance and support, total grants of £23,850 to arts organisations working in the district in 2018/19.

As well as supporting the district's cultural infrastructure with grant funding and development support the Council also owns and operates several key cultural facilities including the Royal Spa Centre which is the district's only professional theatre. A medium size receiving house, it delivers a programme of theatre, drama, comedy, film and community events in its 667-seat main house and 188-seat studio theatre and cinema.

The Royal Pump Rooms in Leamington is a cultural and tourist attraction with services including Leamington Spa Art Gallery & Museum, Leamington Library and various event spaces. The **Council's** Arts team are also responsible for Leamington Spa Town Hall, which has a mixture of tenants and has hireable spaces for community events and performances.

Within the context of the **district's creative landscape the council's** own cultural facilities are flourishing and have a significant impact - having one of the largest reaches in the area – attracting approximately 565,000 annual attendances to a programme of over 1,000 arts events (a varied mix of performances, exhibitions, workshops, film screenings and functions). Approximately 54% of attendees – just over 300,000 – travel from outside of the district.

The Council has had long term aspirations to develop a Creative Quarter for Leamington Spa in order to support the thriving creative economy, regenerate the area and **support communities in the 'Old Town' area of Leamington Spa**. South of the river, this is the oldest part of the town, and the earliest bath houses were established in the area then known as Leamington Priors. As the town grew in the 19th century, investment, and the centre of prosperity, moved north of the river. Areas within Brunswick ward in particular became amongst the most deprived in the district, and across Warwickshire. This led to a number of regeneration initiatives focussing on the Old Town area including a major project with government funding which took place in **the early 2000's. Furthermore, the Council has a number of land and building assets** in this area, and it is keen to explore whether and how it could use these to support regeneration.

Complex Development Projects (CDP) was appointed as the **Council's regeneration** partner in late 2017. CDP is a well-established development and regeneration company with a particular knowledge of, and expertise in, working with creative industries. CDP operates nationally but has carried out a number of schemes in Coventry including Electric Wharf and Fargo Village. CDP has strong links both with the Historic Coventry Trust (of which Ian Harrabin, the Managing Director of CDP, is Chairman) and the Coventry City of Culture team.

Since its appointment CDP has worked on the development of the Masterplan for the Creative Quarter. The purpose of that document is to demonstrate how the Council and its partner can develop a long term strategy to deliver the aspirations for the Creative Quarter which were expressed in the **Council's** Regeneration Brief.

Key challenges facing the sector

Nationally, the UK has seen high growth in the creative economy, especially creative design and digital businesses. It is a sector which has shown remarkable resilience during the financial downturn, with clusters strengthening cities and town centres. However, it is also a sector which is still falling short of fulfilling its potential. Creative businesses are not growing as quickly or to the scale that they could, talent retention and attraction is a continual challenge.

When compared with similar parts of the UK Warwick District suffers from a lack of workspace, specialist support and investment. Many of the same features that make the district such an appealing place to live and start a business also work against the development of grow-on workspaces. Premises costs and rental prices are high, our towns are relatively small with close knit communities and they have bountiful green, open spaces and waterways. This, together with an ambitious house building plan and its historic, protected architecture, means that there is a shortage of suitable town centre brownfield sites that are able to be developed for workspace.

When consulted about the challenges and weaknesses of the sector in the district, creative organisations underlined the poor availability of suitable premises – with 40% of respondents indicating that this is a major barrier for the development of their businesses or practice. Many are already outgrowing the space available and actively, albeit reluctantly, looking to relocate out of the district.

This next key weakness identified was the perceived lack of business networking opportunities. Also referenced were poor broadband quality and a lack of access to talent and skills. Many creative businesses are struggling to attract suitable talent to the area – **in an increasingly competitive market. The district's profile is also not as prominent or attractive to creative talent as it should be, when compared with the competition. The district's creative sector is** multifaceted, vast and on the whole lacks interconnection.

The creative sector also feels strongly that there has been a string of missed opportunities recently – where the sector has not been championed as well as it might have been and the value-adding role of the **district's creative industries** has been under-exploited.

During the development of this growth strategy a set of exciting opportunities have been identified by the sector, each of which can, with the right mix of partners and a collective sense of purpose, deliver direct value to the local economy.

Current creative engagement

The district has a highly civically and socially engaged population, who might be **described as "traditional culture vultures", which** has the benefit of creating large audiences for local cultural events and activities. It also creates a large pool of volunteers with which to help create and deliver them.

A report by Kate Organ Associates, 'Warwick District Council & The Arts' commissioned by the Council in 2015, identified that Warwick District has a lively, diverse and high quality local arts scene and a population that is one of the UK's most actively engaged in the Arts as practitioners or audiences.

A further report by the Audience Agency, commissioned by the Council in 2016, also identified that Warwick District has an unusually high proportion of culturally engaged residents - comparable to the typical demographic of a large city. 40% of the **district's population are 'highly engaged' with the Arts and regularly attend cultural events. Only 12% of the population of Warwick District are classified as typically 'hard to engage', who rarely engage in cultural activity** - which is well below the national average.

However, it is clear that the majority of residents seek fulfilment from larger, high profile, high-quality cultural events by travelling to urban environments, such as London or Birmingham. There is an appetite for an increase in cultural activity in the district, which is reflected by the high level of support for existing events and new initiatives.

THE CREATIVE FRAMEWORK

The purpose of the framework

This Creative Framework for Warwick District underlines the value of creativity to our community. It is also a clear commitment to stimulate the growth of the **district's** creative sector. In order to achieve that it seeks to introduce a coherent, collaborative approach across the sector, Council and funding bodies. It offers a collective vision for our creative communities to coalesce around and provide participative ways for them to shape and influence how the sector is defined in the future.

The framework highlights how the sector contributes to the identity and prosperity of the district, identifies opportunities for collaboration and proposes ways in which stakeholders might support our creative industries to continue to grow.

The framework attempts to celebrate and build upon the incredible work that has already been undertaken over recent years and to enable stakeholders the flexibility and autonomy to co-create a set of clear goals and deliverables going forward.

The aims of the framework are to:

- **Strengthen the drivers of creative sector activity**
- **Grow the downstream benefits of the creative sector**
- **Seize the opportunities open to the creative sector**
- **Address the weaknesses of the creative sector**
- **Help the district be a creative place to live, work and visit**

The role of Warwick District Council

Warwick District Council acknowledges the importance of the creative sector in fulfilling its economic and social goals and is therefore committed to this framework.

The role of the Council within the framework is to provide support to the creative sector by recognising its needs, connecting the various sub-sectors, enabling, and facilitating growth. The Council can also offer long term oversight of the framework which will ensure the survivability of its aims through changes of policy and management within the various creative organisations and stakeholders.

Warwick District Council will continue to **play a part in the district's creative fabric on** a local and regional level. It will **embrace the sector's ambition** and will work with partners to unlock the potential of the creative industries.

The Council shall:

- a) Increase opportunities for residents and visitors to be inspired by, experience and participate in high quality creative activities and events by continuing to invest in and develop its own cultural facilities, open spaces and events programmes
- b) Identify opportunities and challenges, assist with setting direction and maintaining oversight of progress towards goals by using this framework
- c) Continue efforts to attract national and regional investment in **the district's creative** sector and support external fundraising for projects and initiatives
- d) Move forward with delivering strategic initiatives **such as Leamington's** Creative Quarter and the Commonwealth Games
- e) Provide a strong evidence base for what works, why and what impact is being achieved
- f) Advocate for the creative sector on a local, regional and national level and promote its benefits

Who the framework is for

It is hoped that this framework shall enable creative individuals, freelancers, and organisations based or working within the district to use it for fundraising, advocacy and project planning – in order to make the district a place where the creative industries can flourish and thrive.

Stakeholders

This framework does not seek to duplicate the efforts of other relevant agencies, including Warwickshire County Council or CWLEP. It intends to complement these efforts to ensure that the creative sector of the district achieves its full potential to fulfil the economic, social and cultural ambitions of local people.

Organisations with a role to play within the framework are:

Higher Education	<ul style="list-style-type: none">The University of CoventryThe University of WarwickWarwickshire College Group
Local Authorities	<ul style="list-style-type: none">Warwick District CouncilWarwickshire County CouncilRoyal Leamington Spa Town CouncilWarwick Town CouncilKenilworth Town CouncilWhitnash Town Council
Business / Inward Investment / Tourism	<ul style="list-style-type: none">Leamington BIDCoventry and Warwickshire Local Enterprise PartnershipRoyal Leamington Spa Chamber of TradeWarwick Chamber of TradeKenilworth Chamber of TradeShakespeare's England
Funders	<ul style="list-style-type: none">Arts Council EnglandHeritage Lottery Fund

A creative sector compact

It is important that the sector takes ownership of the mechanisms for creative collaboration within the district, rather than this being entirely the responsibility of the Council.

As a first step towards delivering the objectives of this framework it is the intention to develop a **creative sector 'Compact'** to provide strategic, visible leadership for the **district's** creative industries as a collective. The compact shall bring together local

partners with the passion to make things happen and a shared interest in maximising the growth of the sector who will champion the civic role of culture and creativity.

This leadership group will work together to create an action plan to deliver the priorities of the framework. Compact partners will potentially include representatives from across the creative sector, business, universities, local authorities, voluntary sector and CWLEP.

Members of the Compact will pledge to align their focus with the goals of the Creative Framework, seek to unlock new resources for projects, encourage the development of partnerships which could attract new forms of public and private investment, ensure effective coordination with stakeholders and communicate closely with the sector. In the early stages it is expected that the Compact will explore ways in which the benefits of major regional events such as Birmingham Commonwealth Games and Coventry City of Culture can be maximised.

It is hoped that over time the Compact will become the lead advocate for the cultural and creative industries sector in relation to local, regional, and national policy.

The Council shall work with partners to establish the most appropriate model / vehicle for the Compact, coordinate the formation of the Compact, help to confirm its scope, terms of reference and membership, support its meetings, and establish an initial work programme – as well as being an active member of the Compact itself.

A forum for the creative sector

In addition to leadership, it was also identified that there is a need for a new method of connectivity and communication within the sector itself. It is the intention for the Council to facilitate a cross-sector, inclusive '**creative forum**' which will connect the various creative industries and help to steer and inform the Creative Framework. This platform shall guide work of the Creative Compact, the Council and other strategic partners in its approach to sector support.

The forum will be a means of testing ideas and new initiatives, connecting organisations and identifying opportunities including new clients and work streams, training and professional development, funding, residencies, and new projects.

This will be an open, self-selecting group of those organisations with an interest in the success of creativity in Warwick District.

Methodology

BOP Impact study

The starting point for this framework was in the spring of 2019 when BOP Consulting were appointed by Warwick District Council to carry out an impact study of the **district's creative sector**. BOP is an established, international consultancy specialising in culture and the creative economy.

BOP carried out the study between April and July 2019. As part of their research an online survey was sent to over 400 creative businesses and organisations in the District. The survey generated an overwhelming response, which serves as an indication of how engaged the sector is.

BOP also facilitated consultative workshops on behalf of the Council which were attended by representatives of various creative organisations, artists and stakeholder groups including Leamington BID, Warwick University, CWLEP, and Warwickshire County Council.

Desktop research, analysis and the local context was provided by Professor Jonothan Neelands and Professor Stephen Roper of Warwick Business School.

The Council have used much of the insight and research from the impact study as the basis for this framework. The final report made four key recommendations to the Council:

- **For the District Council to develop and implement a growth strategy for its creative sector**
- **To consider the development of a Creative Sector Compact for Warwick District**
- **To move ahead with the Creative Quarter**
- **To utilise Creative Sector Compact and Creative Quarter to support collaboration**

Further Consultation

The impact study report was published in full and circulated widely amongst the sector and stakeholders. A series of follow-up, face-to-face consultation sessions with the Council's Arts team then took place with over 40 creative organisations and individuals in order to discuss the specifics of the report's findings and further inform the priorities of this framework.

Timescales

The duration of the Creative Framework is aligned with the District Council's own political cycle and will be adopted between 2020 – 2025. This also aligns the timeframe of the framework with that of Warwickshire County Council's Heritage and Culture strategy, which runs until 2025.

This period encompasses both the Coventry City of Culture year in 2021 and the Commonwealth Games in 2022, as well as their legacy years.

This framework has been designed to be flexible and it is expected that this growth strategy may need to adapt and evolve in the future. The Council will therefore review the framework on an annual basis.

A vision of the future

This framework is a collaborative strategy aimed at accelerating creative sector growth and maximising its impact upon Warwick District. Its focus is on forming partnerships to achieve the district's immense potential and securing our cultural and creative landscape for generations to come.

By 2025 Warwick District will have an established reputation as a thriving creative cluster of national significance and be known for its distinctive blend of rich cultural heritage and cutting edge creative companies.

Residents will feel pride in their local area and be inspired by shared cultural experiences which celebrate the dynamic, innovative character of the district.

In five years' time Warwick District will be experiencing the positive economic and social benefits of creative regeneration. Our thriving, interconnected creative sector will play a crucial role in the prosperity of the area and support the ambition of Warwick District being the first choice for people to live, work, and visit.

Strategic themes

Five priorities (or 'strategic themes') have emerged from discussions in wide-ranging sector consultation and through research. These five strands form the core of the Creative Framework and seek to focus its objectives into actions:

- **Engagement**
- **Voice**
- **Pathfinding**
- **Place making**
- **Innovation**

Creative Engagement

It is a priority to:

Improve the quality of life for all residents of Warwick District by diversifying the variety of cultural experiences and artistic programmes; to increase opportunities for people to participate in, and be inspired by, high quality creative activity.

Engagement with culture and the work of the creative industries can help us connect with others in our community, leading to increased social cohesion. It can generate civic pride, confidence and ambition and ultimately improve health and wellbeing.

There are currently **segments of the district's** diverse community who do not engage with cultural activity in the district and do not have the opportunity to express their own identity through their chosen form of creativity.

The majority of **district's population** is highly engaged with culture but a high proportion regularly travels outside the district, to London or Birmingham, to seek out and engage with '**experiential**', **high quality cultural events**.

Key Actions:

- Support grass-roots, community-led cultural activity in hard to reach, high priority communities that delivers social and health and wellbeing outcomes.
- Provide opportunities for residents to get involved, participate and create – particularly through volunteering schemes.
- Encourage cultural organisations and venues based in the district to programme ambitious, high quality, inclusive events which are immersive and provide inspiring experiences that exceed expectation and provide escapism and enjoyment.
- Promote the use of the contemporary arts and innovative digital tools to engage with the **district's heritage** and tell its stories.

Creative Voice

It is a priority to:

Raise the district's national and regional profile as a high quality 'creative cluster' and articulate the offer locally to residents, visitor's, investors and business - advocating how it contributes to health and wellbeing, society and the economy.

It is extremely challenging for self-employed practitioners and smaller organisations (particularly cultural and community organisations) to promote their work.

The district's profile is not as prominent or attractive to creative talent as it should be. The strengths and distinctiveness of the district's offer must be communicated better in order to attract creative professionals and businesses looking to relocate to the area.

Key Actions:

- Create a fresh narrative that showcases, celebrates, and promotes the district's vibrant creative industries. Raise the profile and reputation of the district as a significant 'creative cluster' and position the area as the place that innovative, creative businesses and workers should want to relocate to.
- Champion the creative industries and promote their social, economic and intrinsic benefits. Build an evidence base for the impact of creative sector locally, by putting in place robust research and evaluation to support this Creative Framework.
- Coordinate marketing resources and collectively promote creative organisations, heritage and cultural assets, activities and events to consumers. This may include a comprehensive 'creative what's on' that promotes a monthly calendar of events and activities or a cultural map.
- Create a new online 'portal' which displays content about creative people, businesses and opportunities as well as providing residents with information about events in their area so they might learn more about where they live.
- Better promote the district's offer as a cultural destination and develop new high quality tourism products. This may include building on the flourishing festival economy by introducing a new major festival.

Creative Pathfinding

It is a priority to:

Improve co-ordination and awareness of opportunities by fostering a culture of collaboration and communication.

To support creative organisations to be sustainable and financially resilient and increase levels of inward investment.

To attract and nurture exceptional talent and to become a place where creative practitioners are welcomed and supported to build sustainable careers.

On the whole, (with a few notable exceptions) the creative organisations working in the district are focussed on delivering their own core activity and are not engaged with the work of others within the sector. There is perceived to be a lack of capacity for networking among creative professionals in the area. However, the sector has stressed the potential benefits of networking to their businesses- through collaborations, partnerships or shared marketing strategies. This is particularly relevant to freelancers and self-employed practitioners who desperately require connections to the industry and access to potential clients.

There is a comparable lack of external investment and grant funding for projects in the district. Arts Council England investment in the district is at relatively low levels, despite a wide variety of activity that requires development and financial support. There is a lack of the necessary skills and experience in bid writing and a lack of awareness of potential funding opportunities.

It is challenging to encourage the large creative student population to base their professional practice in the District after they graduate. There is not enough

engagement with higher education from the local creative industries and graduates are unfamiliar with the potential routes they could take into the sector.

It is becoming increasingly challenging to recruit the necessary talent into the area, **as competition from other 'creative clusters' and cities becomes increasingly attractive.**

Key Actions:

- Support efforts to draw more investment and funding into the area for creative projects. Consider pooling shared resources that increase the likelihood of successful funding bids from the district (for example delivering workshops that advise projects on funding bids, or keeping experienced bid writers on a retainer).
- Support existing networking events and facilitate new initiatives to bring together different parts of the cultural and creative industries to share ideas, expertise and build a common vision. This should include a focus on innovation and best practice for creative organisations and businesses. **Deliver an annual creative "symposium"** every year, to evaluate the progress of the Creative Framework, share ideas and plan for the future.
- Better promote the opportunities available to **the district's creative sector**. For example – calls for work, new projects, vacancies and development opportunities. Create a portfolio of spaces, services, resources and a database of creative organisations in the district which individuals, organisations and community groups can utilise.
- Investigate the feasibility of developing a **creative 'hub'** in the district. Creative hubs have become a new way of organising creative economy innovation and development. Hubs offer smaller scale creative businesses the opportunity to aggregate with others in order to access crucial resources such as tools, specialist services, or inspiration to help develop projects and businesses.
- Work with universities to deepen their support for the creative sector in District and increase graduate retention in the area.

Creative Place Making

It is a priority to:

Incorporate culture and creativity into the way we design and use our public spaces and use the creative sector to revitalise and enhance our town centres; to protect, preserve and grow our historic architecture, heritage and cultural venues.

Culture significantly contributes to a sense of identity, ownership and belonging. The **district's high quality open spaces** are places where people can enjoy and participate in cultural events or meet formally and informally to study, relax and develop or exchange ideas. The more these spaces are used the more attractive and welcoming they become as centres of community.

More creative sector activity, especially the games sector, happens in Leamington Spa than elsewhere in the District. There is a need to ensure that growth of the creative sector is balanced and experienced as something that benefits the whole District, not just certain sectors (e.g. games) and places (e.g. Leamington Spa).

Cultural organisations and creative businesses alike strongly underline the lack of available space in the district for their operations. This issue was raised in the context of music venues, studio space, offices, art exhibition space, rehearsal rooms, and storage spaces. A lack of suitable space is a major barrier for majority of creative

businesses - with many already outgrowing the space available and actively looking to relocate out of the district.

It was also suggested that the district lacks a suitable creative space where practitioners and audiences can meet, discuss and create collectively.

Key Actions:

- Support the use of non-traditional settings and accessible outdoor spaces, maximising the use of public spaces for creative activities which bring communities together.
- Celebrate and build upon the concentration of successful cultural and creative-tech industries based in Royal Leamington Spa but ensure that the benefits radiate outwards and impact across the wider district.
- Explore the feasibility of developing a creative industries hub and incubator with shared resources and equipment. More shared spaces where independent creative practitioners can work together to create new work.
- Investigate the feasibility of using 'meanwhile spaces', pop-up spaces in retail, shop-front venues in town centres, as temporary spaces to showcase the work of creatives. Ensure that creative organisations are provided with information on vacant properties and ownership, creating a database of available properties and approaching landlords to seek their consent to add their properties to the database.
- Harness the benefits the creative sector for regeneration. Deliver the Leamington Creative Quarter to provide new creative spaces and nurture cross sector interaction.
- Develop a public arts policy should act as a 'Supplementary Planning Guidance' document to guide the contribution made by new development schemes.

Creative Innovation

It is a priority to:

Attract innovative companies to the area and encourage existing innovators to use their skills and knowledge to introduce new ways of thinking and address challenges within the sector; to tangibly connect the 'digital' strength of the district with cultural organisations to create original ways of engaging with creativity.

Innovation is increasingly driven by non-technological factors such as creativity, design and the convergence of different activities and platforms.

The Higher Education sector is central to the innovation potential of the district with its mix of research, experimentation and collaborative activities. Increasingly, as universities 'open up' to deliver closer partnerships with industry, and as they seek to deliver local economic impact alongside a set of research and teaching outcomes, they can be to the forefront on an innovation agenda very much dependent on creativity and the creative industries.

Key Actions:

- Seek to increase the amount of cultural activity that is captured, created, produced, shared and archived through digital technologies and platforms, and support partnerships which will enable more people to access this activity.
- Influence arts and cultural businesses to collaborate across the more commercially driven parts of the sector.
- Work with universities to deepen their support for the creative sector in District.

- Explore potential funding streams to support the growth in digital creative and cultural partnerships and commission new work from across different art forms, to develop programming and reach audiences.
- Explore how digital technology can transform delivery, experiences and business models of how culture is produced and experienced.
- Encourage inward investment for innovation, entrepreneurial development and fundraising

Warwick District Council

Warwick District's Creative Sector

Analysis of Impact and Strategy for
Growth

June 2019

BOP
Consulting



Credits

Written and prepared by

Jonathan Todd, Marta Moretto, Iain Bennett, BOP Consulting – with Professor Jonathan Neelands and Professor Stephen Roper of Warwick Business School

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Executive Summary

Warwick District Council recognises the value of its creative sector to its economic and social goals. It supports the sector through provision of impressive cultural facilities, including the Royal Pump Rooms, the Royal Spa Centre and the Town Hall.

With this research providing new evidence on the scale of its achievements, the District Council is to be commended for celebrating its creative sector.

But the District's creative sector has reached a fork in the road.

There is a scenario where it consolidates and extends its strengths by finding new means of collaboration. There is also a scenario where it slips backwards.

Now is the time for the District Council to act to prevent erosion of competitiveness and consolidate strengths through collaboration.

Warwick District's creative sector has much to celebrate

Warwick District has key strengths in performing arts, with two organisations, Motionhouse and Live & Local, holding National Portfolio Organisation (NPO) status with Arts Council England. Others, from Playbox Theatre to Armonico Consort, the Loft to Heartbreak Productions, Leamington Music to Talisman Theatre and Arts Centre, and more besides, make up an impressively rich and varied performing arts sector.

Leamington Studio Artists (LSA), an organisation sustained entirely by voluntary activity, helps to underpin a similarly strong local arts offer. There are also numerous well-established cultural events, e.g. Art in the Park, Kenilworth Arts Festival, Leamington Music Festival, Warwick Folk Festival, and Warwick Words.

The widespread support for volunteering and educational activities shown by the creative sector reflects a robust ethic of volunteering within the District and makes a significant social contribution. Together, these create a strong sense of place and indicate that the District sees culture as important to its future.

Warwick District's creative sector makes a significant contribution to the local economy

Overall, the creative industries contributed nearly half a billion pounds of Gross Valued Added (GVA) to the economy of Warwick District in 2017.

We have estimated employment in the District in 2017 on three definitions of the creative sector (with these definitions outlined in greater detail in chapter 2):

- **Cultural sector:** 555 jobs – a subcomponent of the creative industries
- **Creative industries:** 7275 jobs – defined in the government's 2001 *Creative Industries Mapping Document* as "those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property"
- **Creative economy:** 12975 jobs – the creative industries plus those working in creative occupations (as defined by the government) outside the creative industries.

Overall, on this broadest definition of the creative sector (the creative economy) an employment contribution is sustained considerably larger than that provided in the same geography by, for example, Retail (6000), Accommodation & Food Services (7000) and Manufacturing (6000).¹ The creative economy is, therefore, fundamental to the economy of the District.

When Nesta² published *The Geography of Creativity in the UK* (2016) Leamington Spa was placed at 17th in a ranking of creative clusters across the

¹ 2017 BRES data on Warwick District

² Formerly NESTA, National Endowment for Science, Technology and the Arts, Nesta was established in 1998 with an endowment from the UK National Lottery. In 2012 Nesta became an independent charity. It is an innovation foundation and important to shaping policy for the creative sector in the UK.

UK. This placed a town in the District higher than any other creative cluster in the Midlands.

This impressively high ranking for Leamington Spa was driven by its games sector. However, we use Location Quotient analysis here to provide evidence of employment clusters within the District in other creative sectors: architecture, crafts and design.

The strengths of the District in performing and visual arts, as well as games, are perhaps already recognised but its strengths in other parts of the creative industries should not be overlooked. There are, for example, 120 design enterprises in the District. 10 of which employ 10 or more people. Overall, employment in the creative industries in the District increased by 9% between 2015 and 2017.

The success of the creative sector in the District is largely built on microenterprises and freelancers. 94% of creative sector enterprises in the District are micro (employing nine or less people) and 17% of creative sector workers are freelance. At the same time, there are some substantial organisations within the District's creative sector. Five enterprises in the IT, Software and Computer Services sector employ over 50 people.

The creative sector drives much of the local economy

The District benefits from an unusually large number of workers in creative occupations (as defined by DCMS) outside of the creative industries (as defined by DCMS). 70% of those in creative occupations in the District are not working in the creative industries – a higher proportion than in Coventry (55%) or Coventry and Warwickshire (58%). These workers bring creative insights, practices and processes to the wider economy of the District, which might help it be more productive and innovative.

Furniture manufacture is not considered a creative industry (by DCMS). Yet the District's creative sector helped to secure inward investment to the District from a furniture manufacturer. *"When we outgrew the expense and congestion of*

London," Mark Adams of Vitsoe has said, *"we were looking for both a creative and digital community but also excellent transport connections to the capital."*

As well as encouraging investment in the District, the creative sector encourages tourism. Tourism brings over 3.8 million people to the Warwick District each year with a combined spend of over £282.6m.³ While visiting heritage sites/castles is by far the main reason for visiting Warwickshire,⁴ the cultural offer of the District is also important. There is potential for culture-led tourism to the District to further grow.

There is also potential for local supply chains to be strengthened. While our survey indicates that a considerable proportion (42%) of supplier expenditure by the creative sector is retained within the District, 57% of the survey respondents indicated that local supply chains could be strengthened – implying that there is potential for more than 42% of supplier expenditures to be retained in the District.

The District's creative sector can achieve more

Sir Peter Bazalgette independent review of the creative industries in 2017 called for partnerships of councils, LEAs, higher education and business to build local creative clusters. The District has the potential to benefit from a world class creative cluster. Yet has never pursued this through a growth strategy for its creative sector.

The District Council should now change this. In doing so, it should take inspiration from elsewhere.

In 1999, the Mayor of Laval (in France) took a strategic decision to put all the city's central government innovation funding (from FrenchTech, akin to UK Research & Innovation) into establishing a hub for virtual and augmented reality - Laval Virtual. This decision has led to this relatively small, provincial city becoming a globally renowned centre of VR and AR.

In Brighton, an independent and business-led cluster organisation, Wired Sussex, is well respected across the sector and integrated into LEP structures.

³ Warwick District Council website, March 2019

⁴ Warwickshire Visitor Profiling Report, ngisolutions 2017

Helped by strong engagement with the Universities of Sussex and Brighton, Wired Sussex has been able to attract central government funding into Brighton for a series of sector initiatives.

The District has numerous opportunities to benefit from creative sector growth akin to Brighton and Laval. These include: major events occurring nearby (i.e. Coventry 2021 and Birmingham Commonwealth Games in 2022); the eagerness of Coventry and Warwick Universities to deepen their engagements with the creative sector of the District; the West Midlands being the UK's first large-scale 5G testbed; and new capital investment (e.g. the Creative Quarter/1 Mill Street), which might include facilities required to strengthen local supply chains (e.g. motion capture and audio suites for games development).

There are risks that the District's creative sector will slip backwards

While we are potentially entering an exciting period for the creative sector of the District, there are risks that its impact slips backwards.

When asked about challenges and weaknesses of the creative sector in the District, survey respondents underlined the availability of suitable premises: 40% of survey respondents indicated that this is a major barrier to the development of creative businesses in the District. This was followed in order of importance by a perceived lack of business networking opportunities (16%), broadband quality (11%) and access to talent and skills (9%).

Laval and Brighton have taken steps to improve access to workspace. Both universities (e.g. Sussex Innovation Centre) and the private sector (e.g. The Werks, The Projects, Spaces) have played a role in Brighton. Laval has recognised the need to create new and dedicated studio and workspace – La Licorne – to help address costs and shortages of accommodation for early stage businesses within a heritage environment.

While the District should be inspired by what has been achieved elsewhere, it should also recognise that it is in competition with such places. The battle for talent is one dimension of this competition. 57% of games businesses in the UK

employ EU workers and on average, EU employees make up 34% of these companies' headcount.⁵ Nearly one-fifth of businesses in the District's creative sector have struggled to fill vacancies in the past year, according to our survey.

The recent closure of the Assembly also, unfortunately, weakens the District's cultural offer.

Collaboration is key to achieving more and managing risks

To build upon the success of the creative sector and manage the risk that it regresses, we make the case for overlapping and reinforcing recommendations to be advanced by the District Council and the creative sector in collaborative partnership.

We recommend that the District:

- 1. The District Council to develop and implement a growth strategy for its creative sector.** This strategy should support collaborations within its creative sector that enable the sector to:
 - a) Strengthen the drivers of creative sector activity
 - b) Grow the downstream benefits of the creative sector
 - c) Seize the opportunities open to the creative sector
 - d) Tackle the weaknesses of the creative sector
 - e) Make creative sector supply chains more robust within the District
 - f) Help the District be a creative place to live as well as work
- 2. Consider the development of a Creative Sector Compact for Warwick District**
- 3. Move ahead with the Creative Quarter**
- 4. Utilise Creative Sector Compact and Creative Quarter to support collaboration.**

⁵ Ukie, *State of Play, The UK games industry's priorities for EU negotiations*, March 2017

We provide more detail on these possible steps in our Recommendations chapter.

The time is now

Some of these opportunities open to the creative sector are time-limited: most centrally, Coventry 2021 and Birmingham Commonwealth Games 2022. These international events will have impacts across the West Midlands but maximising their impact upon the District requires action now.

There is also a need to act now to seize the advantages of the Creative Quarter. The alternative to doing so is that the competitive challenges facing the creative sector (e.g. lack of adequate workspace) become more acute and its growth is curtailed.

The District Council enjoys extensive relationships with the creative sector and has developed, through this research, a deeper understanding of the opportunities and challenges facing it. These relationships and understanding make the District Council, rather than other agencies (e.g. Warwickshire County Council, CWLEP), best-placed to develop and implement a growth strategy for the creative sector within the District.

At the same time, the District Council is closely involved with the initiative (the Creative Quarter) that has the potential to do most to seize these opportunities and address these challenges.

Nonetheless, not least given the continued pressure upon public sector budgets, there are limits to how much the District Council can achieve in isolation. To achieve more, therefore, the District Council should seek to enable collaboration within its creative sector.

Collaboration should be the leitmotif of the District Council's creative sector growth strategy. But without action now from the District Council, these collaborations will not happen. They require a catalyst and that catalyst should be the District Council.

We hope that this report can be a step toward securing this collaboration.



Source: Royal Leamington Spa Lantern Parade, BID Leamington

2. Introduction

2.1 About BOP Consulting

BOP Consulting⁶ is pleased to work with Warwick District Council to assess the impact of its creative sector and develop a strategy for growth.

BOP Consulting is an international consultancy specialising in culture and the creative economy. We celebrated our 20th birthday last year.

Along with the Mayor of London, we convene the World Cities Culture Forum (WCCF)⁷, a network of 35 megacities that is building up an evidence base on the importance of culture to sustainable urban development.

Our pioneering research has helped shape the support provided for the cultural and creative industries outside London, including mapping the creative economy of Greater Birmingham & Solihull (GBSLEP)⁸ and developing a games strategy for Coventry and Warwickshire (CWLEP)⁹.

We also developed a Creative Industries Toolkit for the Creative Industries Council, which provided a series of case studies to help local leaders identify appropriate growth and planning strategies to grow the distinctiveness of the creative economy and cultural industries in their areas.

Brief from Warwick District Council

Warwick District Council set BOP Consulting three research aims:

1. To develop improved intelligence and provide the context of Warwick District's creative sector and establish its economic, social and cultural value

2. To develop a robust methodology for assessing the impact of the District's creative sector, that has credibility within both the sector and elsewhere, that will enable comparable studies to be undertaken in the future by the Council
3. To identify strengths and weaknesses across sub-sectors where Warwick District Council can make strategic interventions and take a proactive approach in supporting the creative sector.

2.2 Context for this work

The creative industries are increasingly important

The creative industries are of increasing economic significance to the UK and Warwick District boasts a major cluster of creative industries activity.

In November 2018, DCMS reported that the creative industries contributed £101.5bn to the UK economy in 2017, an increase of 53.1% since 2010 (£66.3bn). Based on current trends, the creative industries are expected to deliver close to £130bn GVA by 2025 and approximately one million new jobs could be created by 2030.¹⁰ Creative jobs are highly resistant to automation, with 87% of creative workers in the UK assessed as being at low or no risk.¹¹

There is a potentially world-class creative cluster in Warwick District

When Nesta¹² published *The Geography of Creativity in the UK* (2016) Leamington Spa was placed at 17th in a ranking of creative clusters across the UK. This placed a town in Warwick District higher than any other creative cluster in the Midlands.

The global video games industry is an economic and cultural success story. As BOP reported in 2017 for CWLEP, around 130 of the UK's best games businesses are based in the West Midlands - notably in and around Leamington

⁶ <http://bop.co.uk/>

⁷ <http://www.worldcitiescultureforum.com/>

⁸ <https://gbslep.co.uk/wp-content/uploads/2017/12/Creative-Economy-Mapping-GBSLEP-Dec17-full-report.pdf>

⁹ http://www.cwlep.com/sites/default/files/games_industry_-_blueprint_for_growth.pdf

¹⁰ Projections provided in Sir Peter Bazalgette, *Independent Review of Creative Industries*, 2017

¹¹ Bakhshi, H. Frey, C.B. Osborne, M. *Creativity vs. Robots – The Creative Economy and the Future of Employment*, 6 (Nesta, 2015)

¹² Formerly NESTA, National Endowment for Science, Technology and the Arts, Nesta was established in 1998 with an endowment from the UK National Lottery. In 2012 Nesta became an independent charity. It is an innovation foundation and important to shaping policy for the creative sector in the UK.

Spa - creating, highly skilled, productive jobs and opportunities throughout the region. At any one time, there are between 2,000 and 2,500 full time employees in 50+ games companies in and around Leamington, out of a total of 3,000-3,500 games industry professionals across the West Midlands.

“Our video games grip the imagination of the world,” wrote Sir Peter Bazalgette in his independent review of the creative industries in 2017. “However, this creative strength cannot be taken for granted as if it were an endless natural resource: it needs to be nurtured through our education and skills systems else we risk falling back as countries such as China move forward.”

Sharpening international competition was not the only challenge identified by Bazalgette. *“The geographic spread of the Creative Industries is a concern; they are one of the most unevenly spread sectors, behind only agriculture, finance and insurance.”*

Nonetheless, Bazalgette sees potential for this geographic spread to become more even.

“ We have clusters around the UK with the potential to reach world-class status, with many more middle-ranking clusters besides. The challenge is for local partnerships of councils, LEPs, higher education and business to develop long-term strategies which merit and receive tailored support from government and national agencies.

The strength of its games cluster gives Warwick District its strongest claim to having potential world-class cluster status. However:

1. The creative strengths of Warwick District extend far beyond games

2. While Bazalgette calls for local partnerships of councils, LEPs, higher education and business, Warwick District has never previously benefitted from a strategy for its creative sector.

The purpose of this report is to gather evidence on the current impact of the creative sector in Warwick District and to move toward such a strategy for the District.

This evidence has previously been more consistently gathered at UK-wide and regional-levels. For example, when Arts Council England published *Contribution of the arts and culture to the UK economy* (2017), it found that for every £1 of GVA generated by the arts and culture industry, an additional £1.30 of GVA is generated in the wider economy through indirect and induced multiplier impacts of the industry.

BOP partnered with Arts Council England and other organisations to deliver the report of the Cultural Cities Enquiry earlier this year.¹³ This found: *“Public investment in culture is falling – down 11% in the 4 years from 2012/13 to 2016/17. This is driven primarily by a 19% fall in local authority funding, the mainstay of cultural investment in the UK, reflecting the continuing pressures on council budgets.”*

This ongoing pressure on public sector budgets makes it even more important that local creative sectors achieve the kind of partnerships highlighted by Bazalgette.

Where these partnerships can be built, and evidence of growth potential demonstrated, there is potential for localities to access additional government funding. For example, at the launch of the West Midlands Industrial Strategy earlier this year, an additional £28m of funding was announced to seek to ensure that the Advanced Propulsion Centre has the best possible equipment to develop the processes that will make electric cars part of everyday life.¹⁴

Other agencies relevant to this potentially world-class cluster

This £28m of additional funding means that the West Midlands has a track record of building the kinds of partnerships between public, private and HE

¹³ <https://www.corecities.com/sites/default/files/field/attachment/Cultural%20Cities%20Enquiry%20%5Bweb%5D.pdf>

¹⁴ <https://www.gov.uk/government/speeches/west-midlands-local-industrial-strategy>

sectors that can attract additional government backing. These partnerships, however, have been more usually built by the West Midlands Combined Authority and the LEPs of the Midlands. These agencies also have a range of other initiatives intended to support the creative sector of Warwick District.

In this case, the agency seeking to catalyse new partnership is Warwick District Council. In doing so, it does not seek to duplicate the efforts of other relevant agencies, including Warwickshire County Council, as well as the Combined Authority and CWLEP. It intends to complement these efforts to ensure that the creative sector of the District achieves its full possible to fulfil the economic, social and cultural ambitions of local people.

2.3 Our approach

We reviewed relevant data and literature. We also partnered with Warwick Business School (Professor Jonothan Neelands and Professor Stephen Roper) to access additional data on the local economy and develop a deeper understanding both of this economy and the local cultural sector.

We ran a survey and two workshops with relevant stakeholders and practitioners working in the cultural and creative sector in Warwick District.

BOP Consulting created a survey exploring the current status, composition and scale of the cultural and creative sector in Warwick District. Additionally, the survey explored how the sector perceives its main opportunities for growth and barriers to this growth. This survey ran from 14 May to 31 May 2019.

Among the 245 valid survey respondents:

- 44% (n=108) were individual workers in the creative and cultural industries practising in Warwick District
- 27% (n=67) were profit-seeking businesses based in Warwick District operating in the creative and cultural industries
- 18% (n=43) were not-for-profit organisations based in Warwick District
- 11% (n=27) characterised themselves as “other organisations, such as public sector, third sector and/or university”.

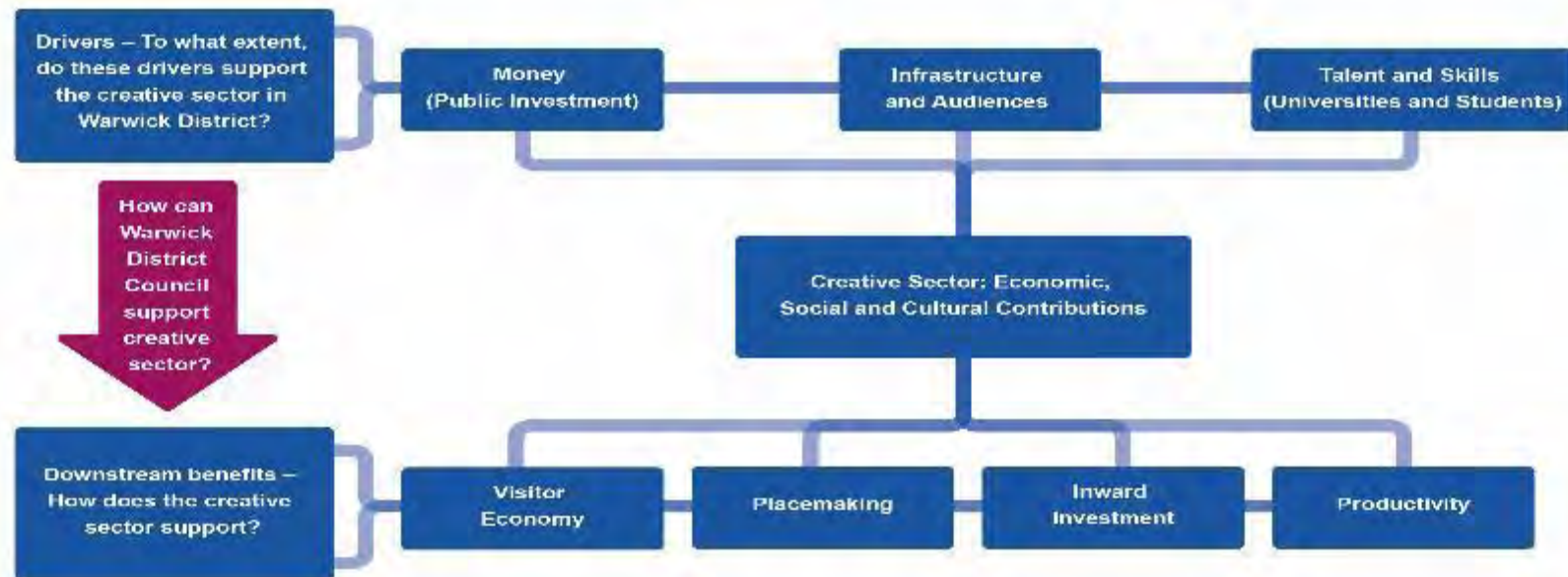
We presented and discussed initial results from this survey at two workshops in Warwick District. These workshops were attended by creative practitioners and other relevant agencies (e.g. CWLEP, Warwick University, Coventry University). These workshops involved helpful discussion on what these partners are looking for from a creative strategy for Warwick District.

We are grateful to everyone who completed the survey and/or attended a workshop. Thank you.

2.4 The framework: Maximising the benefits of the creative sector

The analysis provided in this report is wide-ranging. The interrelationships between issues complex. We benefit, therefore, from a structuring device to navigate this analysis and the issues that it covers. We provide this structuring device in the form of the framework illustrated in the figure below.

Figure 1 Conceptual framework for analysing key drivers of the creative sector in Warwick District and its downstream economic impacts



Source: BOP Consulting

2.5 Unpacking the framework

At the heart of our analysis is the creative sector of Warwick District, which makes a range of contributions to the District:

- **Economic:** the employment and Gross Value Added (GVA) sustained by the creative sector of the District, as well as the degree of creative clustering that it demonstrates
- **Cultural:** the engagement, specialisation and employment that shapes the culture of the District
- **Social:** the social capital and inclusion built by the activities of the creative sector.

The strength of the creative sector of Warwick District is dependent upon a range of drivers, while the extent of this strength determines the capacity of the creative sector to drive a series of downstream benefits. The framework in **Error! Reference source not found.** illustrates both the main drivers of the creative sector in the District and the downstream benefits of this sector.

The drivers are:

- **Money (public investment):** because the more money is spent on culture in the District, the more vibrant the creative sector of the District should be
- **Infrastructure and audiences:** because the more cultural infrastructure and audiences that exist in the District, the more vibrant the creative sector of the District will be
- **Talent and skills (students and universities):** because the more people trained in cultural and creative disciplines and related activities, as well as the dedicated facilities to support them, the more vibrant the creative sector of the District will be.

The more vibrant the creative sector of the District, the more these downstream benefits can expect to be secured:

- **Placemaking/physical regeneration:** because cultural activities and amenities help to build pride in localities and to ensure that economic development is inclusive
- **Visitor economy:** because the more culturally engaging the District is, the more people will want to visit the District, staying for longer and spending more money
- **Inward Investment:** because a more culturally engaged place should enjoy a better quality of life, making it more likely to benefit from inward investment from firms looking for new locations in which to open and/or expand
- **Productivity:** because the more culturally animated the District is, the more likely it is that this will spillover into the wider economy, not least via a category of creative economy worker that we define in our next chapter: those in creative occupations but outside the creative industries.

The framework is, thus, a structuring device formed by a core relationship: drivers that contribute to the creative sector of the District, and the creative sector of the District helping to secure downstream economic benefits.

Of course, culture has many more benefits than we have outlined within the framework. For instance, participation in culture is linked with better well-being. Better health and well-being are intrinsically valuable and have an economic value – for instance, through reduced healthcare costs and fewer working days lost to illness. However, precisely quantifying the methodologically complex contribution of culture in the District to these kinds of ‘transversal’ benefits for the District was not part of the current brief.

Therefore, it should be noted that the framework is not:

- Exhaustive: from improved mental health to enhanced investor perceptions, culture can deliver many benefits, not all of which are illustrated in our framework
- A precise econometric model: it does not quantify the extent of downstream benefit that might be expected to be secured from, say, an increase of public investment in culture in the District by £Xm per year

- A set of relationships that only apply only in one direction: while, for example, culture strengthens the visitor economy, more visitors also tends to strengthen the cultural sector too.

The framework does, however, enable us to present an analysis rooted in a large amount of data gathering and analysis. It organises this analysis in a way that focuses upon some key relationships – in particular, relationships that are relevant to the main economic contributions of the creative sector. This has been intended to make our data gathering and analysis easier to navigate, as well as more likely to illuminate important conclusions.

2.6 Report structure

Our next chapter provides definitions of the creative sector that we have used in this research.

We then move on to three chapters that mirror the structure of the framework above:

- Drivers of creative sector
- Creative sector contributions
- Downstream benefits of the creative sector

We then have chapters that provide:

- Case studies (Brighton and Laval, France): intended to provide inspiration for what the District might achieve
- SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis of the creative sector of the District
- Finally, we conclude with recommendations.



3. Definitions

While the central focus of this research is the creative industries, three creative sector definitions apply throughout:

1. Cultural Sector
2. Creative Industries
3. Creative Economy.

As we move through these definitions, they encompass an increasing number of activities. More activities are encompassed by the creative industries than by the cultural sector; in turn, more activities are encompassed by the creative economy than by the creative industries.

This expansion of activities is represented in Figure 2 below. In terms of the content of the different activities encompassed by each definition, they map onto the 'concentric circles' model that was established in the last decade in studies of the cultural and creative industries in both UK and international contexts.¹⁵

In essence:

4. **Cultural Sector:** DCMS bundle Standard Industrial Classification (SIC) codes into definitions of the cultural sector and the creative industries.¹⁶ The cultural sector is defined here as those SIC codes that are allocated by DCMS to the cultural sector and which are also contained within the DCMS definition of the creative industries.¹⁷ This includes arts and heritage activities that pre-date industrialisation. These maps onto the first three of six cultural 'domains' identified within UNESCO's well-established definition of culture: Cultural Heritage, Performance and Celebration, Visual Arts and

Crafts.¹⁸ The DCMS definition of the cultural sector also includes the media industries that developed when technologies of mass reproduction were applied to cultural products from the end of the nineteenth century onwards.

5. **Creative Industries:** Groupings of SIC codes that, on the DCMS definition, form the nine industry sub-groupings of the creative industries. The creative industries were defined in the government's 2001 *Creative Industries Mapping Document* as "those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property". Within these creative industries are those working in creative occupations, which are those identified as being jobs that are creative in nature and defined by Standard Industrial Occupation (SOC) codes, and those working in other kinds of occupation (e.g. a receptionist at an advertising agency).
6. **Creative Economy:** This includes both the creative industries and all the creative occupations outside the creative industries. Graphic designer, for example, is considered a creative SOC, with those employed at design agencies falling within the creative industries and those employed elsewhere within the creative economy.

¹⁵ See, for instance, Work Foundation (2007) *Staying Ahead: the Economic Performance of the UK's Creative Industries*, for the Department for Culture, Media and Sport; and KEA (2006) *The Economy of Culture in Europe*, for the European Commission (Directorate-General for Education and Culture).

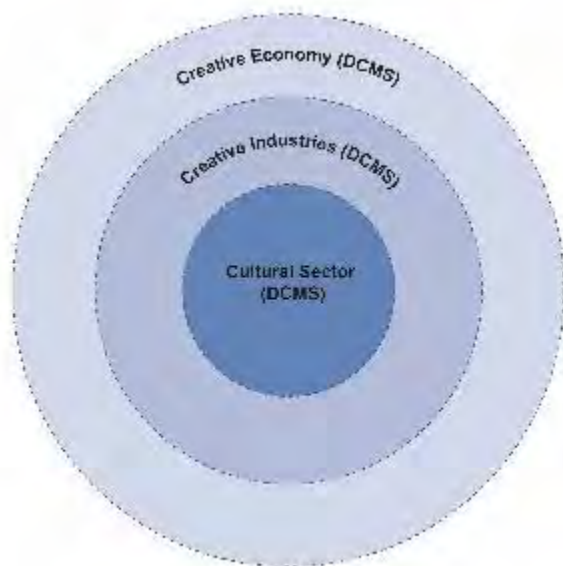
¹⁶ <https://www.gov.uk/government/publications/dcms-sectors-economic-estimates-methodology>

¹⁷ This excludes from the cultural sector the limited number of activities that DCMS define as being within the cultural sector but outside the creative industries, i.e. reproduction of recorded media, manufacture of musical

instruments, retail sale of music and video recordings in specialised stores, operation of historical sites and buildings and similar visitor attractions. As the creative industries are the main focus of this research, we are interested in those parts of the cultural sector taken to be contained within the creative industries.

¹⁸ UNESCO (2009) *Revised Framework for Cultural Statistics*.

Figure 2 Creative sector definitions



Source: BOP Consulting

Culture exhibits a mixed economy. That is, it contains organisations that are wholly private sector and exist in the market, as well as a range of charitable, non-profit and public sector organisations whose operational models combine elements of earned income generation with public investment of various kinds, and/or contributed income from individuals, trusts and foundations and businesses.

The importance of public investment to the mixed economy of culture is why we look specifically at level of public (rather than private) investment in culture in Warwick District.

The private sector is more extensively represented within the creative industries. Within the DCMS definition of the creative industries, DCMS includes four sub-sectors that make-up their definition of the cultural sector:

1. Crafts
2. Film, TV, Video, Radio and Photography
3. Museums, Galleries and Libraries
4. Music, Performing Arts and Visual Arts

and add to these four with a further five sub-sectors to complete their definition of the creative industries:

5. Advertising and Marketing
6. Architecture
7. Design: Product, Graphic and Fashion
8. IT, Software and Services
9. Publishing

4. Drivers of creative sector

The drivers are:

- **Money (public investment):** because the more money is spent on culture in the District, the more vibrant the creative sector of the District should be
- **Infrastructure and audiences:** because the more cultural infrastructure and audiences that exist in the District, the more vibrant the creative sector of the District will be
- **Talent and skills (students and universities):** because the more people trained in cultural and creative disciplines and related activities, as well as the dedicated facilities to support them, the more vibrant the creative sector of the District will be.

This chapter reviews evidence on these drivers.

4.1 Public investment in culture in Warwick District

In the financial year 2017/18 cultural organisations and practitioners based in Warwick District received a total of £3.4m from public authorities to support operational and production activities in the area and beyond. This compares to the £3.5m received in 2016/17, indicating that public investment reduced by 4% between 2016/17 and 2017/18.

These public investment figures comprise funding invested in the area's cultural sector by the two main Arts Council England funding streams (ACE Portfolio and Grants for the Arts¹⁹) and Local Authority spending on culture.

Local Authority here refers to Warwick District Council. As this excludes spending on culture by Warwickshire County Council, it understates public investment in culture in the District – but we have not been able to isolate the proportion of spending on culture by the County Council that occurs in the

District, as oppose to elsewhere in Warwickshire. Nonetheless, we recognise that Warwickshire County Council sustain two significant heritage assets in the District:

- Market Hall Museum is in the Market Hall, a 17th century landmark in the heart of Warwick. Recently refurbished with funding from the National Lottery Heritage Fund, the museum tells the story of Warwickshire. It attracted 78,977 visitors in 2018/19
- St Johns House, a Jacobean mansion located in the town of Warwick. With a history spanning almost 900 years, it attracted 6,279 visitors in 2018/19. These visitors all came via organised school groups, as the museum is not open to the general public. Separately, however, St Johns House is also the home of the Royal Warwickshire Regiment of Fusiliers Museum.

As shown in Figure 3, two National Portfolio Organisations (NPOs) have secured continuous funding from ACE both in 2016/17 and 2017/18 (Live & Local Ltd, Motionhouse). The number of Grants for the Arts received decreased from 15 to 10, resulting in a reduction by 24% in the amount of funding received via Grants for the Arts in the District between 2016/17 and 2017/18.

Figure 3 Public investment in culture in Warwick District (2016/17 and 2017/18)

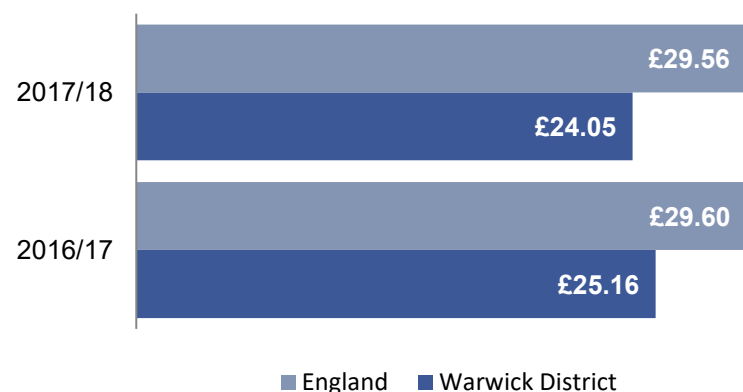
		2016/17		2017/18	
Funder	Programme	£	No.	£	No.
ACE	National Portfolio Organisations	£ 630,270	2	£ 630,270	2
ACE	Grants for the Arts	£ 231,638	15	£ 175,902	10
Warwick District Council	Revenue Outturn 5: Selected Cultural, Environmental, Regulatory and Planning Services	£ 2,656,000	--	£ 2,556,000	--
Total		£ 3,517,908		£ 3,362,172	

Source: ACE, MHCLG

¹⁹ Since March 2018, ACE Grants for the Arts is named Arts Council National Lottery Project Grants

Figure 4 indicates that in England, there was a per capita reduction in cultural funding of £0.01 between 2016/17 and 2017/18, whereas there was a per capita reduction of £1.11 in the District over the same period.

Figure 4 Public investment in culture in per capita Warwick District and England (2016/17 and 2017/18)



Source: ACE, MHCLG

4.2 Infrastructure and audiences for culture and creativity

The District Council backs culture

Warwick District Council is an important part of the mixed economy of culture in the District.

The Council's own cultural facilities attract approximately 565,000 annual attendances to a programme of over 1,000 arts events (performances, exhibitions, workshops, screenings and functions). This approximately breaks down as follows:

- Royal Pump Rooms: 400,000
- Royal Spa Centre: 95,000
- Town Hall: 70,000

Approximately 54% of attendees – just over 300,000 – travel from outside of the District.

The Royal Pump Rooms houses Leamington Spa Art Gallery & Museum, Leamington Library, Visitor Information Centre, the Royal Spa Centre's Box Office, the Assembly Rooms and a café. Prior to redevelopment in the 1990s, the Royal Pump Rooms contained Royal Leamington Spa's finest spa baths and assembly rooms. It is located at the southern end of the Pump Room Gardens, opposite the landscaped Jephson Gardens, and at the bottom of The Parade. This central location connects Leamington's New Town to the Old Town on the south bank of the river Leam.

In addition to the Royal Pump Rooms, the Arts Service (Warwick District Council) manage and operate the Royal Spa Centre and the Town Hall. All of which host a range of community events and entertainment.

The Royal Spa Centre is a receiving house theatre with 667 seats, and a Studio Cinema with 188 seats. The Studio Cinema functions as a smaller performance space and an independent cinema that runs in house.

The Town Hall is located on Leamington's Parade. It features the Council Chamber and The Assembly Hall. In addition to being used for council committee rooms, the Assembly Hall hosts a wide range of other events, including recitals.

The Town Hall also houses Leamington Learning Grid. Around 40 computers and desks are available to University of Warwick students, allowing students based in Leamington to study without visiting campus.

The Council also has a support and grant giving function – allocating, in addition to guidance and support, total grants of £23,850 to arts organisation working in the District.

The District Council also backs the games cluster

Warwick District Council is committed to supporting the games cluster that exists in and around Leamington town centre.

The District Council set up a games-specific incubation centre (26HT) with grant funding from CWLEP. It also hosts several studios in the Althorpe Enterprise Centre and Creative Arches.

The District Council have run, funded, supported and facilitated a series of events of different scales, ranging from multi-day conferences (e.g. Interactive Futures) to one-off karaoke-style coding workshops. The District Council view these events as essential to helping deliver a sense of place to those working, or aspiring to work, in the industry, while also facilitating networking opportunities.

Beyond this, the District Council seeks to support the games cluster in many other ways and is keen to ensure its continued growth within the District.

Performing arts are a strength of the District

Theatre provision within the District is impressive. In addition to the theatre in the Royal Spa Centre, there are numerous amateur theatres:

- The Bridge House Theatre (Warwick School)
- Loft Theatre Company (Leamington Spa)
- Priory Theatre (Kenilworth)
- Talisman Theatre and Art Centre (Kenilworth)

Furthermore, the Playbox Theatre Company is based in Warwick, working specifically with young people. It was founded with the aim of creating an artistic environment in which all children and young people flourish. For over 30 years, it has facilitated the artistic development of young people in the District and, through international collaborations, across the globe.

Motionhouse is another performing arts organisation that has been based locally for over 30 years. Its activities include:

- Full-length productions that tour to theatres across the UK and internationally
- Flexible outdoor productions that tour to festivals and non-theatre spaces
- Large-scale outdoor events
- Education and training at a studio in Leamington Spa, throughout the UK and further afield

The Artistic Director of Motionhouse Kevin Finnan MBE was Choreographer and Movement Director for the Opening Ceremony of the London 2012 Paralympic Games.

As noted above, Motionhouse is one of two NPOs in the District, with the other being Live & Local. This is a not-for-profit arts organisation working with a network of voluntary groups across Derbyshire, Staffordshire, Warwickshire, Worcestershire, Nottinghamshire, Lincolnshire and Leicestershire. Its professional team is based in Warwick and provides practical support and advice by helping volunteers to choose shows, as well as by co-ordinating the bookings, subsidising performances and helping them to attract an audience.

There are other impressive music organisations locally:

- Critically acclaimed choir and instrumental ensemble Armonico Consort is based in Warwick and entertains audiences across the country with its concerts, recordings and projects. Central to Armonico Consort is an education programme, AC Academy, that reaches 15,000 children a year across the UK through its in-school Choir Creation Scheme and after-school AC Academy Choirs in partnership with music hubs nationwide
- Warwick Folk Festival this year celebrates its 40th birthday. It has established itself as a highlight on the British music calendar, attracting people from across the UK and beyond. Live music and dance are programmed around the town centre, with a free concert and dancing in the Market Place. It also features workshops, storytelling, and theatre,

as well as a real ale & cider festival, wine bar and craft market. The festival runs over 4 days in July and has a daily capacity of 5000

- Heartbreak Productions, based in Spencer Yard, Leamington Spa, has been touring open-air theatre, across the UK and Ireland, since 1991. They collaborate with actors, designers, composers and crew to create exciting experiences for audiences. There is also an educational dimension to their work, with the Heartbreak Hub meeting locally on Saturday mornings during term time. This provides training in acting to students aged 5 to 18 years-old
- Leamington Music was launched in July 2006. It organises the Leamington Music Festival and, working with Warwickshire Music, takes musicians into schools across the county of Warwickshire.

Therefore, in addition to performing arts being a strength of the District, relevant organisations – Armonico Consort, Heartbreak Productions, Leamington Music, Motionhouse, Playhouse Theatre – have extensive educational and youth engagement activities. The District, consequently, is a place that sees art and culture as being important to its future.

While performing arts are a strength of the District, The Assembly, a music venue in Leamington Spa, recently closed, unfortunately. The company that ran the Assembly attributed this closure to rising rent and business rates along with the high costs of maintaining a listed building.

Visual arts are another strength of Warwick District

Leamington Studio Artists (LSA) is based at East Lodge in Jephson Gardens, Leamington Spa. It aims to foster and increase public interest, awareness and appreciation of the visual arts. The membership of LSA includes artists working in a wide range of media: painters, ceramicists, photographers and jewellers.

It is entirely run by volunteers and boasts significant achievements:

- Running Art in the Park, an annual, free, arts festival based in Jephson Gardens, since 2014 and which attracts 40,000 visitors
- Publishing and distributing its journal, ArtSpace, since 1998

- The Galleries at East Lodge, which also feature artist studios, are open to the public from Wednesday to Sunday every week.

Warwickshire Open Studios supports LSA and Art in the Park. Since 2000, Warwickshire Open Studios has been helping visual artists and designer makers across Warwickshire connect with art-lovers who enjoy, buy, commission and participate in their work. During the annual Open Studios Summer Event, over 300 artists, many of which are based in Warwick District, open their homes and studios to the public.

Heritage assets, public spaces and events

There are numerous heritage assets in the District – such as, for example, the National Trust properties at Baddesley Clinton and Wroxall Abbey, as well as Stoneleigh Abbey and Country Park in Kenilworth, which has been inhabited since 1154 when King Henry II granted the lands to a community of Cistercian monks.

The District also benefits a range of public spaces, including Jephson Gardens and Newbold Comyn in Leamington Spa and Abbey Fields in Kenilworth, which covers 68 acres and features a swimming pool (both indoors and outdoors), a lake, a children's play area and heritage trails. These spaces help to facilitate cultural and creative events.

We have already referenced Art in the Park and Warwick Folk Festival as important cultural events within the District. Others are:

- Warwick Words is a festival of the written and spoken word in the historic town of Warwick
- Since 2000, the Royal Pump Rooms have hosted the Leamington Music Festival, an acclaimed festival of chamber music, attracting visitors from all over the country
- Interactive Futures, a national expo attended by 1720 people, showcasing the latest developments and opportunities in the gaming industry.

4.3 Coventry and Warwick universities and District's creative sector

There are two renowned universities in and around the District (Coventry and Warwick).

University of Warwick is home to the largest multi-platform Arts Centre outside of London. Coventry University is a leading provider of applied creative and cultural undergraduate and postgraduate courses.

These provide courses in a range of disciplines relevant to the creative sector:

- Game Technologies
- Serious Games
- Simulation Centre
- Computer Sciences
- Digital and Creative Media.

Dr Elpida Prasopoulou, Coventry University has commented upon the relationship between the universities and the creative sector:

“ The Universities of Warwick and Coventry are supporting the local creative economy through their cultural and creative partnership. This includes investing in community skills, partnering academics with creative professionals, graduate placements and support for social enterprises.

Dr Elpida Prasopoulou

Looking ahead to how the relationship between the creative sector of the District and the universities may evolve, both universities:

- Have ambitions for graduate retention and gain in Leamington and Coventry

- Are actively pursuing Industrial Strategy and other funding to support growth in digital creative and cultural partnerships
- Have plans for digital and creative incubators and shared workspaces in Leamington



Source: the Imagineers Lady Godiva at Warwick Business School March 2016



5. Creative sector contributions

Key social contributions made by the creative sector relate to support for volunteering and educational activities. When reviewing the cultural infrastructure and audiences of the District in our previous chapter, we discussed these social contributions.

These social contributions are impressive. There is a robust ethic of volunteering in the District. With substantial cultural organisations (e.g. LSA) sustained entirely by voluntary activity. Provision of educational activities is also a common feature of cultural organisations based in the District – indicating that the District sees culture as being important to its future.

This chapter reviews evidence on the economic, social and cultural contributions of the creative sector to Warwick District. However, as these social and cultural contributions have been discussed in our previous chapter, this chapter is more economic in focus. We also revisit these social contributions in the section in our next chapter concerned with placemaking.

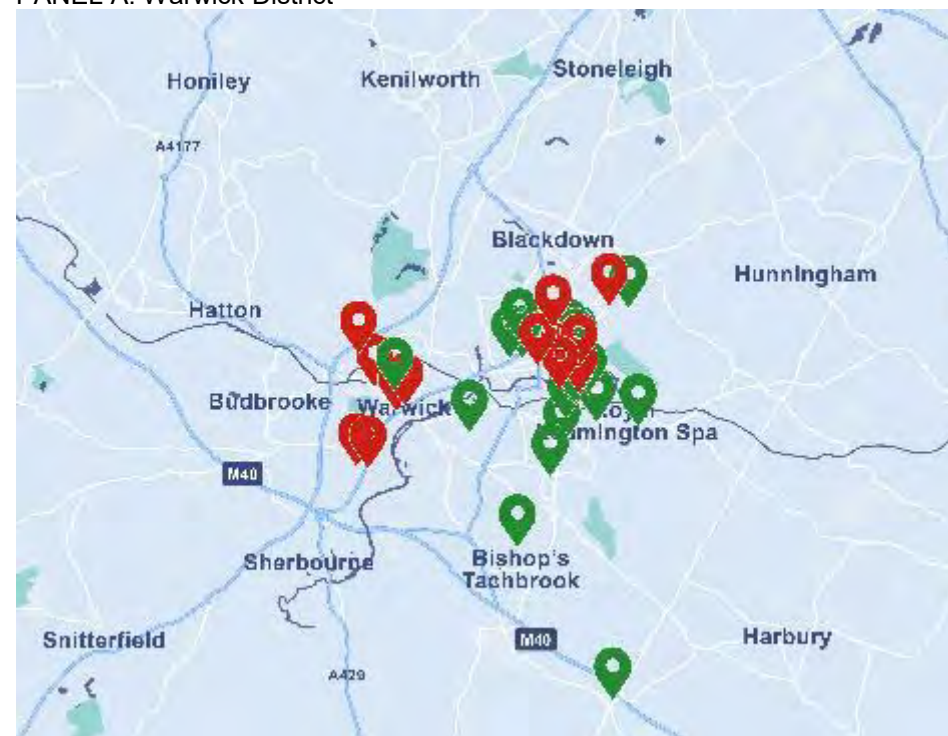
5.1 Geographic spread of activity

Using responses to the survey conducted by BOP to understand the geographic spread of cultural and creative activity, we notice that activities are concentrated in Leamington Spa and Warwick. Areas such as Kenilworth and Whitnash demonstrate fewer of these activities.

The map in Figure 5 shows the level of activity across the District (PANEL A) and focusing on areas of high activity (PANEL B). Both maps should be considered indicative and not exhaustive, as solely based on the survey respondents.

Figure 5 Distribution of survey respondents within Warwick District employed in cultural organisations (red placeholder) and creative businesses (green placeholder)

PANEL A: Warwick District



PANEL B: focus on high-density areas



Source: BOP Consulting, (n=62)

5.2 Importance of freelancers

The survey asked about the number of employees working in creative businesses and cultural organisations. As shown in Figure 6, *Film, TV, Video, Radio & Photography*, and *Music, Performing Arts & Visual Arts* have a high proportion of freelancers (52% and 40% of all employees). Overall, nearly one-in-five workers (17%) are freelance.

Figure 6 Freelancers as proportion of workforces by creative sector, based on survey respondents²⁰

	Employees (FTE)	Freelancers (FTE)	%
IT, Software & Computer Services (including games design)	350	45	13%
Design: Product, Graphic and Fashion	55	11	19%
Music, Performing Arts & Visual Arts	18	7	40%
Advertising and marketing	49	8	15%
Film, TV, Video, Radio & Photography	12	6	52%
Other (please specify)	28	12	43%
Total	512	89	17%

Source: BOP Consulting, (n=47).

5.3 Number and scale of creative sector enterprises

In the figure below, we have analysed the number and scale of enterprises by creative sector in Warwick District. This indicates:

- 94% of creative sector enterprises in the District are micro (employing 9 or less people)
- 59% of creative sector enterprises in the District operate in the IT, Software and Computer Services sector

²⁰ Some creative sectors – Publishing; Architecture; Museums, Galleries & Libraries – provided too few survey responses to be included in this analysis. It should also be noted that the total number of businesses and organisations providing these details was relatively small (47).

- 5 enterprises in the IT, Software and Computer Services sector employ over 50 people. No enterprises in any other creative sector employ so many people
- The second most significant creative sector, in terms of number of enterprises, is design, with 120 enterprises. 10 of which employ 10 or more people.

Figure 7 Number of enterprises by creative sector and size in District²¹

	Micro ²²	Small ²³	Medium ²⁴	Total
Advertising and Marketing	65	5	0	70
Architecture	60	5	0	65
Design: Product, Graphic and Fashion	110	10	0	120
Film, TV, Video, Radio & Photography	50	0	0	50
IT, Software & Computer Services	535	35	5	575
Publishing	30	0	0	30
Music, Performing & Visual Arts	60	5	0	65
Total	910	60	5	975

Source: UK Business Counts, ONS, BOP analysis

5.4 Creative sector employment and clustering

We have used UK Business Register and Employment Survey (BRES) data compiled by the Office of National Statistics (ONS) to assess the amount of employment in the creative industries in the District and how this changed between the year for which data is most recently available (2017) and two years prior to that (2015). These data have limitations,²⁵ which we have attempted to correct for in the case of the games sector,²⁶ and which may result in the local employment contributions of some sector being underestimated.

These data, nonetheless, indicate that 555 people work in the District in the cultural sector (the sectors in *italics* in the figure below). The rest of the creative industries are a much more significant employment contributor – especially, IT, Software & Computer Services (responsible for 80% of creative industries employment in the District). Some sectors experienced falls in employment between 2015 and 2017 (Advertising and Marketing; Design; Film, TV, Video, Radio and Photography) but overall, the sector grew in employment importance to the District over this period, with a 9% increase in employment.

²¹ UK Business Counts did not report upon two creative sectors (Crafts and Museums/Galleries/Libraries) in Warwick District

²² 0 to 9 employees

²³ 10 to 49 employees

²⁴ 50 to 249 employees

²⁵ For example, underreporting of freelancers, creative activities not neatly corresponding to SIC codes, and misallocation of creative activity to SIC codes outside the DCMS definition of the creative industries.

²⁶ Games is poorly represented within the SIC code system. Therefore, the SICs allocated by DCMS to IT, Software and Computer Services tend to underestimate the contribution of games. We have, therefore, added to the employment estimate derived from these SICs, the most recent estimate of games employment in the District (as reported in the District's bid to Channel 4).

Figure 8 Employment in the creative industries in the District (2017) and percentage change since 2015

	Employment (2017)	% change since 2015
Advertising and Marketing	260	-10
Architecture	300	20
Crafts	20	100
Design: Product, Graphic and Fashion	175	-30
<i>Film, TV, Video, Radio & Photography</i>	245	-13
IT, Software & Computer Services	5825	10
Publishing	140	22
<i>Museums, Galleries & Libraries</i>	100	33
<i>Music, Performing & Visual Arts</i>	210	31
Total	7275	9

Source: BRES and BOP analysis

Location quotients describe the extent to which there is a comparative cluster of employment. It compares the density of certain kinds of workers in an area to the nation average. A figure of 1 or above means a higher density than the Great British average, and lower than 1 indicates less density.

On this basis, the LQ numbers in the table above indicate that the District has numerous creative employment clusters. Most strongly in IT, Software and Computer Services but also architecture, crafts and design. The overall figure of 1.9 indicates that there are an unusually large number of people in employment in the District in the creative industries.

Figure 9 Location Quotient (LQ) scores by creative sectors in District (2017)

	LQ (2017)
Advertising and Marketing	0.6
Architecture	1.3
Crafts	1.4
Design: Product, Graphic and Fashion	1.1
<i>Film, TV, Video, Radio & Photography</i>	0.5
IT, Software & Computer Services	3.4
Publishing	0.4
<i>Museums, Galleries & Libraries</i>	0.4
<i>Music, Performing & Visual Arts</i>	0.6
Total	1.9

Source: BRES and BOP analysis

5.5 GVA of creative sectors in district

We gathered data on GVA-per-worker²⁷ and applied these to our employment estimates to derive the estimates of GVA by creative industries sectors in Warwick District. Overall, the creative industries contribute nearly half a billion pounds of GVA to the economy of Warwick District.

²⁷ From past research undertaken by Warwickshire Economics

Figure 10 GVA of creative industries in District (2017, £m)

	GVA (2017, £m)
Advertising and Marketing	14.8
Architecture	16.3
Crafts	1.1
Design: Product, Graphic and Fashion	11.0
Film, TV, Video, Radio & Photography	19.3
IT, Software & Computer Services	407.7
Publishing	12.6
Museums, Galleries & Libraries	4.1
Music, Performing & Visual Arts	8.6
Total	495.4

Source: BRES and BOP analysis

5.6 Importance of local markets to creative sector

PANEL A in the figure below indicates responses to a question in our survey regarding the geographic origin of turnover generated by the creative sector of the District. We used these answers to approximate the overall importance of these various geographies to the turnover of the creative sector of the District.²⁸ This estimate indicates that the District itself is an important generator of turnover, with around a quarter of the turnover of the creative sector being generated in the District. Equally, the creative sector is a generator of exports, with one fifth of its turnover coming from outside the UK.

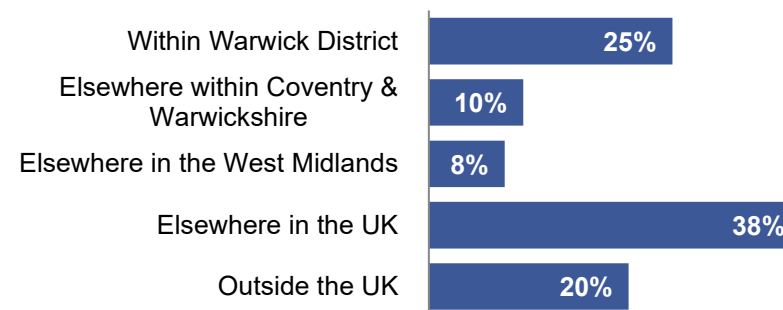
²⁸ We multiplied each entry by the mid-point of the percentage band to which it is allocated (e.g. the 11 responses that indicated that between 0 and 19% of turnover is generated in Warwick District were multiplied by 9.5% - 11

Figure 11 Geographical sources of turnover by creative sector

PANEL A

	Percentage of turnover				
Source of turnover from...	0-19%	20-39%	40-59%	60-79%	80-100%
Within Warwick District	11	5	4	2	5
Elsewhere within Coventry & Warwickshire	9	5	2	1	0
Elsewhere in the West Midlands	8	5	2	0	0
Elsewhere in the UK	4	11	5	5	7
Outside the UK	5	5	4	4	2

PANEL B



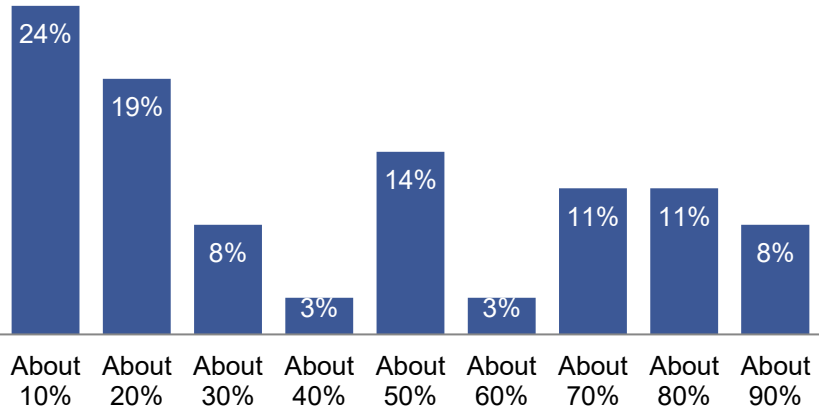
Source: BOP Consulting, (n=45)

The figure below shows responses to a question asking the creative sector what percentage of their supplier expenditure is retained within the District. These responses imply that across the creative sector 42% of supplier expenditure

multiplied 9.5%). The products of these multiplications were summed in each row. The totals in each row were then divided by the combined total of the rows to generate the percentages illustrated in PANEL B.

stays within the District.²⁹ While this is a considerable proportion, 57% of the survey respondents indicated that local supply chains could be strengthened – implying that there is potential for more than 42% of supplier expenditures to be retained in the District.

Figure 12 Percentage of supplier spending retained in District



Source: BOP Consulting, (n=37)

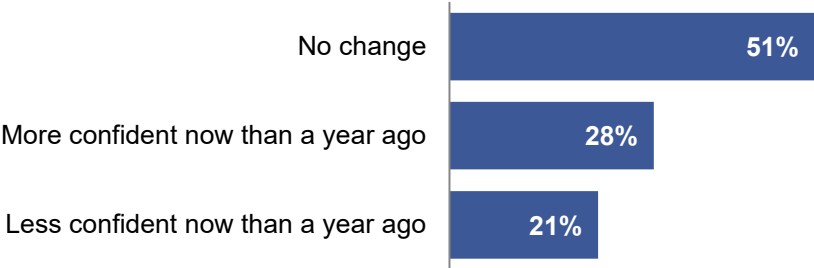
5.7 Looking ahead

More than the half (51%) of businesses and cultural organisations consulted through the survey indicated that their level of confidence in the business environment of the District was unchanged from a year ago. 28% said that they feel more confident than one year ago and 21% said that they feel less

²⁹ We multiply 24% (the proportion of respondents that estimate that about 10% of their supplier expenditure is retained in the District) by 10%, 19% by 20%, 8% by 30% and so on, then we sum the products of these multiplications.

confident now than they did then. This is a net positive of 7% (28% minus 21%) but it is concerning that around one-in-five of respondents have experienced an erosion of confidence in the District’s business environment.

Figure 13 Business confidence in District relative to a year ago



Source: BOP Consulting, (n=116)



6. Downstream benefits of creative sector

The more vibrant the creative sector of the District, the more these downstream benefits can expect to be secured:

- **Placemaking/physical regeneration:** because cultural activities and amenities help to build pride in localities and to ensure that economic development is inclusive
- **Visitor economy:** because the more culturally engaging the District is, the more people will want to visit the District, staying for longer and spending more money
- **Inward Investment:** because a more culturally engaged place should enjoy a better quality of life, and which has higher levels of creative sector specialisation, is more likely to benefit from inward investment from firms looking for new locations in which to open and/or expand
- **Productivity:** because the more culturally animated the District is, the more likely it is that this will spillover over into the wider economy, not least via a category of workers in the creative economy but outside the creative industries.

This chapter reviews the current extent of these downstream benefits in the District.

6.1 Placemaking/Physical Regeneration

Leamington Spa was ranked the happiest place to live in Britain in a 2017 study undertaken by Rightmove, the property website. Rightmove said Royal Leamington Spa scored highly for friendly neighbours and a strong sense of belonging.

The creative sector contributes to these positive local attributes. Survey responses from creative practitioners and businesses give a sense of how the creative sector contributes to local wellbeing:

- Providing high quality education in music and the arts for various segments of the population (especially young people), contributing to their wellness and mental health
- Developing a distinctive sense of place, enriching the lives of both residents and visitors
- Collaboration across venues and organisations sustaining audiences.

This comment from a cultural organisation gives a further indication of these local impacts:

“ We open access to our creative work. We build corporate partnerships. We inspire our community to see the world in a new way through work that speaks about the human condition and our place in the world. Our participatory work is of benefit to health and fitness, self-esteem and community engagement.
Cultural organisation

This community engagement benefit means that residential developments that incorporate access to cultural amenities are more likely to successfully integrate. The local capital development most directly relevant to the creative sector, however, is the Creative Quarter.

The Creative Quarter

Complex Development Projects Ltd have been appointed by Warwick District Council to deliver a masterplan to enhance the Old Town of Leamington Spa as a new Creative Quarter.

The ambitions for the Creative Quarter are:

- *Regenerate and breathe new life into the Old Town of Leamington Spa whilst enhancing the economic development of the new town and joining up the two distinct areas.*

- *Build upon and reinforce the importance of the Creative and Digital Industries in Leamington Spa.*
- *Create a vibrant, unique and desirable destination for residents, employers and visitors alike.*
- *Position the stakeholders to take advantage of the opportunities as they present themselves in delivering the vision*
- *Create a framework that fosters inward investment in the cultural and creative sector and the built environment*

These ambitions are relevant to many issues explored through our research, including:

- Helping to tackle the shortage of appropriate workspace in Leamington Spa
- Providing physical spaces that ensure collaboration between:
 - Different parts of the creative sector
 - The creative sector and the wider community
 - The creative sector and the wider economy
- Creating a place that is creatively stimulating, both to work and to spend leisure time, from first thing Monday morning to the end of the weekend
- Projecting a new narrative about the District, underpinning initiatives to promote inward investment and tourism, that places creativity at its heart

Given these potential advantages, we recommend that the District move ahead with the Creative Quarter, as we discuss in greater detail in our recommendations chapter.

6.2 Visitor Economy

The presence of an active and vibrant cultural offer plays an important role in the perception of a place, and thus, on its capacity to generate tourist visits.

Tourism brings over 3.8 million people to the Warwick District each year with a combined spend of over £282.6m and accounts for 6.3% of all employment in the district.³⁰ Visit England has identified Warwick as a national “attract brand”, meaning one of England’s best-known destinations, based on research of visitor numbers and consumer perceptions.

There are many hotels in Leamington Spa, Warwick and Kenilworth. Two of the largest are The Regent Hotel and the Hilton Hotel at Warwick. These beds need to be kept as occupied as possible throughout the year.

Periodically, sporting events assist with this (e.g. racing at Warwick Racecourse, bowling championships at Victoria Park, Leamington Spa). For the most part, however, heritage attractions are the strongest driver of visits to the District – with the potential for culture to be a stronger driver.

Research conducted on tourism in Warwickshire, has shown that visiting heritage sites/castles is by far the main reason for visiting the county (38% of respondents).³¹

Heritage-led tourism

Warwick Castle and Kenilworth Castle are leading examples of heritage-led tourism.

Warwick Castle

Warwick Castle is the top visitor attractions of Warwick District, attracting 800k visitors annually.³² Besides its heritage offer, the castle is known for offering

³⁰ Warwick District Council website, March 2019

³¹ Warwickshire Visitor Profiling Report, ngisolutions 2017

³² <https://publications.parliament.uk/pa/cm200102/cmselect/cmpubacc/359/35905.htm>

shows and evening events. It is a popular destination for families. The venue is commercially operated by Merlin Entertainment.

Kenilworth Castle

Kenilworth Castle is a visitor attraction in Warwick District, which attracts around 110k visitors annually.³³ It has visitor facilities and a venue for education, community events and weddings. An impact report by GHK calculated that, taking account of ongoing employment at the site, site operating expenditures, visitor expenditures and associated multiplier effects, the site supports 35 FTE jobs and GVA of £1.0 million in the local economy, and 47 FTE jobs and GVA of £1.4 million in the regional economy.³⁴

Culture-led tourism

Art in the Park and Kenilworth Arts Festivals are examples of culture-led tourism. Given the how widely known Warwick Castle is, it may be that culture-led tourism has greater growth potential than heritage-led tourism. Equally, culture-led and heritage-led tourism can complement one another, with a stronger cultural offer helping to reinforce the attractions of heritage destinations, e.g. there may be scope to bring new visitors to the many heritage attractions in the District by providing new artistic events at these heritage attractions.

Art in the Park

Art in the Park is a free weekend festival taking place in Leamington Spa every August showcasing crafts, visual and performance arts. It is run by a Community Interest Company supported by sponsors and grant-providers.

In 2018 the festival was estimated to have generated around £1.78 million worth of economic activity. Besides its impact on local communities and artists, the event is successful at generating cultural-led tourism: in 2018, 37% of its visitors were attracted to Leamington from outside the area, bringing to the area 16,900 unique visitors.

Kenilworth Arts Festival

Kenilworth Arts is an annual, multi-genre festival, launched in 2016. It takes place over 10 days in September, with events, workshops and exhibitions held in various venues around the town. It has previously featured events with best-selling authors Kit de Waal and Sarah Moss, and organised 30 events over the 10 days of the festival in 2018.

Survey findings

The figure below lists those organisations that have reported the highest number of visitors in our survey.

Figure 14 Survey respondents only: Top 10 organisations by annual number of visitors attracted to Warwick District

Organisation	No.
Leamington Art in the Park festival	42000
Leamington Studio Artists	18300
Warwick Folk Festival	10000
Playbox Theatre	6170
Warwick Words History Festival	4500
Armonico Consort Limited	2100
Motionhouse	2000
Da Capo Chamber Choir	300
The Really Youthful Theatre Company	200

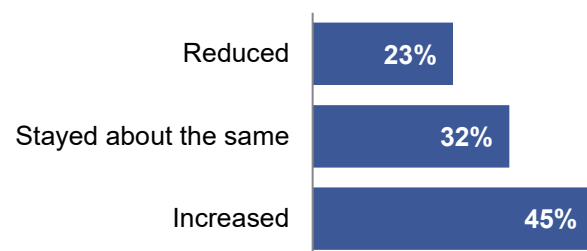
Source: BOP Consulting, data provided by survey respondents

As illustrated in the figure below, when asked how the number of visitors evolved over the past 12 months, 45% of the cultural organisations that participated in our survey said that visitors had increased.

³³ 2018, ALVA

³⁴ GHK for Historic England, 2010 <https://historicengland.org.uk/content/heritage-counts/pub/impact-of-historic-visitor-attractions/>

Figure 15 Responses to question ‘How has the number of visitors to your organisation evolved over the past 12 months?’



Source: BOP Consulting, (n=22). Given the small sample for this question, do please consider these results as indicative

6.3 Inward Investment

The ability of the creative sector to assist inward investment into the District in other sectors has been demonstrated by Vitsoe. In 2017, this furniture manufacturer opened its new headquarters in Leamington. The new building, spanning 135 metres in length, 25 metres in width and 6 metres in height is a place of making and creativity, embracing offices, research and development, product assembly, kitchen and dining, overnight accommodation and more – including space used for rehearsals by Motionhouse (as illustrated). Vitsoe exports to over 60 countries and has shops in London, New York, Los Angeles and Munich.

The importance of the creative sector to the relocation of Vitsoe to the District are illustrated by the quotation below:

“ When we outgrew the expense and congestion of London we were looking for both a creative and digital community but also excellent transport connections to

the capital.

Mark Adams, Vitsoe

Thus, the stronger the District’s creative sector, the more likely it is to attract more inward investment of this sort.



Source: Vitsoe/Motionhouse

6.4 Productivity

An important mechanism by which the creative sector raises the productivity of the District is via the innovations, ideas and dynamism of those working in creative occupations outside of the creative industries. As discussed in Chapter 2, the creative economy is formed by adding the creative industries to those in creative occupations outside the creative industries.

Data on creative employment across the UK is available in the Annual Population Survey (APS) – a sub-sample of which is included in the Labour Force Survey. At the level of the UK or regions the APS provides large and robust samples. For smaller geographies the APS samples for individual years are small and to provide more robust estimates we use here the APS combined sample for three years 2015, 2016 and 2017.³⁵ Even this combined sample is relatively small in Warwick District Council, however, and our estimates are, therefore, subject to some uncertainty. APS observations are weighted to give results which are representative of the District Council area. Comparative estimates are also provided for Coventry and the Coventry and Warwickshire LEP area.

From 2015-17 around 8200 people were working in creative occupations in the District compared to 7300 in Coventry. Creative occupations accounted for 24,900 jobs in the broader CWLEP area.

Figure 16 shows how these creative occupations break down between the creative and other industries in each of these geographies, while Figure 17 presents these distributions between the creative and other industries in percentage terms. While noting the small sample sizes within this analysis, it is noticeable that a larger proportion of those in creative occupations work outside the creative industries (70%) than in Coventry (55%) or CWLEP (58%).

Figure 16 Number of workers in creative occupations in creative and other industries by geography (2015-17)

	Creative industries	Other industries	Total
Warwick District Council	2,500	5,700	8,200
Coventry	3,300	4,000	7,300
Coventry and Warwickshire LEP	10,500	14,400	24,900

Source: APS and Warwick Business School analysis

Figure 17 Percentage of workers in creative occupations in creative and other industries by geography (2015-17)

	Creative industries	Other industries
Warwick District Council	30	70
Coventry	45	55
Coventry and Warwickshire LEP	42	58

Source: APS and Warwick Business School

We are interested in identifying those non-creative sectors in which creatives are embedded. Here, data for the District becomes unusable due to small samples and instead we focus on the sectoral distribution of those in creative and non-creative occupations in non-creative industries across the UK. This analysis suggests that while creative occupations are present across all sectors, those in creative occupations are concentrated in Manufacturing (17.2%), Wholesale and retail (14.2%) and Professional and Scientific services (14.4%).

³⁵ Office for National Statistics, Social Survey Division (2019) Annual Population Survey, Three-year pooled dataset January 2015 -December 2017, 2nd Edition. UK Data Service. SN: 8370, <http://doi.org/10.5255/UKDA-SN-8370-2>.

These percentages are reflected in terms of estimates of numbers of creative workers within non-creative illustrated in the figure below.

Figure 18 Number of workers in creative occupations by non-creative sectors in Warwick District (2015-17)

	Workers in creative occupations
Manufacturing	980
Professional and scientific services	821
Wholesale and retail	809
Financial and insurance	462
Education	376
Other	2252

Source: APS and analysis by Warwick Business School and BOP

Here, we complete our estimates of employment sustained in the District by the three definitions of the creative sector in chapter 2:

- **Cultural sector:** 555 – a subcomponent of the creative industries indicated by those sectors in *italics* in Figure 19
- **Creative industries:** 7275
- **Creative economy:** 12975

In Figure 19, we assume that the employment contribution of creative sectors to the creative economy is proportionate to their contribution to creative industries employment.

Overall, on this broadest definition of the creative sector (the creative economy) an employment contribution is sustained larger than that provided in the same geography by Retail (6000), Accommodation & Food Services (7000) and Manufacturing (6000).³⁶ The creative economy is, therefore, fundamental to the economy of the District.

Figure 19 Creative industries and creative economy employment by creative sectors in Warwick District (2017)

	Creative industries	Creative economy
Advertising and Marketing	260	464
Architecture	300	535
Crafts	20	36
Design: Product, Graphic and Fashion	175	312
<i>Film, TV, Video, Radio & Photography</i>	245	437
IT, Software & Computer Services	5,825	10,389
Publishing	140	250
<i>Museums, Galleries & Libraries</i>	100	178
<i>Music, Performing & Visual Arts</i>	210	375
Total	7275	12975

Source: BRES/APS and analysis by Warwick Business School and BOP

³⁶ 2017 BRES data on Warwick District



7. Case Studies

This chapter provides two case studies (Brighton and Laval, France) that are intended to provide inspiration to the District's creative sector. In both cases, we review:

- Relevance of case study to Warwick District
- Achievements of Brighton/Laval
- Lessons for Warwick District

7.1 Brighton

Relevance of Brighton to District

In its scale and location, Brighton is somewhat similar to Warwick District. While Brighton's city core is larger than that of the towns of the District, it is the hub of a similarly sized travel to work area. Brighton is roughly one hour from London and 30 minutes to Gatwick airport by train.

Brighton & Hove is a historic and cultural city, whose Regency heritage forms part of a diverse cultural offer that includes its gay community, independent retailers, music and night-time economy, as well as a long-established coastal visitor economy. Equally, its built heritage and coastal location also impose constraints on the amount, scale and type of development that can take place to accommodate demand for workspace.

Brighton faces pressures on affordability that are arguably more acute than those in Warwick; there, a combination of inbound migration from London and housing demand from commuters working in London means house prices are higher than neighbouring coastal towns.

Both Brighton and the District have an international reputation in computer games; and Brighton and Coventry & Warwickshire are among the top five locations in the UK in terms of concentration of immersive content businesses.

Each locality benefits from strong relationships with both a research-led and a 'new' university: the contributions of Warwick and Coventry universities reflect those of Sussex and Brighton.

Achievements of Brighton

An independent and business-led cluster organisation, Wired Sussex, is well respected across the sector and integrated into LEP structures. Helped by strong engagement with the Universities of Sussex and Brighton, Wired Sussex has been able to attract central Government funding for a series of sector initiatives:

- a Digital Catapult hub
- a 5G testbed
- Brighton DX, a co-operatively owned and run digital exchange that helps improve connectivity and reduce prices for local businesses.

Despite the pressure on affordable housing imposed by its desirability as a location and its relative proximity to London, Brighton and Hove continues to be widely perceived as cool, metro/cosmopolitan and diverse.

This diversity – festivals, music, theatre and television, as well as digital – is reflected in Wired Sussex's directory of local businesses.³⁷ Along with its creative industries, a strong independent retail sector and a vibrant night-time economy are important elements of this place narrative.

Inbound migration, alongside foreign direct investment, has been harnessed to local growth to create a creative economy that contains both large corporates and SMEs.

Both universities (e.g. Sussex Innovation Centre) and private sector (e.g. The Werks, The Projects, Spaces) contribute to workspace provision.

³⁷ <https://www.wiredsussex.com/directory/>

Lessons for District

Brighton successfully differentiates itself from London, whilst remaining complementary to it. Its use of 'shabby chic' and an appeal to ecologically aware young families make a virtue of re-use and recycling, including creative thinking about workspace.

New England House houses the Digital Catapult, 5G testbed and Brighton DX. This is a great example of exploiting what would otherwise be a redundant public building and transforming it into a vital physical hub.

Brighton's initiative in launching the 'Fuse' research, which looked at the relationships between the city's creative and digital businesses, demonstrated the importance of a vibrant and mixed economy, not over-dependent on a single creative sector.

7.2 Laval (France)

Figure 20 Laval Virtual Centre



Source: Courtesy of Laval Virtual Centre, 2019
(<https://www.flickr.com/photos/123929093@N05/albums/72157708508360804/with/47817071501/>)

Relevance of Laval to District

Laval mirrors Warwick as a city with a population of 50,000 that is the administrative capital of a district of 300,000 (Mayenne). While further from Paris (300 km) than Warwick is from London, travel times are similar. Warwick is 70 mins by train from London and Laval is 2 hours from Charles de Gaulle international airport in Paris.

Like Warwick, Laval is a historic city. It was the birthplace of Henri Rousseau. At the centre of the town is a 12th century château, with other distinguished examples of ecclesiastical architecture including Cathédrale de la Trinité de Laval and the Basilique Notre-Dame d'Avesnières. These attractions, and Laval's status as one of France's designated 'towns of art and history', support a strong local visitor economy.

Achievements of Laval

In 1999, the Mayor of Laval took a strategic decision to put all the city's central government innovation funding (from FrenchTech, akin to UK Research & Innovation) into establishing a hub for virtual and augmented reality - Laval Virtual. This decision has led to this relatively small, provincial city becoming a globally renowned centre of VR and AR.

Laval Virtual's annual conference is now in its 20th year. It attracts investors from across the world. The city has seen an increase in businesses and jobs, with 19 VR and AR SMEs supporting around 300 highly skilled and high-value jobs. In addition, a unit of Eon Reality (one of the world's largest multinational virtual reality and augmented reality software developers, headquartered in California) employs around 50 people in Laval Mayenne Technopole³⁸ - one of the first tech incubators to be opened in France.

Laval is a hub for development of the new skills required by these industries. Institut Arts et Metiers de Laval offers a dedicated series of courses that provide methodology, tools and practical training for production of immersive content and technology. Université de l'Ouest and Estaca (a specialist engineering university) have a combined annual intake of 200 students in immersive content and technology disciplines each year. Laval Virtual is able to offer internships and mentoring for those graduates, and for the two or three PhDs that emerge from the Institut's programme each year.

Lessons for District

The focus, international reputation and scale of Laval's immersive content sector reflects the District's smart specialisation in computer games. The City of Laval has recognised the need to create new and dedicated studio and workspace – La Licorne – to help address costs and shortages of accommodation for early stage businesses within a heritage environment.

Laval has determinedly built its global reputation through outreach, exemplified by its annual conference and Laval Virtual's three month 'road trip' around other European VR/AR hubs (due to be repeated in Autumn 2019).

Laval enjoys the fifth-highest employment rate of any town in France; and only 3-5% of students at the Institut come from Laval. There are more local job opportunities than local people seeking jobs. This, and the reality that many of its graduates return to larger cities (e.g. Paris, Lyon and Bordeaux) to establish businesses, explains Laval Virtual's focus on creative and technical education to meet the needs of the immersive content sector from beyond the city itself. This influences the course offer at institutions across the wider Loire region, and at the Institut's own facility focused on uses of immersive content in the automotive sector near to Renault's HQ in Eastern France, helping Laval to maintain and secure a pipeline of new talent for this fast-growing sector.

The excellence of the city's augmented and virtual reality industries also reinforces the importance of Laval in context of the development of national heritage and cultural offers. Laval Virtual works with museums, arts organisations and festivals locally, across the region and nationally to develop immersive visitor experiences.

³⁸ <https://www.laval-technopole.fr/>

8. SWOT of creative sector

This chapter presents a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of qualitative and quantitative information gathered from desk research, our survey and two workshops.

8.1 Strengths of creative sector

When asked about the strengths that Warwick District offers to the cultural and creative industries, survey respondents highlighted:

- **Silicon Spa:** the presence of a games industry cluster in Leamington Spa and its branding as 'Silicon Spa', makes the District well-known nationally and even internationally
- **Rail transport:** There is excellent connectivity with bigger urban centres, such as London and other major cities (e.g. Birmingham, Leeds, Manchester)
- **Attractiveness and placemaking:** The District enjoys well-preserved heritage and architecture, which contribute to making it an attractive place to live and work
- **Community:** The District has a relative abundance of residents that might be described as "traditional culture vultures", as well as a relatively civically and socially engaged population, which creates both audiences for and volunteers at local cultural events and activities
- **Support:** Generally, cultural organisations feel that there is a supportive and positive attitude towards the arts, which is manifested in 'in kind' contributions and volunteering. This attitude is shared both by the engaged community as well as by the District Council itself.

These strengths are further illustrated by some comments made by survey respondents:

“ [We] benefit strongly from a good rail link to London which allows us to book excellent London-based

professional musicians who can access Warwick and Leamington relatively easily.

Cultural organisation

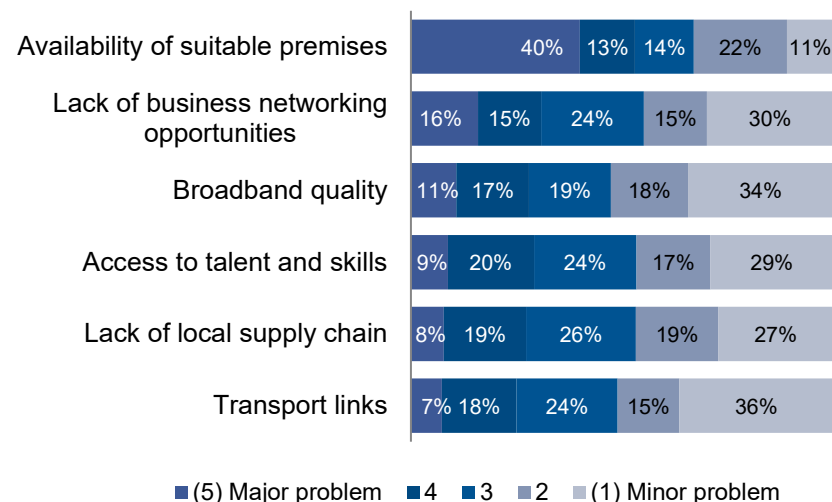
“ As an attractive architectural environment and being geographically well-located, Leamington Spa has for many, many years attracted artistic individuals, followed later by companies.

Survey respondent

8.2 Challenges and weaknesses of creative sector

When asked about challenges and weaknesses of the creative sector in the District, survey respondents underlined the availability of suitable premises – with 40% of survey respondents indicating that this is a major barrier for the development of creative businesses in the District. This was then followed by the perceived lack of business networking opportunities (16%), broadband quality (11%) and access to talent and skills (9%).

Figure 21 Challenges as perceived by local creatives (on scale of 1 to 5 – with 5 indicating major challenge and 1 a minor challenge)



Source: BOP Consulting, (n=77-107).

When BOP reported to CWLEP on the local games cluster in 2017, we argued: *A review of the physical environment for workspace, business incubation and inward investment suggested that greater coordination is needed to present the opportunities to businesses and investors in a way that is 'more than the sum of its parts' ... Developers and investors were keen to identify larger floorplates that would allow companies to scale quickly and build development teams.*

The pressure on workspace in the District seems to have increased since then. It was a feature of our consultation at that time but is now a resounding message from our survey. From which, we discern two key messages:

- **Affordable and suitable space:** Cultural organisations and creative businesses alike strongly underline the lack of available space for their operations. Survey respondents raise this issue in the context of music

venues, studio space, offices, art exhibition space, rehearsal rooms, and storage spaces

- **Collaboration/networking:** There is perceived to be a lack of capacity (physical space and organisational) for networking among creative professionals in the area. Survey respondents stress the importance of this for organisational and business development through collaborations, partnerships or shared marketing strategies.

These survey comments provide further insight on these issues around workspace and collaboration:

“ Office space is expensive here, and we need more of it. Many companies would like to set up shop in this cultural creative hub, and we don't want only large, faceless corporations of little or no cultural value to be able to afford it. That's terrible for business.
Gaming company

“ The biggest challenge for [us] is suitable facilities. At the moment we are located at four community halls and venues [...] but pay hourly rates to hire. At any time, we could be told we cannot have the space and therefore lose the ability to deliver classes and therefore lose income. It's not a sustainable business model and makes it hard for us to plan for growth in the long term.
Creative business (creative education for young people)

“ The most pressing challenge is the lack of a cohesive and strategic plan for the whole district and a complete lack of connectivity between all artists and

organisations. The Council could be promoting and championing what they have going on right now [...] currently all are operating as isolated silos with no connected platform to promote them.

Cultural organisation

Other issues raised through the survey include:

- **Local transport:** While connections between Warwick/Leamington Spa with urban centres (e.g. London/Birmingham/Manchester) are strong, survey respondents identify more weaknesses in relation to local transport infrastructure, e.g. limited public transport connections from rural parts of the District to town centres; lack of parking in Leamington Spa
- **Poor broadband:** This was raised as an issue by some survey respondents. Coventry & Warwickshire, we noted our 2017 report to CWLEP, is in the bottom 10% of LEPs in terms of access to ultrafast broadband. As the West Midlands becomes the UK's first large-scale 5G testbed, there is an opportunity to address this
- **Games industry vs the rest:** Some cultural organisations express a feeling of being neglected by public institutions in favour of more dominant local industries, with the gaming industry and high-end hotel sector cited as being such industries
- **Leamington vs the rest:** More creative sector activity, especially the games sector, happens in Leamington than elsewhere in the District. There is a need to ensure that growth of the creative sector is experienced as something that benefits the whole District, not just certain sectors (e.g. games) and places (e.g. Leamington Spa)
- **Community art space:** It is suggested that the District lacks a cultural space where practitioners and audiences can meet, discuss and create collectively.

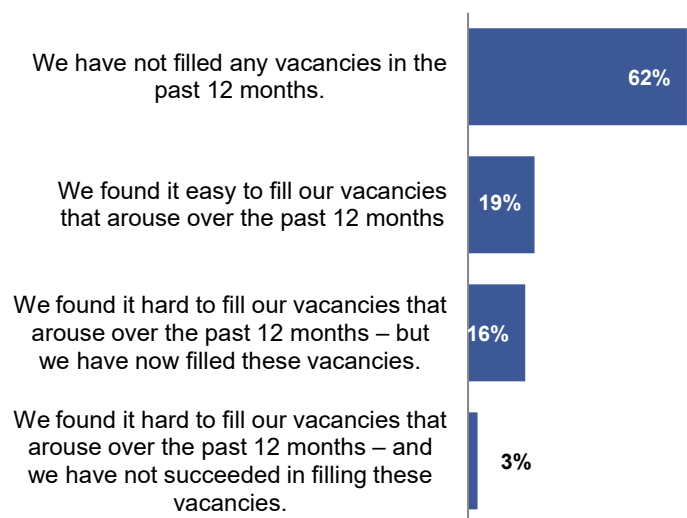
This desire for more community art space is further illustrated by this survey comment:

“ One of the biggest challenges for the creative community is the lack of a community art space. In Leamington we need a large central walk in facility [...], where people and community arts group could come together, to 'make'/'do' art, learn, develop skills, to bring people together. Since 'the old library' was sold into private ownership and Bath Place burnt down, we have lacked such a facility. We need a place where children to pensioners can come together to make music, paint, dance, do crafts etc. take part in workshops etc. In a time and age where social prescribing is becoming increasingly popular and loneliness is one of the biggest factors of mental health issues, a community arts centre could also assist vulnerable members of our society to reconnect.

Freelance professional

Recruitment challenges are also raised by some survey responses. Another survey question gives some sense of the scale of these issues. The figure below shows that nearly one-fifth of local businesses in the creative sector have struggled to fill vacancies in the past year.

Figure 22 Proportion of local businesses by creative sector that have found it hard to fill vacancies in past 12 months



Source: BRES and BOP analysis

8.3 Opportunities for creative sector

The overarching opportunity is to drive more of the downstream benefits that we have identified: stronger placemaking; more visitors; increased inward investment; and enhanced productivity.

When asked about opportunities that would allow Warwick District to overcome challenges for creative businesses and practitioners, survey respondents highlighted:

- **Creative Quarter:** Survey respondents are keen for the Creative Quarter to advance, in close collaboration with the creative sector

- **Strengthened supply chains:** 57% of the survey respondents indicated that local supply chains could be strengthened. Suggestions for doing so span from producing a Cultural Strategy for the District, to supporting closer collaboration between local partners in the creative industries. We also understand that the proposed development at 1 Mill Street includes plans for audio suits for games development/motion capture, which has the potential to strengthen local supply chains. In a local economy with a preponderance of freelancers, shared facilities, which would otherwise be prohibitively expensive for freelancers and small businesses to purchase, have this potential
- **Major cultural, leisure and capital development opportunities** happening in Coventry and Birmingham (i.e. Coventry 2021 and Birmingham Commonwealth Games in 2022) create opportunities, as recognised by survey respondents, for Warwick District to position itself as part of an exciting and internationally engaged region and sub-region
- **New residents:** According to the masterplan for the community stadium site, which is to be developed in Leamington Spa, the site is to have a residential development of around 28 three or four-bed detached and semi-detached houses. These new residents will potentially provide new audiences and participants for cultural activities
- **Networking:** This is something that survey respondents are keen to see extended, with one respondent saying:

“Start talking to artists and artist groups, get involved understanding what they are doing in the community and support them.”
Artist

8.4 Threats to creative sector

By threats, we mean actions taken outside of the District that have the potential to undermine the competitiveness of the District and thus, limit growth here. In this context, we highlight:

- **International competition:** Games are a global industry and places across the globe are taking active steps to secure for themselves as much of this industry as possible (e.g. Laval, as discussed in our case study)
- **UK competition:** As well as international competition, the District experiences competition from elsewhere in the UK. Brighton, our other case study, is a place with a joined-up approach to creativity. This kind of coordination makes it more likely that places will access the finite national funding to support local growth ambitions
- **Brexit:** 57% of games businesses employ EU workers and on average, EU employees make up 34% of these companies' headcount.³⁹ Given this, it may be that Brexit is contributing to recruitment challenges in the District. Brexit may also create other kinds of competitive threats to the District, such as barriers to international trade.

³⁹ Ukie, *State of Play, The UK games industry's priorities for EU negotiations*, March 2017



9. Recommendations

In this chapter, we make the case for overlapping and reinforcing recommendations to be advanced by the District Council and the creative sector in collaborative partnership.

These recommendations are:

- 1. The District Council to develop and implement a growth strategy for its creative sector.** This strategy should support collaborations within its creative sector that enable the sector to:
 - a) Strengthen the drivers of creative sector activity
 - b) Grow the downstream benefits of the creative sector
 - c) Seize the opportunities open to the creative sector
 - d) Tackle the weaknesses of the creative sector
 - e) Make creative sector supply chains more robust within the District
 - f) Help the District be a creative place to live as well as work
- 2. Consider the development of a Creative Sector Compact for Warwick District**
- 3. Move ahead with the Creative Quarter**
- 4. Utilise Creative Sector Compact and Creative Quarter to support collaboration.**

Across these recommendations, there are three key actors (the District Council, the Creative Quarter, and the creative sector) and three key kinds of action (support for collaboration from the District Council, physical spaces and infrastructure for collaboration from the Creative Quarter, and the Compact to structure and direct collaboration within the creative sector).

As illustrated in the figure below, these actors and actions interact, and efforts should be made to ensure that they are as complementary as possible.

Figure 23 Key interactions as relevant to our recommendations



Source: BRES and BOP analysis

9.1 Warwick District Council: A strategy for creative sector growth

Warwick District Council recognises the value of its creative sector to its economic and social goals. It supports the sector through provision of impressive cultural facilities.

As indicated in the previous chapter, we have identified new opportunities to be seized by the creative sector, e.g.

— Creative Quarter

- Strengthened supply chains
- Coventry 2021 and Birmingham Commonwealth Games in 2022
- New residents in the District, bringing new audiences and participants
- Appetite for more networking from creative sector

Some of these opportunities are time-limited: most centrally, Coventry 2021 and Birmingham Commonwealth Games 2022. These international events will have impacts across the West Midlands but maximising their impact upon the District requires action now.

There is also a need to act now to seize the advantages of the Creative Quarter. The alternative to doing so is that the competitive challenges facing the creative sector (e.g. lack of adequate workspace) become more acute and its growth is curtailed.

The District Council enjoys extensive relationships with the creative sector and has developed, through this research, a deeper understanding of the opportunities and challenges facing it. These relationships and understanding make the District Council, rather than other agencies (e.g. Warwickshire County Council, CWLEP), well-placed to develop and implement a growth strategy for the creative sector of the District.

At the same time, the District Council is closely involved with the initiative (the Creative Quarter) that has the potential to do most to seize these opportunities and address these challenges.

Nonetheless, not least given the continued pressure upon public sector budgets, there are limits to how much the District Council can achieve in isolation. To achieve more, therefore, the District Council should seek to enable collaboration within its creative sector.

Collaboration should be the leitmotif of the District Council's creative sector growth strategy. But without action now from the District Council, these collaborations will not happen. They require a catalyst and that catalyst should be the District Council.

We make recommendations here for the kinds of collaboration that this strategy should involve.

Collaboration to strengthen the drivers of the creative sector

This means:

- Support efforts to draw more funding for culture into District
- Best utilise physical assets to support culture and creativity in District
- Work with universities to deepen their support for the creative sector in District

Cultural funding in District

The number of Grants for the Arts received from Arts Council England in the District decreased from 15 to 10 between 2016/17 and 2017/18. Given this, consideration might be given to shared resources that increase the likelihood of successful funding bids from the District, e.g. workshops that advise projects on funding bids.

Meanwhile uses

While other forms of economic regeneration can depend upon major refits, cultural activities can bring positive change with relatively minimal investment. Indeed, as they can occur in advance of long-term uses being identified, they can be referred to as 'meanwhile'.

There has been a focus in recent years upon the promotion of 'pop up' or meanwhile uses of empty premises, which the District Council might seek to extend locally by:

- Providing information on vacant properties and ownership
- Audit empty council owned property and assess potential and parameters for meanwhile use, creating a database of available properties
- Mapping ownership of privately-owned properties and approaching landlords to seek their consent to add their properties to the database

One property that has, sadly, recently fallen into disuse is the Assembly in Leamington Spa and the Council should support steps to bring this music venue back into operation.

Higher Education

The District Council should work with local universities to accelerate their activities relevant to the creative sector:

- Ambitions for graduate retention and gain in Leamington Spa and Coventry
- Active pursuit of Industrial Strategy and other funding to support growth in digital creative and cultural partnerships
- Plans for digital and creative incubators and shared workspaces in Leamington Spa

Collaboration to grow the downstream benefits of the creative sector

This means:

- Seek to grow culture-led tourism to District
- Deploy creative sector strengths to encourage inward investment
- Strengthen links between creative sector and wider economy

Culture-led tourism

Tourism is economically important to the District - bringing over 3.8 million people to the District each year with a combined spend of over £282.6.⁴⁰

Heritage-led tourism is particularly important. Research conducted on tourism in Warwickshire, has shown that visiting heritage sites/castles is by far the main reason for visiting the county (38% of respondents).⁴¹

Given the creative strengths of the District, there is potential for culture-led tourism to be further grown. Culture-led tourism may be further from hitting its maximum potential for visitors to the District than heritage-led tourism. Culture-

led tourism may also complement heritage-led tourism (e.g. using arts events to bring new visitors to heritage attractions).

Culture-led tourism and a Warwick District narrative of creativity should be made central to efforts to promote the District as a tourist destination.

Inward Investment

The relocation of Vitsoe to Leamington Spa demonstrates the power of the creative sector to assist inward investment initiatives for the District. The District has a preponderance of creative businesses, as well as a range of cultural strengths. It is, consequently, well-placed to position itself as a creative and stimulating place to live as well as to work.

These creative strengths should be emphasised in efforts to secure inward investment for the District.

Links to wider economy

The District benefits from an unusually large number of workers in creative occupations (as defined by DCMS) outside of the creative industries (as defined by DCMS). These workers are bringing creative insights, practices and processes to the wider economy of the District and helping it to be more productive and innovative.

This diffusion of creativity across the wider economy is assisted by collaborations between the creative sector and the wider economy. This collaboration can be facilitated by networking events and physical spaces that encourage serendipitous encounters, as well as more formal cross fertilisation of ideas between different economic sectors.

With globally significant engineering firms like JLR and research-intensive universities, the West Midlands is undoubtedly a region of excellence in STEM (Science, Technology, Engineering, Mathematics) but the ambition should be to be an outstanding region in STEAM (Science, Technology, Engineering, Arts,

⁴⁰ Warwick District Council website, March 2019

⁴¹ Warwickshire Visitor Profiling Report, ngisolutions 2017

Mathematics). This is because the productive gains of STEAM tend to be greater than those of STEM.

The creative strengths of Warwick District are highly relevant to the STEAM attributes of the West Midlands and the District should encourage initiatives that bring together the arts and engineering, positioning itself as a creative locality where cross-sector collaboration regularly occurs.

Collaboration to seize the opportunities open to the creative sector

This means working with creative sector of District take advantage of opportunities that emerge from:

- Major upcoming events in region: Coventry City of Culture 2021 and Commonwealth Games Birmingham 2022
- Regional and sub-regional agencies: West Midlands Combined Authority and CWLEP
- National policy and initiatives, e.g. Creative Industries Council
- The emerging cultural strategy of Warwickshire County Council

We argue below that a Compact for the creative sector, or something akin to this, is a potential vehicle for seizing these opportunities.

Collaboration to tackle weaknesses of the creative sector

The survey asked respondents to score issues out of 5 in terms of how big a priority they should be for the District Council. As illustrated in the figure below, the 5 issues with the highest proportion of respondents scoring them at 5 (indicating a high priority for District Council intervention) are:

1. Affordable workspace and resources
2. Delivering the Leamington Creative Quarter
3. Highlighting local strengths in the cultural and creative industries to better position Warwick District nationally and internationally

4. Spreading the benefits of the cultural and creative industries across the whole of Warwick District
5. Facilitating networking events to bring together different parts of the cultural and creative industries in Warwick District

1 and 2 we interpret as related issues and involved with our recommendation below: move ahead with Creative Quarter.

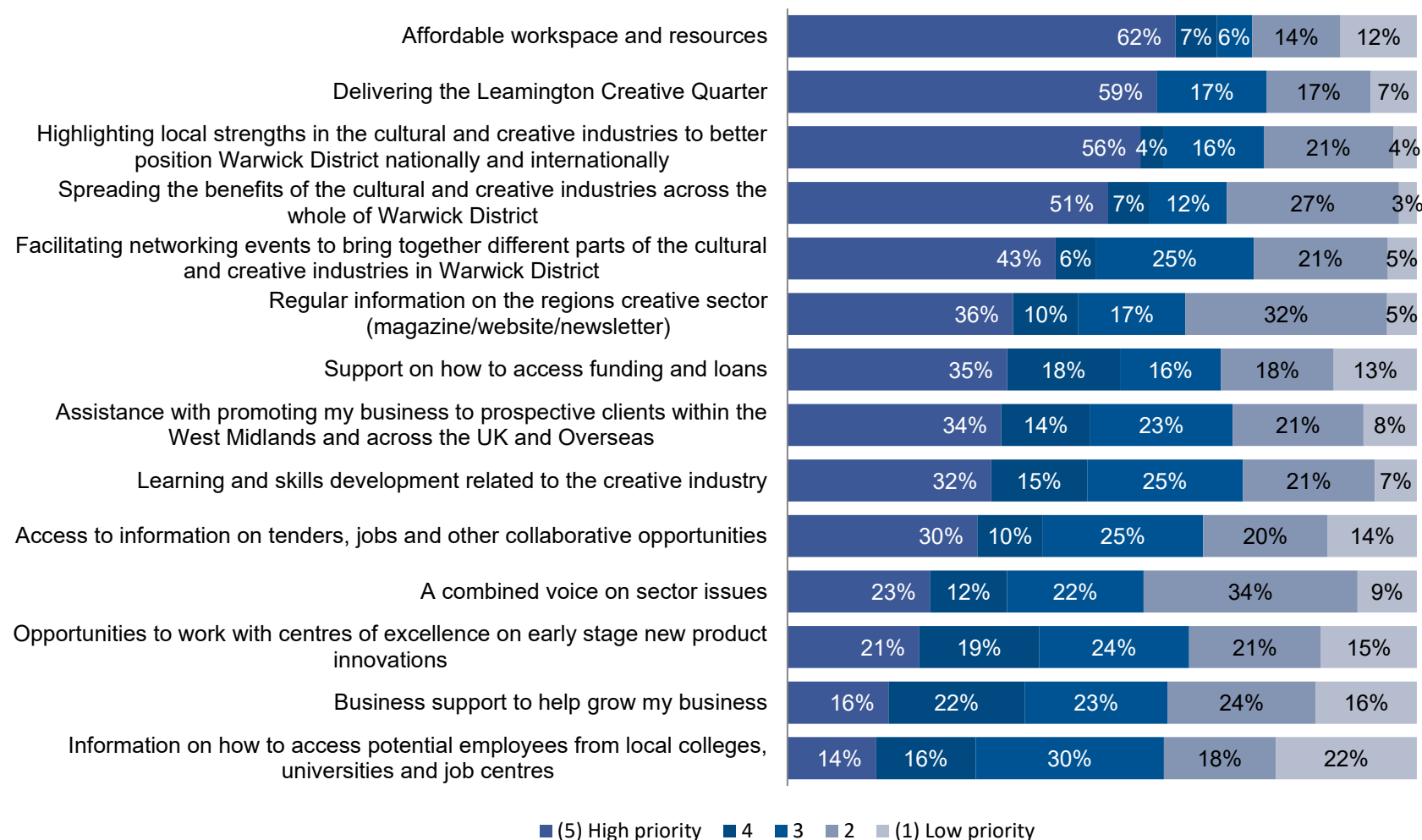
3 we interpret as providing support to our recommendations above regarding the utilisation of culture and creativity within tourism and inward investment efforts for the District.

As our case study notes, Laval has determinedly built its global reputation through outreach, exemplified by its annual conference and Laval Virtual's three month 'road trip' around other European VR/AR hubs (due to be repeated in Autumn 2019).

We see 3 as indicating an appetite for similar outreach from the District – and certainly, given the creative strengths of the District and the potential for the creative sector to deliver more gains to the District, such outreach seems likely to deliver a return to the District.

As we discuss below, 4 and 5 should be captured within a Compact for the creative sector – or something akin to this.

Figure 24 Opinion of creative sector on most important role of District Council (on scale of 1 to 5 – with 5 indicating greatest importance)



Source: BOP Consulting, (n=109-105).

Collaboration to make creative sector supply chains more robust

Two results to emerge from the survey are:

- Potential for local supply chains to be strengthened – 57% of the survey respondents indicated that local supply chains could be strengthened
- A high presence of freelancers – 17% of workers in the creative sector, according to our survey

Tending to have relatively limited financial capital, freelancers benefit from facilities to share resources and equipment.

Audio suites for game development and motion capture were identified as a local infrastructure gap during consultation for this research.

As far as possible, it would be advantageous to build this infrastructure in to new capital developments in the District (e.g. Creative Quarter, 1 Mill Street).

Collaboration to help the District be a creative place to live as well as work

As well as stimulating workplaces, creative people appreciate a range of options for fun, relaxation and stimulation outside of work. When deciding where to open and grow a business, especially a creative business, it is not simply a matter of what a locality offers during work hours (e.g. workspaces, broadband, skilled workers), it is also a question of what it offers outside of work hours (e.g. leisure options, natural capital, night-time offer).

Not least due to the contribution of its creative sector and backing for this sector from the District Council, the District has a strong offer outside of work hours. But further steps should be taken to have the District be a creative place to live as well as work. For example, a public arts strategy should be developed to ensure that the District is as artistically animated as possible.

9.2 Creative sector Compact for Warwick District

When the Cultural Cities Enquiry reported earlier this year, it advocated:

The City Compact for Culture will bring together local partners with a shared interest in maximising the civic role of culture. These partners will work together to create and deliver a plan to drive social and economic benefits from a thriving cultural ecosystem. Compact partners will include business, universities, local authorities, the cultural sector and LEPs, and will pledge to align focus around key goals, in order to unlock new resources for cultural projects.

Compacts will have business plans to drive measurable progress against local priorities such as reanimating city centres, increasing income from tourists or international students, or establishing a creative cluster. Compacts will also take the lead in establishing cultural property portfolios, Corporate Social Venture Funds, improving diversity and relevance of cultural offering, and skills strategies for creative talent – according to local need.

There is a case for the District seeking to move ahead with a Compact. To give sector-led momentum to local collaboration.

Whether it is via the Compact model or some other approach, it is important that the creative sector takes ownership of mechanisms for creative collaboration within the District, rather than seeing this as being entirely the responsibility of the Council.

9.3 Move ahead with Creative Quarter

As it is deeply relevant to the ambitions and challenges of the creative sector, it is important to move ahead with the Creative Quarter. It is relevant in these senses:

- Helping to tackle the shortage of appropriate workspace in Leamington Spa
- Providing physical spaces that ensure collaboration between:

- Different parts of the creative sector (e.g. workspaces that are shared by different kinds of creative activity; infrastructure that is shared by different creative businesses – such as, audio suites for game development and motion capture)
 - The creative sector and the wider community (e.g. spaces that are sufficiently versatile and fluid to facilitate stimulating encounters between the creative sector and the wider community. With the community able, as appropriate, to witness creative processes and to engage with these processes and their practitioners. One means by which this might be done would be through the inclusion of an Impact Hub⁴² within the Creative Quarter)
 - The creative sector and the wider economy (e.g. spaces for networking, which might also be utilised for networking and engagement with the wider community, and utilisation of shared workspaces by workers from outside the creative sector)
- Creating a place that is more creatively stimulating, both to work and to spend leisure time, from first thing Monday morning to the end of the weekend
 - Projecting a new narrative about the District, underpinning initiatives to promote inward investment and tourism, that places creativity at its heart

While the above seem to us the benefits of the Creative Quarter to the creative sector, progress with the Creative Quarter is likely to depend upon the continued engagement of the creative sector itself with the Creative Quarter.

The Compact that we propose below may be a vehicle for structuring this engagement and ensuring that the Creative Quarter can be positively defined (i.e. by what it is, rather than what it isn't) in terms that are recognised and valued by the creative sector.

⁴² "An Impact Hub consists of three distinct elements. First, it is a vibrant community of passionate and entrepreneurial people who share an underlying intention to bring about positive change and act as peers to cross-fertilize and develop their ventures. Second, it is a source of inspiration that provides meaningful content through thought-provoking events, innovation labs, learning spaces, programs and facilitated conversations that support

9.4 Compact and Creative Quarter to support collaboration

We stress above the importance of the Council supporting different kinds of collaboration. We see a Compact (or some other sector-led vehicle) and the Creative Quarter as reinforcing these Council efforts to support collaboration.

This is because:

- The Creative Quarter has the potential to provide additional physical spaces intended to facilitate collaboration
- The Compact is a vehicle intended to generate and sustain collaboration by the creative sector itself, as well as with the wider Higher Education, business and resident communities

Given this, we suggest that an overarching goal for a Compact should be to provide a more unified and clearly articulated voice in respect of strategic opportunities to the local sector, e.g.

- Articulating what creative sector wants from Coventry 2021 and Birmingham 2022 – in ways that benefit all parts of the District, not just Leamington Spa
- Creative Quarter – advancing a positive agenda from the creative sector for this major development
- Universities – similarly, advancing a positive agenda with Coventry and Warwick universities such that their activities in the District bring maximum benefit to the creative sector
- Local representation to national initiatives – the creative sector is of national significance and should, therefore, be seeking to bring its voice to relevant national forums (e.g. Creative Industries Council)

positive impact. Third, an Impact Hub is a physical space that offers a flexible and highly functional infrastructure to work, meet, learn and connect." <https://impacthub.net/get-to-know-us/#frequent>

These issues are overlapping, and the Compact should seek to ensure that they join-up to maximum benefit.



BOP Consulting is an international consultancy specialising in culture and the creative economy.

BOP convenes the **World Cities Culture Forum** (WCCF), an international network of more than 35 cities. www.worldcitiescultureforum.com

London

3 – 5 St John Street, London, EC1M 4AA

Edinburgh

16 Young Street, Edinburgh, EH2 4JB

Shanghai

213 – 214, No. 585 Fuxing Middle Road,
Shanghai 200025, China

Web

www.bop.co.uk

Twitter

@BOP_Consulting

Blog

www.bop.co.uk/articles

 Executive Committee 12 February 2020		Agenda Item No. 12
Title	Future funding for Warwick Tourist Information Centre	
For further information about this report please contact	Martin O'Neill, Business Manager, Projects and Economic Development, 01926 456064 Martin.oneill@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	Executive 5 th January 2017, item 9	
Background Papers	None	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes – Ref 991
Equality Impact Assessment Undertaken	No

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Chris Elliott/Bill Hunt
Head of Service		Dave Barber
CMT		Bill Hunt
Section 151 Officer		Mike Snow
Monitoring Officer		Andrew Jones
Finance		Mike Snow
Portfolio Holder(s)		Cllr Alan Rhead
Consultation & Community Engagement		
Engagement with Warwick Town Council has taken place		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 To consider the Business Plan provided by Warwick Visitor Information Centre (VIC), in conjunction with Warwick Town Council, which sets out the ambition, aims and objectives for the period 2020 – 2023.
- 1.2 Having considered the Business Plan, for Executive to continue ongoing financial support to the Warwick VIC enabling the centre to continue to provide a valuable visitor experience in the town of Warwick.

2. **Recommendations**

- 2.1 That Executive notes the contents of the new Business Plan for the Warwick VIC and its aspirations for the period 2020 – 2023.
- 2.2 That Executive approves the continued funding of the Warwick VIC in the amount of £25,000 per annum for a further 3-year period from 2020/21 to 2022/23
- 2.2 That Executive agrees that officers work in conjunction with Warwick Town Council to assist with, and monitor, the outcomes and objectives as set out in the Business Plan and that relevant support and guidance is provided as part of **the Council's ongoing liaison with** Warwick VIC.

3. **Reasons for the Recommendations**

Recommendation 2.1

- 3.1 At the Executive meeting in January 2017, it was resolved that the Head of Development Services, in consultation with the Business Portfolio Holder, be delegated authority to re-negotiate and agree the payment of the Tourism Grant to Warwick Town Council as a contribution to the running costs of Warwick VIC up to a maximum of £25,000 per annum.
- 3.2 Following that meeting, the original funding was reduced from £40,000 per annum (which included £15,000 per annum for staffing resources in relation to the Leamington VIC), to £25,000 per annum. As part of the negotiations, Warwick VIC produced a 3-year Business Plan designed to outline their use of the Warwick District Council grant along with the financial breakdown of other contributions to the associated running costs of Warwick VIC.
- 3.3 Officers have continued to work in close liaison with Warwick VIC, and Warwick Town Council throughout the period of the previous Business Plan to provide advice, support and guidance (where needed) in improving the visitor experience at Warwick VIC and to monitor footfall in terms of visitor numbers.
- 3.4 As the current Business Plan expires at the end of this financial year, officers have requested a new Business Plan to support the aspirations of Warwick VIC and the financial contribution from Warwick District Council going forward. The Business Plan is attached at Appendix 1 to this report.

Recommendation 2.2

- 3.8 Financial support for Warwick VIC has been in place for many years in order to ensure that there remains a positive visitor experience and to ensure the future

of tourism activities in Warwick Town, recognising that Warwick is a major tourist destination within the District.

- 3.9 The revised Business Plan (attached at Appendix 1 to this report) sets out the financial breakdown in terms of the overall operating costs for the Warwick VIC, demonstrating the dependency of the Warwick District Council contribution currently set at £25,000 per annum. Consideration has also been given to the fact that, as a District, we are a more expensive location to be based within and, in offering this policy, we seek to ensure that we remain competitive and clearly appear to be 'business-friendly' and 'welcoming.'
- 3.10 It is clear that the withdrawal of the current grant would present Warwick Town Council with a financial pressure in terms of future operation of Warwick VIC, and this would pose a significant threat to the ongoing operation of the VIC.
- 3.11 Tourism is a major contributor to the economy in the District, generating in excess of £304million to the local economy in 2018 and supporting over 5200 jobs in the sector. It is clear that Warwick VIC provides a valuable service to visitors to the town and the footfall and other visitor usage of the VIC figures over 2018 and 2019 are shown in the table below.

Month	Counter		Tel, Email		Total	Total	Footfall	
	2019	2018	2019	2018	2019	2018	2019	2018
Jan	1089	1381	149	214	1238	1595	1302	1600
Feb	1082	833	127	209	1209	1042	1284	1203
March	1719	1048	104	192	1823	1240	1834	1483
April	2362	1737	176	176	2538	1913	2601	2211
May	2722	2706	179	139	2901	2845	3083	3023
June	2867	2503	177	171	3044	2674	3244	3123
July	3803	3480	257	176	4060	3656	4079	4030
August	4119	3550	167	162	4286	3712	4429	4115
Sep	2608	2439	184	171	2792	2610	2915	3685
Oct	2474	2879	143	161	2617	3040	2701	3266
Nov	2056	2145	163	187	2219	2332	2423	2335
Dec	1668	1089	114	130	1782	1219	1863	1218
	28569	25790	1940	2088	30509	27878	31758	31292

- 3.12 In addition, Warwick VIC hosts a website providing information and guidance to visitors in terms of local tourist attractions, associated businesses, accommodation and food and drink outlets. This is designed to drive footfall into the town from overseas and domestic visitors attracted primarily by the castle but in a concerted effort to promote the wider tourism offering of the town of Warwick. An analysis of website "hits" is shown below;

Year	Month	Visits	Year	Month	Visits
2019	Jan	4718	2018	Jan	4709
2019	Feb	5276	2018	Feb	4595
2019	Mar	5948	2018	Mar	4857
2019	Apr	7034	2018	Apr	5522
2019	May	7831	2018	May	6571

2019	June	6139	2018	June	6046
2019	July	7218	2018	July	6697
2019	Aug	8110	2018	Aug	8199
2019	Sept	5733	2018	Sept	5296
2019	Oct	5739	2018	Oct	5708
2019	Nov	4778	2018	Nov	5192
2019	Dec	3832	2018	Dec	4071
		72356			58200

Recommendation 2.3

- 3.14 There is an ongoing working relationship between officers of Warwick District Council and Warwick Town Council and Warwick VIC, specifically through the Strategic Economic Development Officer, the VIC Manager and Town Clerk. This ongoing dialogue has proved successful in creating a meaningful collaboration between the different stakeholders.
- 3.15 Given that a considerable level of financial support to Warwick VIC is being provided, it is felt prudent that WDC officers continue to meet on a regular basis with the VIC manager and the Town Clerk to review progress against the Business Plan and provide relevant advice, assistance and signposting to other organisations in order to optimise the use and effectiveness of the VIC.
- 3.16 This ongoing liaison and monitoring will ensure that the funding is being utilised with specific aims of improving the visitor experience and sustaining the economic benefits of the tourism industry in the Town of Warwick.
- 3.17 Whilst there are no specific KPIs being put in place, as this could leave the Council open to a procurement challenge on the basis that the funding arrangement could constitute a formal contract for services, the purpose of the grant funding is that it will be utilised in relation to tourism and visitor activities provided by the Warwick VIC and the ongoing liaison and monitoring processes will ensure this is the case.

4. Policy Framework

4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment

<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and tourist activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased tourism employment and income levels
Impacts of Proposal		
Given the reciprocal nature of the intended policy, benefits for the wider community should be felt. Here, the increase in the overall tourism offer in terms of activities spearheaded by the Warwick VIC	The operation of the VIC also aims to provide visitors, residents and businesses with a safe a secure environment in which to enjoy the experience of the town.	Successful implementation of the recommendations will contribute to these outcomes by incentivising and supporting business to increase their performance and their headcount. In particular, it seeks to support a more diverse workforce and tackle long-term unemployment issues.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our direct needs of customers at the VIC and the tourism industry to support the economy through effective support from WDC officers	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities from Tourism related activities Ensure and monitor best value for money
Impacts of Proposal		
N/A	N/A	N/A

4.2 Supporting Strategies

The proposed Policy would directly support Fit for the Future, by encouraging and supporting the local tourism economy.

4.3 Impact Assessments

4.3.1 No impact assessment has been carried out at this stage

5. Budgetary Framework

5.1 The current level of funding to Warwick VIC is already provided for in the tourism budget. There is no current expiration of the ongoing budget

allocation. As stated above, funding for Warwick VIC has been in place for a number of years. This is therefore not a request for new or additional funding, rather than the existing funding that is in place is continued for the life of the revised Business Plan.

6. Risks

- 6.1 The key risk to the recommendations not being supported is that Warwick VIC as it currently stands may cease to operate. Additionally, the revised Business Plan, which is designed to increase and improve on the visitor numbers and their overall experience, may not be viable in the absence of continued financial support from WDC.

7. Alternative Option(s) considered

- 7.1 Not to approve the continued financial contribution of £25,000 and utilise this internally to provide an alternative method of support for tourism in the Town of Warwick. This option is not supported as it is recognised by Visit England, the national Destination Management Organisation, that the existence of tailored, physical and bespoke tourism information within major tourist location sites one the most vital components in terms of the visitor experience, essential to most if not all overseas tourists. Whilst there is an increase in on-line tourism and tourism related activity, the existence of face to face local expertise remains a valuable asset to the industry on a local basis.

8. Background

- 8.1 Warwick Visitor Information Centre is the primary one-stop shop for visitors to Warwick from both regional, national and international tourist markets.
- 8.2 The VIC offers advice to tourists and visitors on the wide range of attractions in the town centre and the District as a whole, including entertainment, food and drink offerings to supplement the tourist hot spots such as Warwick Castle and the Lord Leycester Hospital.
- 8.3 **The aim of The WVIC is to be on hand for visitors through the telephone, email and face to face promoting local attractions, businesses, events and selling tickets to a range of attractions. As well as providing tips on 'hidden gems' within the area, which do not have a strong online presence.**
- 8.4 **WVIC has received a grant from Warwick District Council over a number of years, the past three years Warwick District Council has provided £25,000 per annum toward the cost of the service.**
- 8.5 The renewed Business Plan which has been developed in partnership with the District Council shows the ambition for the Warwick VIC over the coming 3-year period and the improvements to the visitor experience in the town offered by this valued service, with a vision and objectives set out in the plan.
- 8.6 The provision of a bespoke service in terms of visitor information and a centre to promote the town of Warwick and its close links with the rest of the District including Leamington Spa and Kenilworth is a vital element of the tourism sector offering and the wider economic benefits which derive from this in terms of jobs and business benefits.



Warwick Visitor Information Centre Business Plan 2020-2023



Foreword

The purpose of this Business Plan is to present the aims and objectives of the Warwick Visitor Information Centre until 2023. Warwick Visitor Information Centre is located within the heart of Warwick within The Court House, which is also home to Warwick Town Council and The Warwick Yeomanry Museum. In 2014 the 'Unlocking Warwick' project transformed The Court House with the support of a large grant from the Heritage Lottery Fund.

Following the refurbishment, the 'Unlocking Warwick' has gone from strength to strength, which is now formed and operated with thirty dedicated volunteers that creates, operates and assists with a number of local projects and initiatives. Unlocking Warwick has had a very close relationship with Warwick Visitor Information Centre, providing volunteer support and a range of tours throughout the Town to locals and visitors alike, expounding Warwick's fantastic history!

Whilst the team at Warwick Visitor Information Centre is established and with the website developing, after undertaking a review of Warwick Visitor Information Centre's current offering and statistics in order to ensure the ongoing development and success of the Visitor Information Centre. Warwick Town Council is seeking to respond to the key issues and opportunities identified by updating the existing offering through a minor re-design of the Warwick Visitor Information Centre itself to rationalise the space, provide a more welcoming environment with interactive information and a space which can be used to tell the story of the Town to visitors throughout the year and local schools out of season. In addition, the ongoing development of the website and the Box Office alongside the desire to increase online presence to drive footfall and respond to the needs of visitors is a key aspect of this plan.

Warwick Visitor Information Centre is also seeking to continue to develop the current offering by continuing with #LoveLocal Craft Fayre's and the Town Ambassador Project, which has been operating over the summer months employing locals to greet visitors and provide guidance and assistance directing many to local businesses and attractions, but also to the wider area including Leamington Spa. Warwick Visitor Information Centre has the support of Warwick Town Council. The Economic & Tourism Committee and Visitor Information Centre Review Group are committed to delivering required changes to ensure Warwick Visitor Information centre remains vibrant and fit for purpose going forward.

Cllr Richard Edgington
Chair of Economic & Tourism Committee

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1.0 Introduction

Warwick Visitor Information Centre (WVIC) offers a year-round service providing information and advice to local, regional, national and international tourists and visitors. The team at The WVIC are a close-knit team who are passionate about Warwick and the wider District, with close links to Leamington Spa in particular. The aim of The WVIC is to be on hand for visitors through the telephone, email and face to face promoting local attractions, businesses, events and selling tickets to a range of attractions. As well as providing tips on 'hidden gems' within the area, which do not have a strong online presence.

One of the greatest attributes of the WVIC is the passion for what Warwick has to offer. As such the team seek to be the 'first stop' and ensure that visitors have a positive perception of the thriving local area on cultural, social and economic levels. As a team, there is a distinct and unique passion to provide a warm and friendly customer service and a 'Warwick Welcome'.

WVIC is managed and run by Warwick Town Council and comprises a core team of;

- 1 full time manager
- 2 part time assistants each working 28 hours per week
- 1 part time assistant working 21 hours per week
- 1 zero-hour contract as and when required
- Volunteers from Unlocking Warwick as and when required.

WVIC has received a grant from Warwick District Council over a number of years, the past three years Warwick District Council has provided £25,000 per annum toward the cost of the service.

1.1 History of the Court House & Origins of The Warwick Visitor Information Centre

The Court House, the home of Warwick Town Council and the WVIC is a Grade I Listed Building situated in the heart of Warwick within the main High Street. The location stands at the central crossroads of Warwick, originally called 'High Cross'. There's evidence of a building on the site from 1340.

In 1694, the 'Great Fire of Warwick' destroyed a large part of the town centre. The Corporation found its Court House surrounded by smoking rubble and 'somewhat scorched'. Francis Smith was commissioned to design a new courthouse constructed in sandstone. It was opened in 1728 and immediately became the fashionable centre of Warwick life, with balls, assemblies, dinners and public meetings, and soon became used as the Town Hall.

The building was reopened in 2014 after a major restoration funded by the Heritage Lottery Fund and Warwick Town Council. It now houses a new Visitor Information Centre, the Warwickshire Yeomanry Museum of military artefacts, the Town Council Chamber and Offices and a magnificent Regency Ballroom. Behind the building, the Pageant Garden is a haven of calm in the centre of town.

With its central town location on the pedestrian route from the Castle to St Mary's Church, the Court House is ideally situated for visitors exploring the town. A small office was established in 1975 in offices behind the Council Chamber, and in 1994 the Tourist Information Centre moved to the larger space of the room to the right just inside the front door on Jury Street.

By 2009 the building was in need of significant repairs, together with alterations to improve accessibility. The refurbishment project saw the building reopen in 2014 as a cultural centre for the Town.

WVIC has been successful since the refurbishment, although it is recognised that the Tourism sector is facing difficult challenges through changing customer attitudes and behaviours and the increasing popularity of online bookings and tourism guides. A summary of just some of the key service provision is indicated within Figure 1. As such, WVIC is seeking to continue to respond to the changing sector and challenges facing tourism to ensure WVIC remains a relevant hub which has a diverse offering.



Figure 1 – Current Offering Matrix

1.2 Vision & Objectives

Building upon the history and challenges of Tourism, the vision of WVIC has always been to welcome, inform and encourage visitors to stay and explore the town and local area. This is achieved through the provision of relevant information, assistance and services, whilst generating income to keep operating costs to a minimum. Over the business plan period however we have a series of objectives which form the overall vision of **'offering a unique customer experience to visitors and developing WVIC into a social and community space which exhibits the 'Best of Warwick''**, the eight key objectives to deliver this vision are presented as follows:

1. Generate additional income to ensure the sustainable future of WVIC, whilst increasing operations through attendance at events and the development of the Town Ambassador programme.
2. Expand and develop the audience to the WVIC through exhibiting local artists, businesses and tourism focused events.
3. Continue to support the Events Team to promote The Court House as a venue, which has successfully achieved additional footfall.
4. Develop the existing box office to establish WVIC as the main box office for local events.
5. Continue to develop a strong level of customer service and explore options to provide online communications through social media.
6. Re-model and refurbish the existing WVIC to be able to use the space for local history exhibitions targeting schools and visitors to the Town.
7. Continue to promote local businesses within Warwick Town Centre.
8. To respond to changing needs of tourism and operate pro-active tourism campaigns at regional events and launching pro-active tourist information initiatives.
9. We are also a central point for locals encouraging community participation and events.

1.3 Visitor Information Centre Opening Hours

The Visitor Centre is open seven days a week from Easter to December and closes for four days over the Christmas period. The WVIC closes on Sundays from December to Easter, this is monitored very closely and is adaptable to suit the business needs of the WVIC. Sunday hours operate on bank holidays and should the WVIC stay open late staff are given time off in lieu. In addition, on events WVIC also opens during the evening, such events include Victorian Evening and summertime events on a case by case basis. Staff also attend Town Events as required to meet visitors and 'point them in the right direction', Staff also seek to sell the town to a range of visitors such as Pub in the Park. Town Ambassadors also attend the array of well supported events of the summer months around Warwick to provide a service to visitors.

Monday	09.30-16.30
Tuesday	09.30-16.30
Wednesday	09.30-16.30
Thursday	09.30-16.30
Friday	09.30-16.30
Saturday	10.00-16.30
Sunday	10.00-16.00 (Closed Mid Dec – Easter)

1.4 Stakeholders

There are a number of stakeholders associated with Warwick Visitor Information Centre, whilst all visitors are regarded as stakeholders, local businesses and locals are important to Warwick Visitor Information Centre. The development of the rapports with local businesses are key to the economic success of the Warwick and the aim of WVIC to exhibit the offerings of local businesses. Other key stakeholders include:

- Shakespeare's England
- Unlocking Warwick
- Warwick Castle
- Warwick District Council
- Warwick Rotary
- Warwick Racecourse
- Hill Close Gardens
- Mill Gardens
- Chamber of Trade and other local businesses
- Lord Leycester Hospital
- Warwick Town Council
- Court Leet
- Community Organisations and Local Charities
- Volunteers (Unlocking Warwick)

Warwick Visitor Information Centre is seeking to develop these rapports further, particularly with local businesses and volunteer networks. WVIC identifies that local businesses are a fundamental part of Warwick's success and a thriving Town Centre with dedicated business owners whom are independents are a unique selling point for Warwick alongside the historic built environment and array of Tourist Attractions.

WVIC has also traditionally had a close relationship with Warwick Castle which is also invaluable going forward to the success of WVIC and the Town, the Management of the Castle attend Town Council Meetings and work with us to promote both the Castle and the Town. WVIC works closely with Warwickshire Yeomanry Museum who are based in the Court House and rely on the building being open.

With regards the Lord Leycester Hospital, the Master is currently seeking to raise of £1million in funding to obtain a Heritage lottery Fund Grant to undertake a comprehensive series of works which will further attract more visitors to Warwick. WVIC also has a good rapport with the Lord Leycester Hospital as one of Warwick's main attractions and will provide support in raising awareness to the cause to visitors.

1.5 SWOT Analysis

As part of the business plan, a SWOT analysis has been undertaken which is provided below:

Strengths	Opportunities	Weaknesses	Threats
Regular in-house training and familiarisation visits to local attractions	Staff development and develop rapports with local attractions	Specialist IT skills to further develop the website and corporate social media presence to promote the attractions through in-house social media	Reduced staffing resource may reduce ability for time to network with local attractions.
Established Souvenir Sales	Ability to attract locals and visitors to purchase unique locally sourced products and identify a range of new lines of sales, local products will also reduce minimum order issues currently experienced with some suppliers	As existing, there is an issue with GP margins given the low quantities ordered at a given time, thus being unable to use stronger buying power from some suppliers, thus making products more expensive at cost	If footfall decreases sales would potentially decrease too
Basic Social Media Knowledge We have over 8,000 followers on the WVIC related sites	To increase followers on the box office social media sites to reach out to a larger audience to promote events and therefore sell tickets. Work with in-house WTC's Events Team to develop Social Media presence, and use volunteers to cover whilst inhouse training can take place	Due to the size of the team within WVIC there is limited time and resource to develop a more comprehensive skills base to fully use social media to the advantage of WVIC	Limited resources to have regular training sessions given the part time nature of the events team. Staff changes may result in a loss of basic social media knowledge in-house.
Tourism Ambassador Programme	Re-introduced in 2018, employment for local people throughout the summer. To run the service for a longer period and develop the programme to use ambassadors at key visitor attractions such as Stratford Upon Avon and Birmingham	Staff are employed for a short time and do not gain a full product knowledge	Loss of funding for the ambassador programme.
Visitors receive excellent customer service and are offered a friendly helpful experience. A well trained and informative team with extensive knowledge of the destination	Look at new publicity, literature and new Warwick App which is under development Use the ambassadors to assist with the development of the service	Time constraints given the number of visitors at peak times	Loss of funding for VIC may result in spending reductions which may have consequences on the service provision due to need to lower costs
The quality of Information on offer	Quality information and literature is provided on the local area, regionally and	IT skills curtail the articulation of some information at present	Budgetary constraints given the costs to

through the WVIC and online	<p>nationally. The Internet is a valuable source for supplying this information to visitors</p> <p>Visitors feel confident and are interested in what we say to help them find their answers</p> <p>Unlocking Warwick volunteers have and source a wealth of excellent local information</p>		promote and operate website and hard copies
Website	<p>Sharing our knowledge online via our informative website. Free listings for all businesses</p> <p>Providing immediate information</p> <p>The visitor is able to access online information prior to their visit to further enhance their experience</p>	<p>With the amount of information, events and news being continually renewed and updated, the small team face challenges to keep the website up to date during busy periods.</p>	Loss of key staff who currently have the skills to update the website.
<p>Presentation</p> <p>The visitor feels welcome and confident</p>	<p>The Visitor Centre is kept clean, tidy and well stocked at all times. To work with local shops and display their goods</p> <p>Re-design and refurbishment will further develop the high levels of presentation and appeal to a wider audience</p>	To reach out to a larger audience in the current form	<p>Loss of man hours</p> <p>Loss of funding</p> <p>Redesign not taking place</p>
<p>Staff presentation</p> <p>Dress code is smart office wear</p>	A staff uniform to be introduced	Cost of uniform, to include the range of Unlocking Warwick volunteers	Lack of clear staff identity
Introduction of the walk-in Town Box Office in 2018	<p>To sell tickets for local events and to add more venues. Bridge House Theatre and St Mary's Church</p> <p>Work closely with WDC to promote local events and enhance the box office offering for WDC.</p> <p>Incentivise buying tickets in the WVIC through promotion of tourist events or offers</p>	Ticket sales, other than for Warwick Words need to improve	More people buy online

Volunteering opportunities	Increase the number and quality of volunteering Opportunities Create an extra resource in providing information. The volunteers are often local people with an extensive knowledge of the area	Volunteers not needed on a regular basis, in-house training is key so there is little time to achieve this	Loss of volunteers
Constantly looking at ways to improve the centre	Re-development of centre. Introduce social history to enhance the customer experience and look at future sustainability	Time constraints	Funding not available. Unlocking Warwick not available to provide valuable research

The SWOT analysis highlights a number of strengths of Warwick Visitor Information Centre, notably the quality of the information on offer to visitors and the establishment of the website. However, as part of the business plan period Warwick Town Council is seeking to address a number of the issues identified by providing training and assistance on social media networks. The information within social media and online will include information of what's on in Warwick, but also will work with #Buyin2Warwick and local businesses to help promote shops within Warwick.

In addition, the continuation and development of the Town Ambassador project seeks to provide additional support during the busy months which, from feedback has been very well received and beneficial to local attractions and businesses within Warwick.

There is also an identified weakness in the form of the size of the team and the limited capacity for additional projects and initiatives to be operated and ran from Warwick Visitor Information Centre. In addition, there are considered to be a number of threats to the current operation including the further reduction of footfall as a result of tourism facilities online. Internally there are also threats with regards sickness and absences which may result in increased wages and accrued leave by colleagues. In addition, reviews to ticket sales commission from partners such as Warwick Castle is also a threat to the income of the WVIC which would leave potentially a significant funding gap. However, within the plan period, the development of the offering and rationalising of the service seeks to mitigate the funding gap, therefore ensuring sustainability of the service into the future.

The key opportunities for Warwick Visitor Information Centre are the rationalising of the current offering to create an open visitor 'hub' which provides a range of information and guidance for those visiting locally. The network of volunteers has a proven track record of their commitment to the success of Warwick Visitor Information centre, and their valuable time and resource for Warwick Visitor Information Centre is highly valued. Their continued commitment going forward is identified as an opportunity to promote tours of Warwick and provide visitors a glimpse of unusual quirks within Warwick's history which you could not find online!

Over the next three years WVIC will look to enhance its excellent reputation by continuing to work closely with key partners and to provide information of the highest standard to the visitor, whilst addressing the issues identified in the SWOT Analysis. Each year, a review of the operation will also be undertaken and the SWOT re-evaluated accordingly.

1.6 Warwick Visitor Information Centre Performance

A summary of the performance of the WVIC over 2018 and 2019 is provided below for counter, communications and footfall:

Counter, Telephone & Email

Month	Counter		Tel, Email		Total	Total	Footfall	
	2019	2018	2019	2018	2019	2018	2019	2018
Jan	1089	1381	149	214	1238	1595	1302	1600
Feb	1082	833	127	209	1209	1042	1284	1203
March	1719	1048	104	192	1823	1240	1834	1483
April	2362	1737	176	176	2538	1913	2601	2211
May	2722	2706	179	139	2901	2845	3083	3023
June	2867	2503	177	171	3044	2674	3244	3123
July	3803	3480	257	176	4060	3656	4079	4030
August	4119	3550	167	162	4286	3712	4429	4115
Sep	2608	2439	184	171	2792	2610	2915	3685
Oct	2474	2879	143	161	2617	3040	2701	3266
Nov	2056	2145	163	187	2219	2332	2423	2335
Dec	1668	1089	114	130	1782	1219	1863	1218
	28569	25790	1940	2088	30509	27878	31758	31292

Website

Year	Month	Visits	Year	Month	Visits
2019	Jan	4718	2018	Jan	4709
2019	Feb	5276	2018	Feb	4595
2019	Mar	5948	2018	Mar	4857
2019	Apr	7034	2018	Apr	5522
2019	May	7831	2018	May	6571
2019	June	6139	2018	June	6046
2019	July	7218	2018	July	6697
2019	Aug	8110	2018	Aug	8199
2019	Sept	5733	2018	Sept	5296
2019	Oct	5739	2018	Oct	5708
2019	Nov	4778	2018	Nov	5192
2019	Dec	3832	2018	Dec	4071
		72356			58200

From the statistics thus far, it is considered that the footfall has been stable and comparable to 2018. There have been a number of factors which have impacted figures at times of the year. Good weather in the summer months provided increased footfall in house, the figures within the WVIC's performance is largely consistent with other main attractions within the Town such as Warwick Castle which has experienced a number of factors which have made footfall challenging this year including political uncertainty with Brexit, a slight reduction in overseas visitors. Although from qualitative statistics and information there has been an increase in UK visitation during 2019.

In addition, the website has also been largely consistent with 2018. It must be noted that footfall over a longer period has changed significantly as visitor behaviours have moved online. However, the stabilising of the footfall is encouraging given that the footfall demonstrates there is an ongoing demand for the service. The priority for Warwick Visitor Information Centre is to continue to deliver the service for the core visitation but develop the offering to increase the footfall. The purpose of this plan is to present ways to expand the existing offering of Warwick Visitor Information Centre and increase footfall over the next three years.

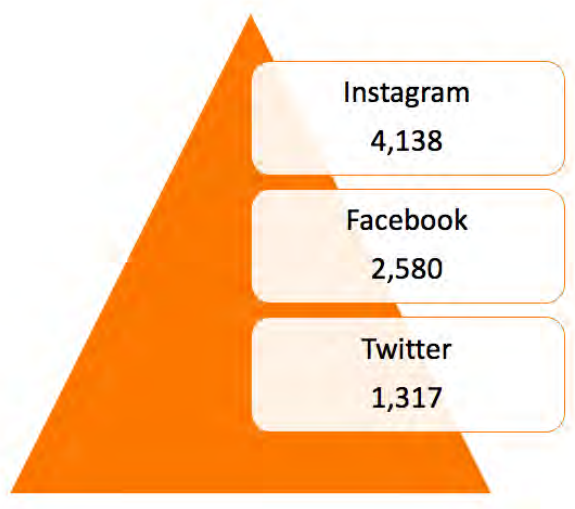


Figure two shows the total number of followers on social media which continues to grow at a steady pace. Warwick Visitor Information Centre does not pay for any social media advertising or post boosts and posts are therefore shared through local page groups and sharing and liking pages and posts from other attractions. With the development of social media, options to have a small budget to boost posts may be explored during the summer months to identify whether there is benefit. Next summer Town Ambassadors will also be given access to social media accounts to post their 'Day around the Town'.

1.7 Products and Services

The Warwick Visitor guide is the key source of information on arrival to the destination after the Visit Warwick website. A lot of day visitors are primarily here to visit Warwick Castle, WVIC plays an active role in attracting visitors to have a look around the town and other attractions and places of interest on offer.

Providing information on;

- Accommodation
- Attractions

- Eating out
- Shopping
- History and heritage
- Parks and gardens
- Outdoor activities
- Local events
- Warwick town map and visitor guide
- Transport (bus and train)
- Area maps
- Fully comprehensive website
- Supporting local businesses
- Box Office service, supported by Warwick District Council

Additional services provided include:

- A fully stocked shop offering souvenirs, gifts and books for sale
- Displaying artwork by local artists, including Warwickshire Open Studios
- Using the space to support local events
- Warwick Outlet for the Cards for Good Causes
- Box Office
- Use of WVIC for local craft fairs
- The main point for annual allotment income
- Issuing the Mayor's Vouchers
- All administration for the Dedication Tree

1.8 Product & Service Development

In addition to the service development discussed within the development of the existing rapports with partners and stakeholders, social media and Town Ambassadors. The Council, through the Economic and Tourism Committee are committed to ensuring that the offering of WVIC remains relevant and vibrant in order for the facility to remain both viable and sustainable. A working group comprising five councillors alongside the Town Clerk and WVIC Manager has been set up and are having regular productive meetings to discuss and map potential changes.

At the time of writing, the working group have met the designer of the WVIC area and have critiqued the existing space. A number of key issues have been identified; firstly, whilst the space contains excellent information on Warwick and the Court House's history, in its current form within the rotunda the information is not being fully discovered, in part due to the location of the entrances and its cumbersome appearance. As such Warwick Town Council is seeking to re-design the space to use the existing information and graphics to provide more open, flexible and responsive space which will allow the centre to diversify and provide

exhibition spaces for local artists and history groups on topical dates within the year, for example Guy of Warwick Day. The overall aim of the re-design is to ensure that WVIC can respond to the changing landscape of tourism and exhibit what Warwick has to offer culturally, socially and economically.

With regards timescales for the project, we are currently preparing a brief for the designers to obtain quotes for the cost of the works. With regards funding, Warwick Town Council is exploring grant opportunities through local charities, stakeholders and supporters, alongside Grants from other Authorities. Warwick Town Council anticipates that the works will be complete by spring of next year ahead of the 2020 season.

1.9 Marketing & Promotion

A summary of the existing marketing and promotion methodology is provided as follows:

- Warwick Visitor Information Centre has a fully comprehensive website which receives in the region of 7,000 visits per month with the events section being one of the most visited pages. An in house very well received town guide is funded annually by WDC with an equal amount being distributed to Warwick Castle to encourage the visitor into the town. This is produced in house by WVIC.
- WVIC Facebook, Twitter and Instagram pages are regularly updated in house with some 8000 followers across the 3 sites
- The WVIC manager liaises regularly with other VICs, WCC, WDC, Shakespeare's England and other tourism bodies to investigate how the service can be improved
- Participation with Visit England via their social media campaigns, the Visit Warwick Twitter account is linked to the Real Time Travel guide website attracting worldwide visitors
- To work with local artisans and to encourage outside agencies to use the WVIC for displays to encourage footfall
- Promoting events and local businesses on the Visit Warwick website
- Working closely with the DMO to assist in the promotion of Warwick
- Taking WVIC to external events
- To introduce new locally sourced product lines to sell
- Press releases

Going forward Warwick Visitor Information Centre as previously indicated is seeking to promote more online through social media channels. In addition to the website and Social Media pages, additional low cost boosted advertisements during the summer are to be tested in 2020 with 'Vlogging' during the summer months at key events by the town Ambassadors. The objectives of these small clips will be to provide visitors with a taste of various attractions and businesses to promote a range of products within the Town.

In addition, during quieter months training on social media will be provided to staff and volunteers in house. As part of the rationalisation of the Visitor Information Centre advertising screens showcasing local businesses and events are proposed to be installed, external signage opportunities are also being discussed within Conservation and Planning Officer's to enhance the presence of the Visitor Information Centre within the High Street.

1.10 Financial Information

The operating costs of the Warwick Visitor Information Centre is presented as follows (2018/19):

Income	£	Expenditure	£
WDC Grant	25000	Salaries	79000
Sales	12000	Training	500
Ticket Sales	43000	Admin	4485
WTC Contribution	54735	Telephones	1000
		Insurance	1500
		Printing	700
		Utility Costs	3000
		Website	500
		Internet	300
		Leasing	750
		Bank Charges	1000
		Cost of Stock	12000
		Cost of Ticket Sales	30000
Total	134735	Total	134735

As presented within the aforementioned figures, Warwick Visitor Information Centre with the existing grant from Warwick District Council, Warwick Town Council's contribution and sales as existing breaks even (including the total value of stock). The threat to Warwick Visitor Information Centre is with the shortfall of funding, the savings will have to be found through a reduction of costs which at this stage may impact upon the service and operations of Warwick Visitor information Centre.

There is to be a capital cost to Warwick Town Council for the rationalisation works to Warwick Visitor Information Centre, which is to be agreed at a Special meeting in January 2020, estimated to be circa. £15k in the 2020/2021 budget. Warwick Town Council is aware of the issues facing Warwick Visitor information Centre in the form of the current offering and constraints and changing attitudes of tourists. The aim of Warwick Town Council over the plan period is to reduce the gap between expenditure and income by creating a space which is more versatile and flexible, which can promote town events and history in a flexible manner. In addition, the rationalising of the shop and development of the box office will cumulatively be intended to reduce WVIC's reliance on the grant funding of the present and past. However, to achieve this in an effective manner, Warwick Town Council requires time to implement changes, which also accord with the conditions on the HLF Grant Funding.

1.11 Benefits of Warwick Visitor Information Centre

Whilst the aim of Warwick Town Council over the plan period is to reduce the reliance on grant funding to operate Warwick Visitor Information Centre, with the view in the long term to make the service as sustainable as possible. WVIC is ultimately a service provided by local taxpayers for the benefit of Warwick given that Tourism is a key economic and social contributor to the Town.

The objective of WVIC is to therefore deliver value for money for this service as opposed to making a profit per se, although with additional resource through self-funding will enable WVIC to deliver additional benefits and services to assist in raising the profile of tourism within Warwick and Warwick District. There are ongoing reviews of the service offering, and engagement between staff at Warwick Visitor Information Centre and local stakeholders has been established over a number of years. There is a benefit within the WVIC that all of the existing staff are dedicated employees who have been part of the team for a number of years and know a vast array of information about Warwick, and individuals within stakeholder groups. This enables positive and ongoing engagement on both personal and professional levels, thus having a positive impact on information sharing and collaborative working.

Stakeholders have identified gaps and opportunities within the Warwick Visitor information Centre's offering which form the basis of the plan to rationalised WVIC going forward. However it must be noted that as existing there are very positive reviews of WVIC, and where improvements are identified WVIC works to address these issues where possible, for example in 2018 Town Ambassadors were excellent but with two employees were spready to far afield, in response 2019 saw a total of six employees which provided additional cover and service for visitors which was greatly received.

With regards the testimonials for the Visitor Information Centre itself three examples are provided below (Complete testimonials are provided within the appendices);

"We work in partnership with Warwick Visitor Information Centre to promote the castle and wider area, with the objective of drawing more visitors to the region from the rest of the UK and further afield. We're excited to continue to grow this partnership into the future to ensure Warwickshire is a "must see" region; offering new products and preferential rates to support the Visitor Information Centre and wider community."

Katy Potten, Trade Manager, Warwick Castle

"Warwick Visitor Information Centre has given much needed support to Hill Close Gardens through good information and understanding of what we / they offer. The new visitor map of Warwick has been updated allowing visitors to Warwick to get good up to date information about a number of attractions."

The last two years has seen Warwick ambassadors busy making sure we have leaflets and have been a real help collecting leaflets and spreading the word locally about us along with many other attractions.

The team are always happy to help and communication has been excellent. The Warwick events guide is well put together and information is collected in a timely and efficient way. Links between the chamber of trade are good and we are always kept in the loop.

The 'Visit Warwick' website is clear and informative and the link with Shakespeare's England I feel is positive, as we are also a member this brings together a wider reach and allows for greater support both through engagement and promotion.

In summery – friendly and efficient – a really useful information service for visitors to Warwick with the perfect positioning in central Warwick. Online presence is good and appreciated”.

Richard Hayward, Centre Manager – Hill Close Gardens

“The Lord Leycester Hospital is a Warwick medieval heritage site in the centre of town.

In 2016 this remarkable Heritage site with 700 years of unbroken history was attracting a mere 5000 tourist's year. For a site that is a unique national treasure this was a low footfall that required attention and improvement. A new business plan looked at the potential and realised that with capital investment in the offering and refurbishment of the fabric, the footfall of the Lord Leycester could be raised over a five year period to 35,000 annually.

Raising footfall exponentially would also require support and help from the Town – particularly the Warwick Visitor Information Centre (VIC). Two years ago we approached the VIC and asked them for help to promote the Lord Leycester to tourists and visitors to Warwick. Since then we have been delighted at the increase in numbers of visitors to our site. 12,000 visitors reached in 2019.

With a recently successful National Lottery Heritage grant to help improve our Heritage offering we have every expectation that with the continuing help from the VIC we will be able to meet our 35,000 an increase footfall goal. This is a win for us as a Charity, a win for the VIC but it also is a win for the town of Warwick – an increase of 30,000 tourists a year can only have a positive economic impact for the town”.

Heidi Meyer – Master of Lord Leycester Hospital

1.12 Summary & Recommendations

Overall, Warwick Visitor Information Centre is considered to provide a valuable service to visitors to Warwick and Warwick District. Whilst there are challenges facing the tourism sector as a result of online capabilities and developments, in Warwick, there remains a friendly personal approach to assisting tourists and locals alike. Warwick Visitor Information Centre has an established customer base which has seen footfall figures stabilise. However, in order to remain relevant changes and updating is required over the plan period.

A group has therefore been created within Warwick Town Council to work with Warwick Visitor Information Centre employees and the Town Clerk to rationalise the existing space and make more effective use of the space as an area which can be multi-use. The intention is to work with Unlocking Warwick partners to develop the tour offering and promote the space to educate local school children during off-peak months. The flexibility of the space also seeks to ensure that the space can be used to exhibit 'the best of Warwick' and have topical displays and events which change year-round.

In addition, the development of internal skills in the form of IT and social media is also an intention for the plan period to assist in raising awareness of the WVIC to locals and visitors alike. The continuation and development of the Town Ambassador programme will also intend to use 'Vlogging' and other social media posts to promote gems within the Town.

Working with local businesses and suppliers, amendments within the shop to sell locally sourced items is intended to achieve a higher gross profit, alongside the expansion of the Box Office and ticket sales it is anticipated that income generation can be increased to improve the sustainability of WVIC so that it can continue to deliver a valuable service.

2. Appendices – Job Role Profiles for Staff and Volunteers

2.1 Volunteers - Overview and Key Duties

To welcome visitors in a friendly and manner and provide assistance.

- Answer telephone enquiries
- Record visits to the WVIC for statistical reporting by the Manager
- Respond to requests for information
- Assist with opening and closing the premises if on duty
- Assist with the day to day running of the WVIC

2.2 Town Ambassadors – Overview and Key Duties

A temporary summer role promoting the town out and about.

- To be the friendly and reliable representative of the WVIC
- Be a visible presence patrolling the streets in Warwick, to include both train stations
- Deal helpfully and knowledgeably with queries or requests from members of the public
- Build positive relationships with local attractions
- Hand out leaflets and give directions
- Drive footfall to the WVIC
- Promote the WVIC and Box Office
- Participate in promotions and visitor centre/partner events as required

2.3 Visitor Information Centre Assistant – Overview and Key Duties

To work in the Visitor Information Centre (WVIC) for Warwick Town Council, to provide tourist and local information to all visitors in person, e-mail, letter and telephone enquiries at Warwick Visitor Information Centre.

Main Duties

- Liaising with the WVIC Manager to ensure the website is kept up to date and amending where necessary
- Keeping up to date the local events list and proof-reading either for WDC or WVIC
- Keep up to date and well stocked all leaflets and posters on display in the WVIC and re-order when necessary
- Dealing with customer cash transactions, using the PDQ machine, cashing up the till and putting data on to the till spreadsheet
- Keeping up to date brochures and leaflets produced in house
- Update Facebook, Twitter and Instagram on a regular basis.
- Stock taking sale items and souvenirs. Liaise with WVIC Manager and re-order where necessary.

- Assist in the operation of the WVIC postage fund, operating franking machine and taking post to the post office when necessary.
- Taking the WVIC out and about to town centre events and further afield
- Leaflet distribution
- General housekeeping
- Any other duties that may arise

Assistance as required by Warwick Town Council – responsible to the Town Clerk:

- Managing allotment waiting list.
 - Upkeep of allotment database, tenant list and mailings
 - Sending out reminders and collection of allotment rent, to include recording monies received.
- Please Note: Warwick Town Council is currently working towards devolved management which will likely relieve these duties.*
- Administration work as requested by WTC, WDC and Shakespeare's England, to include databases.
 - All administration for the Tree of Lights for Warwick Rotary to include collection of donations, design and display of dedications.
 - Issuing Mayor's Vouchers annually.
 - Any other duties that may arise.

2.4 Visitor Information Centre Manager – Overview and Key Duties

To oversee the running of Warwick Visitor Information Centre (WTIC) for Warwick Town Council. Develop and maintain alternative income for the WTIC.

- Publicising services and implementing strategies to raise the profile of the centre.
- Gathering information and working with local businesses and attractions
- Researching and visiting attractions
- Keeping up to date with changes in tourist activities and events
- Ensuring the centre is well presented and easy to use
- Communicating with members of the public and dealing with enquiries.
- Producing guides and other marketing literature
- Liaising with accommodation establishments
- Assisting with developing the commercial and community use of the Court House and encouraging public participation
- Daily management of the Visitor Centre
- Drive high levels of customer service
- Preparing and presenting reports for the Economic and Tourism Committee and attending meetings with a variety of people, including senior managers and tourism businesses
- To undertake other similar activities
- To oversee all allotment administration to include site visits and preparing reports for committee meetings

- Responsibility for HR related matters in the Visitor Centre
- To act as deputy in the absence of the Town Clerk

3.0 Testimonials

3.1 The Mill Garden Trust

‘We would like to thank all the staff for their continuing support for our garden. We usually get several people daily from your recommendation which all goes towards our money we give to thirty charities annually. From what we hear from people, it contributes a great deal to the area (That is to say, the Visitor Centre). **Julia Russell**

3.2 Warwick Rotary

We are happy to provide you with a testimonial attesting to the support which your staff provides to the Rotary Club and by extension to the local community in Warwick.

The Rotary club organises a number of events in the town centre throughout the year, some are for the enjoyment of the community, and others are fundraising.

Your office always displays our posters and leaflets, and sells our tickets, together with the Town Clerks office which ensures that the Mayor is available. Importantly you follow us on social media and “share” our posts and events which give them a wider circulation.

The year starts with our Pancake races in the Market Square, a Thai Festival of food and culture in early June, the school’s concert, Chernobyl children’s visit, Town Bonfire, and finally the Lights of Love on the Christmas tree. This latter your whole team helps us with sending out flyers to a mailing list, making the cards for the tree and putting them onto its branches, they also distribute the flyers around local shops, pubs and churches, and collect the completed forms. It would not be possible to run this campaign, which raises around £2,000 for Myton Hospices and the Mayors charities without their support.

All your team give us cheerful support, advice and feedback, we have a good partnership, and I thank you for your leadership. **Jackie Crampton – Secretary**

3.3 Warwick Fusilier Museum

The staff at the Centre are always friendly, helpful and professional. They display our publicity material and sign post visitors to the museum.

We had a one to one chat with them to see how they could support us further. They have assisted our move within Warwick by talking to the management consultant company preparing our business plan for our future sustainability. When the museum does move to Pageant House, right next to the Centre, it is hoped that the two organisations will forge a stronger alliance and work together more closely.

They engage with the museum and promote our attraction on social media. They offer an inclusive service for smaller attractions rather than just focusing on larger businesses. We are included in the town guide leaflet, which is an important resource for tourists. They make a real difference and benefit local attractions.

3.4 St. Mary's Church

The Collegiate Church of St Mary, Warwick, is pleased to provide a Testimonial for the Warwick Visitor Centre and all the staff.

The Collegiate Church of St Mary, Warwick, enjoy an excellent-working relationship with the Warwick Visitor Centre that promotes the lovely town of Warwick and the many sights and attractions that it offers.

Our Visitor Team signpost new and returning visitors to Warwick using the "Warwick Visitor Guide" leaflet, that was developed by the Manager, Liz Healey, of the Visitor Centre which guides tourists around the many historic buildings and attractions that Warwick has to offer.

The visitor Centre displays leaflets promoting various events at St Mary's Church, including the very popular Annual Christmas Tree Festival.

The Warwick Visitor Centre website also advertises and supports our many events, church services and exhibitions. The 'Ambassador' scheme is superb and works very well for people who visit Warwick. We welcome the Ambassadors to tour our beautiful Church, climb the Tower and visit the stunning historic Beauchamp Chapel. The Ambassadors can then give visitors a first-hand insight into how much we have to offer and the other wonderful sights of Warwick. The success of our partnership has been developed further by Liz, offering a range of souvenir items that are stocked in the Visitor Centre gift shop, depicting notable images of places of interest in Warwick, including images of St Mary's Church.

We very much value our excellent working relationship with the Manager and the Team at the Warwick Visitor Centre and look forward to a continuing productive future for St Mary's Church and Warwick town centre. ***Felicity Bostock, Parish Administrator - The Collegiate Church of St Mary, Warwick.***

3.5 Park Cottage, Warwick

My husband and I have operated our small Bed & Breakfast business in Warwick now for over 18 years.

During that time we have always found our local Tourist Board to be invaluable to us and a significant support to our business. Liz Healey and her team have always been extremely friendly and helpful towards us. They keep us informed of events taking place in and around the area, so that we can communicate this to our guests. Albeit their role has changed over time from directing accommodation bookings to us, I now find that as my market has moved from more business customers to holiday makers (all year round) I am sending my customers who are staying for a 2-3 night break to the Tourist Information for perhaps, further details on a walk, that I have heard about but know that Liz and her team will have a brochure on or can discuss with the customer in more depth.

I find it difficult to keep up-to-date on all information and for that reason I will direct the visitors to the Tourist Information Office. My customers are very happy to utilise this service (and have always been pleased with the service they have received), it enhances their stay and ensures that they make the most of their visit to the area. This, in turn, leads to them returning or recommending our town to friends and family.

The Tourist Board provide a face to face contact for the customer and are located in a superb central location, just outside the castle grounds, so visitors leaving the castle can pop in and be given plenty of advice and information on Warwick Town. This is exactly what we need for our visitors! ***Janet Baldry - Park Cottage, Warwick***

3.6 Lord Leycester Hospital

“The Lord Leycester Hospital is a Warwick medieval heritage site in the centre of town.

In 2016 this remarkable Heritage site with 700 years of unbroken history was attracting a mere 5000 tourist's year. For a site that is a unique national treasure this was a low footfall that required attention and improvement. A new business plan looked at the potential and realised that with capital investment in the offering and refurbishment of the fabric, the footfall of the Lord Leycester could be raised over a five year period to 35,000 annually.

Raising footfall exponentially would also require support and help from the Town – particularly the Warwick Visitor Information Centre (WVIC). Two years ago, we approached the WVIC and asked them for help to promote the Lord Leycester to

tourists and visitors to Warwick. Since then we have been delighted at the increase in numbers of visitors to our site. In 2019 we reached 12,000 visitors.

With a recently successful National Lottery Heritage grant to help improve our Heritage offering we have every expectation that with the continuing help from the WVIC we will be able to meet our 35,000 an increase footfall goal. This is a win for us as a Charity, a win for the WVIC but it also is a win for the town of Warwick – an increase of 30,000 tourists a year can only have a positive economic impact for the town”. **Heidi Meyer – Master of Lord Leycester Hospital**

3.7 Warwick Castle

“We work in partnership with Warwick Visitor Information Centre to promote the castle and wider area, with the objective of drawing more visitors to the region from the rest of the UK and further afield. We’re excited to continue to grow this partnership into the future to ensure Warwickshire is a “must see” region; offering new products and preferential rates to support the Visitor Information Centre and wider community.” **Katy Potten, Trade Manager, Warwick Castle**

3.8 Hill Close Gardens

“Warwick Visitor Information Centre has given much needed support to Hill Close Gardens through good information and understanding of what we / they offer. The new visitor map of Warwick has been updated allowing visitors to Warwick to get good up to date information about a number of attractions.

The last two years has seen Warwick ambassadors busy making sure we have leaflets and have been a real help collecting leaflets and spreading the word locally about us along with many other attractions.

The team are always happy to help and communication has been excellent. The Warwick events guide is well put together and information is collected in a timely and efficient way. Links between the chamber of trade are good and we are always kept in the loop.

The ‘Visit Warwick’ website is clear and informative and the link with Shakespeare’s England I feel is positive, as we are also a member this brings together a wider reach and allows for greater support both through engagement and promotion.

In summery – friendly and efficient – a really useful information service for visitors to Warwick with the perfect positioning in central Warwick. Online presence is good and appreciated”. **Richard Hayward, Centre Manager – Hill Close Gardens**

3.9 Warwickshire Yeomanry Museum

“The Warwickshire Yeomanry Museum Trustees place on record their grateful thanks to all concerned with the smooth running of the Warwick Visitor Information Centre which provides far more than just an information service as evidenced by your Business Plan.

Our Museum was established in the basement of the Court House, Warwick in April 1981 and over the past 38 years our Museum Team has continued to build a unique friendly relationship with the Centre’s Staff and Volunteers, which maximises opportunities to encourage people to visit Warwick and it’s many varied attractions including our Museum by way of the Centre’s excellent Town Map.

Your Centre also makes best use of the internet and social media and this coupled with our Museum website and our social media activity has seen increased visitor numbers in more recent years.


The Staff and Volunteers within the Centre are to be commended for the highly effective way in which they respond to customer enquiries, undertaking their duties in a most proficient manner. ***Philip Wilson - Warwickshire Yeomanry Museum Trustee and Archivist***





Produced by Warwick Town Council and Warwick Visitor Information Centre

January 2020

 Executive Committee 12 February 2020		Agenda Item No. 13
Title	Discretionary business rates relief as a tool for business growth and inward investment	
For further information about this report please contact	Martin O'Neill, Business Manager, Projects and Economic Development, 01926 456064 Martin.oneill@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	Executive 31 st October 2018 item number 9	
Background Papers	None	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes – Ref 991
Equality Impact Assessment Undertaken	Yes – see Appendix 4

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Chris Elliott/Bill Hunt
Head of Service		Dave Barber
CMT		Bill Hunt
Section 151 Officer		Mike Snow
Monitoring Officer		Andrew Jones
Finance		Mike Snow
Portfolio Holder(s)		Cllr Alan Rhead
Consultation & Community Engagement		
External consultation has taken place with the business community in the District. Internal consultation has taken place between WDC Finance, Development Services along with the WCC legal team and finance team in respect of the draft policy. The draft policy has been revised where appropriate in response to both internal and external consultation responses.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 To agree a policy for **incentivising the District's inward investment activities** through discretionary business rates relief following the consultation exercise.
- 1.2 To agree a pilot of the policy for up to a 12-month period to allow officers to monitor and evaluate the success of the policy in attracting inward investment, and the financial impact of the policy on the Business Rates Retention scheme for Warwick District Council.

2. **Recommendation**

- 2.1 That Executive approves the policy as it currently stands (attached as Appendix 1) to be launched as a pilot scheme for up to a 12-month period to allow for officers to monitor and analyse the impact, success and costs of the scheme during that period.
- 2.2 That Executive agrees that the results of the pilot, once completed and analysed, are brought back to Executive Committee and that consideration be given to the scheme being adopted formally at that time, dependent upon those results.

3. **Reasons for the Recommendation**

Recommendation 2.1

- 3.1 This policy was originally presented to the Executive in draft format at their meeting on 31st October 2018. At that meeting, the draft policy was approved for a 3-month period of formal consultation to take place with the business community. The policy was then to be revised in accordance with any appropriate suggestions made from the consultation exercise and presented back to the Executive for final approval
- 3.2 The current version of the policy (attached at Appendix 1 to this report) takes account of the comments received following the formal consultation exercise, as well as further internal consultation with relevant officers from Finance and the Portfolio Holder for Environment and Business. In addition, advice has been sought from Warwickshire Legal Services who have approved the policy in its current form.
- 3.3 Appendix 2 to this report shows the comments that were received from the consultation respondents. Overall, the feedback from the external consultation was broadly supportive of the concept of such a policy. However, one responder did not believe that the introduction of this policy is required for Warwick District as inward investment into the District is already very healthy in comparison to other districts in the County of Warwickshire.
- 3.4 Summarising the primary observations from respondents, the following points were most prevalent from the consultation;
 - There is no requirement for such an incentive as Warwick District is one of the most sought after areas for inward investment in the County.
 - The rateable value is set at too high a level, aimed only at big businesses and does not provide any support for small business to invest in the area.
 - The high rateable value threshold does not provide any support for the small retail outlets.

- The Policy objectives and the eligibility criteria in the policy should include a requirement for businesses to reduce their carbon footprint and achieve climate change targets
- The proposed scheme will not protect the interests of local taxpayers as stated in the policy objectives
- Businesses locating to a building with a rateable value of £75,000 or over are likely to be less incentivised by this scheme due to their likely scale.
- The requirement to report on compliance to the eligibility criteria from successful applicants in 6 months is too short a timescale.
- Reviewing the policy after 12 months may again be too short a timescale for meaningful impacts and success criteria to be gathered
- Clawback should not be sought from genuinely failing businesses.

3.5 In response to the consultation, the following will be considered in relation to the original draft policy;

- If approved, during the pilot of the scheme officers will consider if 6 months is, in fact, proving to be too short a timescale to report on compliance. If it is felt that this is the case, then this requirement will be removed/amended at the inception of a permanent scheme.
- At this time, it is not felt appropriate that the rateable threshold value should be lowered. The success of the pilot, if approved, will consider this in terms of the analysis of its success in attracting inward investment to the area.
- In response to the comment in the consultation and in line with the Warwick District Council Climate Emergency, sustainability requirements have been added as part of the qualifying criteria for applicants to satisfy in order to take advantage of the scheme. There are a number of suggested sustainable business practices by way of examples included in Appendix 3 of this report. Each case will be considered on its merits and this list serves as a guide only. If approved, the pilot of the scheme will evaluate the viability of this requirement and in what ways it can be measured in terms of compliance.
- During internal consultation, officers raised concerns that the total “**pot**” (previously £500,000) that has been set aside for this scheme may be fully spent if applications are received from large industrial units such as B1, B2, B8 which attract very high rateable values, such as those being planned at Spa Park. In response to this the total level of the fund has been increased to £1million.
- As described below, in relation to recommendation 2.2, officers will closely monitor the levels of award in relation to the number and value of the applications and bring a further report back to the Executive after the proposed pilot with further information in respect of this revised total. The anticipated return on the initial investment in respect of providing new and expanding businesses into the District will be the longer term increase in the business rates base following the increased inward investment.

Recommendation 2.2

- 3.8 This policy has been developed and consulted on in response to the growing demand from new businesses to provide them with support in moving into the District or in assisting existing businesses to expand here.
- 3.9 Consideration has also been given to the fact that, as a District, we are a more expensive location to be based within and, in offering this policy, we seek to ensure that we remain **competitive and clearly appear to be 'business-friendly' and 'welcoming.'**
- 3.10 Following internal and external consultation, it is proposed to launch the policy, as it currently stands, for up to a 12-month period so as to allow for detailed monitoring and analysis of the impacts. Officers wish to monitor the number of applications for the relief and the number of successful applications in relation to the current criteria. Officers equally wish to monitor the reasons and rationale for applications which are rejected due to non-compliance with the current criteria and to assess whether there is a need to alter those criteria in order to maximise the benefits of this policy to businesses and to maximise inward investment and business expansion in the District.

This analysis, following a meaningful pilot, will indicate whether or not this policy is the most appropriate mechanism to offer that support to businesses looking to locate into or expand within the District.

- 3.11 In addition, the analysis will consider the actual cost of the scheme in respect of **the impact on the Council's income from Business Rates Retention** Volatility Reserve. Following consultation, there is an overall limit set at £1million for the total amount of Business Rate Relief to be awarded during the pilot. Officers need to consider if this limit is too low or too high in terms of the financial cost to the Council along with any potential adverse impact this has in terms of preventing inward investment from businesses once the limit has been reached.
- 3.12 By way of an illustration of a potential issue with the proposed £1million limit; with the current (2019/20) Business Rates standard multiplier at £0.504 per rateable value, an applicant with a rateable value of £1,984,000 would use up the whole of the £1million budget in one application. Some of the new larger, currently unrated properties in the district that may be eligible if occupied, could easily command rateable values in excess of £1million which would see a substantial percentage of the budget used in just one or two applications.
- 3.13 A report will be brought back to Executive, including the results of the monitoring as described above, to allow for consideration of the success and impact of the policy. This will then facilitate consideration on the choices available in terms of continuing the scheme, amending the scheme or withdrawing the scheme.
- 3.14 From April 2021, the current system of Business Rates Retention is expected to be altered significantly. The impact of these changes is not yet known. It is likely that the changes could have an impact on this scheme in terms of affordability to the Council. In bringing the results of the pilot back to the Executive, coupled with the details of the expected revised Business Rates Retention scheme, this will allow for consideration of the future viability of the scheme.

4. Policy Framework

4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
Given the reciprocal nature of the intended policy, benefits for the wider community should be felt. Here, the increase in the overall business rates pool would provide additional funds to go back into the core statutory services, such as housing.	These additional funds could also be directed back into maintaining and enhancing the public realm and our open spaces. More specifically, where we suggest offering a scheme to employ ex-offenders, this would have a significant impact on reoffending levels. Ex-offenders with a job are much less likely to continue committing crime if they have a job ¹ .	Successful implementation of this proposed policy would directly contribute to these outcomes by incentivising and supporting business to increase their performance and their headcount. In particular, it seeks to support a more diverse workforce and tackle long-term unemployment issues.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged,	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management

¹ MOJ Education and Employment Strategy, May 2018.

empowered and supported The right people are in the right job with the right skills and right behaviours	provision of services	Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
N/A	N/A	N/A

4.2 Supporting Strategies

The proposed Policy would directly support Fit for the Future rather than a supporting strategy.

4.3 Impact Assessments

An impact assessment was carried out in respect of the draft policy prior to it being approved for consultation at the October 2018 meeting of the Executive. This assessment is attached at Appendix 4 and is due to be revisited in May 2021.

The overall conclusion in respect of this is that there is unlikely to be any adverse impact on any of the Protected Categories as a result of implementing this scheme.

5. Budgetary Framework

- 5.1 The discretionary relief of up to 50% will be awarded for a 12-month period, subject to a cap on the overall relief to be awarded of £1m.
- 5.2 Business Rate Relief is subject to State Aid threshold, for which the maximum is **€200,000 over 3 consecutive fiscal years to a single undertaking. State Aid** exemptions may be applicable in certain cases. In the event that an alternative exemption under the State Aid rules applies, the applicant will be required to comply with such requirements as are necessary to satisfy the criteria of that exemption, in addition to the requirements set out within this policy.
- 5.3 Through the Business Rate Retention Scheme, the Council benefits by 20% of any increase in business rates received (and conversely bears 20% of cost of any reduction). In offering this a discount in accordance with the proposed policy (Appendix 1), **WDC's actual financial contribution is only 20%** of the total amount awarded. Therefore, if the State Aid threshold **of €200,000** (£179,524.14 based on an exchange rate of 0.9) is taken into account, the maximum financial contribution from the District Council is £36,000 to any individual organisation.
- 5.4 **It is proposed that the Council's share of the cost of the scheme** is funded from the Business Rate Volatility Reserve. This will be by way of a contribution to the **General Fund in lieu of the reduction in the Council's share of business rates.**
- 5.5 The Business Rate Volatility Reserve was created in 2013/14 with the start of **the Business Rate Retention Scheme. This reserve was created to "smooth" the** level of business rates supporting the General Fund each year. The level of business rates credited to the General Fund can vary significantly annually. Consequently, when more rates are received in the year than allowed for in the

original estimate, a contribution will be made to the reserve, and should there be a shortfall in the level of business rates received, a contribution will be made from the reserve to the General Fund.

5.4 As at 31 March 2019 the Business Rate Retention Reserve had a balance of £4.5m. During 2019/20 it is projected that this balance will increase to over £6m. This significant increase is primarily due to prior year adjustments, notably in respect of a reduction in the level of appeals provision.

5.5 The Projected balance on the Business Rate Volatility is shown below: -

Business Rate Retention Project	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
B/F	889	4,535	6,894	7,481	6,073	5,440	5,214
Extra charge to BRRVR/Write back to	3,646	2,358	587	-1,408	-633	-226	-117
C/F	4,535	6,894	7,481	6,073	5,440	5,214	5,097

It will be noted that the balance on the reserve is forecast to peak in 2019/20. From 2021/22, with the outcome of the current Fair Funding Review and changes to the Business Rate Retention scheme due to come in from April 2021, it is expected that the Council will receive a lower amount of business rates. **The Council's Medium Term Financial Strategy (MTFS) allows for annual contributions from the reserve.** As with contributions from any reserve, recurring contributions are not sustainable. The MTFS also assumes that further savings need to be sought so as to be able to stop the need for allocations from the Business Rate Retention Volatility Reserve.

5.6 Whilst the Business Rate Retention Volatility Reserve was set up to support the General Fund as outlined in paragraph 5.4, the Council does have flexibility to vary the use of this reserve. Consequently, it is proposed for £200k to be allocated from the Reserve to support the Inward Investment Discretionary Rate Relief Scheme. The £200k **will be an initial cap on the Council's share of** the cost of any relief awarded. With the Council bearing 20% of the cost of any relief, the balance will be shared through the Collection Fund, with the County Council and Central Government having their share of business rate income being reduced. The value of the total amount of relief that may be awarded, **based on the Council's share** is £1m.

5.7 With the Business Rate Retention Scheme due to be changed from 2021/22, it will be necessary for this Discretionary Business Rates Relief scheme to be reviewed once details of the changes are known.

6. Risks

6.1 Five key risks have been identified and assessed within this policy.

6.2 Building an open-ended financial liability for WDC: In order to mitigate this risk, a total cap of funding of £1million has been written into the policy and, at the time that limit is reached, the pilot of the policy will automatically cease, therefore ensuring that no further monies are spent.

6.3 Insufficient benefit shown to the District tax payers: A core principal of the policy is that it is not sufficient for a business to just move into the District or

expand to qualify. They also need to provide additionality to the District in the form of support to certain initiatives (as detailed within the policy attached as Appendix 1). In doing so, successful implementation of the policy is intended to bring wider socioeconomic benefit. Annual reviews by officers (following engagement with stakeholders) will take place to ensure this wider benefit is realised. By also introducing the policy as a pilot, WDC would not be committing to an open-ended endeavour that is not realising sufficient socio-economic benefits.

- 6.4 Failure of the businesses to comply with their statement of intent: To prevent this from occurring, businesses will be obliged to supply periodic updates (at 6 months, 1 year, 3 years and 5 years) to demonstrate their compliance. Should there be a failure to do so, WDC will reserve the right to clawback the relief offered to the business.
- 6.5 Insufficient financial return on investment for WDC: Whereas discretionary relief will only be offered for one 12-month period, businesses must commit to a minimum occupancy period of five years. This will provide WDC with sufficient time period to recoup its initial discount through the longer term growth of the business rates income.
- 6.6 There is a risk that the policy may be affected by the Government announcements surrounding business rates in **the recent Queen's Speech**. The Government has pledged to undertake a fundamental review of the wider business rates system, although there is no timetable for this review at this point in time. The government have stated that they will work in collaboration with local authorities as part of the review when it does take place. Additionally, the Government has pledged to increase the existing reliefs for retail businesses from one third to 50%. This may have a financial impact on the council and as such presents a risk in terms of the affordability of this policy during and after the pilot.

7. Alternative Option(s) considered

- 7.1 To implement a policy without a pilot period. This is not recommended, given that this is a new approach for WDC to take. A trial implementation period will provide the most suitable level of control and evaluation of the policy so that the true effectiveness can be determined.
- 7.2 To not put forward a draft policy for discussion and consideration by the Executive Committee. Following discussions between Officers it is felt that the Executive ought to consider the draft policy and confirm a position on the adoption of such a policy which carries a considerable financial cost for the Council.

8. Background

- 8.1 Business Rates (also known as National Non-Domestic Rates or NNDR) are a tax on business properties. The tax is set by the government and business rates collected by local authorities are the way that those who occupy non-domestic properties contribute towards the cost of local services.
- 8.2 Business Rates are collected locally by Warwick District Council. A rates demand will be issued for a year from 1st April to 31st March the following year. The total amount payable will be split into 10 monthly instalments, although this

amount can be paid in a number of ways ranging from 1 annual payment up to 12 monthly instalments.

- 8.3 Warwick District Council currently sends rating demands for over 5000 **'properties'** in the District producing a total revenue of circa £73million.
- 8.4 Many local authorities have implemented similar financial support schemes in relation to reductions in business rates in order to help support local businesses to invest and be retained in the local area.
- 8.5 After longstanding discussions around some of the perceived barriers to new and existing businesses locating to, and remaining in, the District, it is considered a good time to pilot a local scheme of Discretionary Rates Relief.
- 8.6 The policy had originally been targeted at new businesses locating to the area, but following consultation with colleagues from our legal services team, it has been amended to include existing businesses in the District.

Appendix 1:

Supporting business and creating jobs: a discretionary business rates relief policy encouraging growth and inward investment to Warwick District.

January 2020

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1. Introduction and policy context

In response to an ever-changing economic climate, this policy seeks to ensure that the District remains a competitive choice for inward investment and supports growth whilst also ensuring that there is sufficient gain for the District and safeguarding the interests of council taxpayers.

The offering of the policy fits within the wider policy framework of Warwick District Council (WDC) and specifically the overall strategic Fit for the Future Plan. This policy would support the delivery **of the 'Infrastructure, Enterprise and Employment' strand** by promoting a diverse and dynamic local economy and maintaining our vibrant town centres with the resultant impact being an improved local economy with increased employment levels.

Section 47 of the Local Government Finance Act 1988 (as amended by section 69 of the Localism Act 2011) permits WDC to grant discretionary rate relief. WDC may only make a decision to grant relief if it is satisfied that it would be reasonable to do so, having regard to the interests of council taxpayers. This policy sets out how WDC will operate its discretionary powers set out in the Local Government Finance Act 1988 and the Localism Act 2011 and the factors that WDC will consider when deciding if relief can be awarded.

This policy has been designed to ensure that all applicants for discretionary business rates relief are treated in a fair, consistent and equal manner. This policy seeks to safeguard the interests of local taxpayers by ensuring that funds allocated for discretionary relief are used in the most effective and economically efficient way.

WDC reserves the right to withdraw this policy at any time but will provide advance notice of its intent to do so.

2. Policy objectives

This policy aims to:

- Incentivise and increase inward investment into Warwick District
- Encourage and support the expansion of businesses in the Warwick District
- Stimulate the creation of new jobs
- Provide greater socioeconomic benefit to Warwick District **(in line with WDC's Fit for the Future Plan)**
- Protect the interests of council taxpayers
- Support the objectives of the Warwick District Climate Emergency through sustainable business practices

A successful applicant will need to demonstrate how these aims would be fulfilled by providing specific details as part of the application process including why any relief granted as part of this scheme is in the interests of local council taxpayers. Discretionary rate relief, as offered within this policy, will not be considered where these aims cannot be fulfilled. It will be for the applicant to describe and evidence how they intend to meet these objectives, and this will be assessed and considered on a case by case basis.

3. Eligibility criteria

Each application will be considered on its own merits. As the scheme is purely discretionary, an applicant does not have a statutory right to receive the discount.

In order to be considered for discretionary business rates relief, the applicant shall be

Either:

- Relocating into Warwick District from outside of Coventry & Warwickshire; and
 - In premises that have, or will have, a Rateable Value (RV) of £75,000 (per property address) or over; and
 - Entering into a minimum occupancy period of 5 years; and
 - The occupier for the premises on which the rates are payable.

Or:

- An existing business expanding into larger (at the same or a new location) or additional premises in the Warwick District; and
 - Increasing their RV by £75,000; and
 - Maintaining or entering into a minimum occupancy period of 5 years; and
 - The occupier for the premises on which the rates are payable.

In addition, the applicant must then

Either:

- Be occupying a listed building, long term¹ vacant property or long term vacant employment land.

Or:

- Be willing to enter into a statement of intent to support at least one initiative that offers wider benefits to the community. These may include:
 - Introducing, operating or expanding an apprenticeship scheme;
 - Offering in-kind or monetary support to a school, community scheme or charity operated within Warwick District;
 - Providing a scheme that supports entry into the workforce for those considered **'hard to employ'**;
 - Providing office space or facilities to local community groups or charities;
 - Operating a scheme to support the employment of ex-offenders;
 - Becoming a Living Wage employer.

This list is not exhaustive and other proposed statements of intent will be considered.

In addition:

- Applicants need to be able to describe and evidence how they support the objectives of the District Council Climate Emergency through sustainable business practices.

Outside the scope of this scheme

Applications will not be considered where the organisation:

- is moving into one of the WDC owned and managed premises; or

¹ Long term means 24 calendar months or more.

- is already eligible for, or in receipt of, small business rate relief and mandatory or discretionary rate relief for charities; or
- has already received the equivalent of **€200,000** (or revised De Minimis level) of government funding over the preceding 3 year period (unless the Council is satisfied that another exemption under the State Aid rules applies); or
- is a public sector body; or
- is subletting the premises from another organisation and is not paying business rates directly to WDC.

Discount

Should an applicant be successful, they will receive a discretionary relief on their business rates of up to 50% for one 12-month period (which may be split over 2 fiscal years) and will be awarded as a reduction in the rates bill. For an existing business, the discretionary relief of up to 50% will be applied on the increase in RV.

The relief must comply with State Aid law and this will normally be on the basis that the aid does not exceed the limit of de minimis aid permitted under the State Aid General Block Exemption. That requires that the applicant **cannot receive more than €200,000** (or revised De Minimis level) of government funding over a 3-year period, as set out under the De Minimis Regulation EC 1407/2013 **or EC 717/2014 (currently €200,000 or €100,000 for undertakings in the road freight transport sector or €15,000 in the agricultural sector or €30,000 in the fisheries and aquaculture sectors)**. The applicant must make a declaration on any other De Minimis aid it has received, with the relief reduced as necessary to comply with State Aid law. In the event that an alternative exemption under the State Aid rules applies, the applicant will be required to comply with such requirements as are necessary to satisfy the criteria of that exemption, in addition to the requirements set out within this policy.

The discount will not be awarded until the business has acquired all necessary permissions or licences as required and has begun lawfully trading. This will need to be verified as part of the application process.

4. Application and decision process

An application form should be requested by emailing the Economic Development team via Economic.Development@warwickdc.gov.uk.

The completed application form along with the supporting documentation indicated in the application form should then be returned to this email address. Applications must be made by the ratepayer. Where the ratepayer is an organisation, the application must be made by a person with authority to act on behalf of the organisation. Applications for discretionary business rates relief must be submitted within 3 months of the closure of the year to which the application relates.

Applications will be considered by the Exchequer Manager and the Strategic Economic Development Officer and a decision will, wherever possible, be made within four weeks.

5. Requests for a review of decision

While there is no statutory right of appeal, an applicant may submit a written request for the decision to be reviewed where the applicant:

- becomes **aware of additional supporting information being available that wasn't available** at the time of the original application; or
- believes that information submitted with the original application was interpreted incorrectly

Requests to review the decision must be made in writing and lodged within four weeks of receiving the application outcome and should be emailed to Economic.Development@warwickdc.gov.uk.

Requests for a review will be considered by Head of Finance and Business Manager – Projects & Economic Development and their decision will be final. While the request for the review is being considered, the amount demanded on the bill issued remains due and payable but, should the ratepayer be successful, **there will be a refund/credit to the ratepayer's account.**

6. Reporting on compliance

In order to demonstrate compliance with the eligibility criteria, reports detailing progress from the applicant will be required at the following intervals post-award:

- 6 months
- 1 year
- 3 years
- 5 years

Failure to report in line with the above timescales, unless agreed in advance with WDC in writing, may result in the clawback of monies as set out in Section 7 below. This may also be triggered if **the report doesn't meet the agreed criteria and corrective action isn't implemented as soon as is practically possible.**

7. Clawback of monies

WDC reserves the right to terminate an award or clawback relief already awarded if the applicant organisation:

- Provides false or misleading information as part of its application
- Fails to report on compliance with conditions of the award
- Does not comply with the conditions of the award
- Relocates outside of Warwick District before the end of the 5 years
- Defaults on payments of the remaining applicable business rates
- Ceases trading

7. Policy review

This policy is being offered on a trial basis initially to determine its effectiveness in delivering its objectives. To this end, the Policy will be reviewed by officers on an annual basis. The review will look at the level of inward investment or business expansion supported by the scheme, the

projects supported by incoming or expanded organisations, the total monies awarded, the remaining budget for the project and the interests of council taxpayers. After the initial pilot, the Executive Committee will agree to extend or discontinue this Policy. Should the Policy be discontinued, in these circumstances, and where an award has been granted but not yet taken effect, the award will still take effect but no further applications will be considered.




There will be a maximum total fund of £1million available for the trial of this Policy and, when this level of funding has been depleted, no further applications will be considered or awarded. At this time, a review will be carried out to determine its overall effectiveness and a decision made on whether or not the Policy should be offered further.

An Equality Impact Assessment on this policy was undertaken on 30/05/2018 and will be reviewed on 30/05/2021.

APPENDIX 2

Local Discretionary Business Rates Relief Policy – consultation responses

Introduction and policy context



1. Do you support or reject this section of the draft policy?							Response Percent	Response Total
1	Support						50.00%	2
2	Object						25.00%	1
3	Neither						25.00%	1
Analysis	Mean:	1.75	Std. Deviation:	0.83	Satisfaction Rate:	37.5	answered	4
	Variance:	0.69	Std. Error:	0.41			skipped	0

2. Please say why							Response Percent	Response Total
1	Open-Ended Question						100.00%	4
1	30/05/2019 09:47 AM ID: 117984531	It depends on what types of business the rate relief is being aimed at, it should be used to encourage retail shopping in the town centre and support industries that provide skilled jobs.						
2	24/07/2019 18:29 PM ID: 122931825	Inward investment is good and incentives to encourage it are welcome but the thresh hold is too high to benefit and attract smaller businesses.						
3	01/08/2019 12:21 PM ID: 123530544	Royal Leamington Spa Town Council is supportive of the general principles of the Policy.						
4	22/08/2019 18:56 PM ID: 125117039	<p>The Warwick District area is a leading area for inward investment in the Midlands, and enjoys some of the strongest prices per sqft for industrial space in the region. It is home to the leading games and digital technologies cluster Silicon Spa, home to JLR Training Academy and JLR Fen End, and close proximity to HQs and Engineering Centres for Aston Martin Lagonda, JLR Geely LEVC and Volvo Truck and Bus; and a range of UK HQs including National grid, Calor Gas.</p> <p>Some of the prime industrial and office parks in the Midlands are here. Warwick Tech Park is home to global brands IBM, Siemens, ARM Holdings, Wolseley and Accenture. Middlemarch Business Park on the border with Coventry has Magna, Unipart and specialist manufacturer Penso. Tachbrook Park is home to Bridgestone UK HQ, Kantar, Pure Office.</p> <p>Developer AC Lloyd is speculatively developing an estate of smaller light industrial units, commanding top prices per sqft. Spec build of units of this smaller size is unusual. Next door at Spa Park, Stofords are building a spec development of larger units, quoting £8 per square foot, the highest prices in Coventry & Warwickshire, reflecting the prime nature of the location. These two examples demonstrate confidence in the market from the commercial property industry.</p> <p>Recent inward investment to the area has included Detroit Electric, Ubisoft, Sumo Digital, Rebellion Games and Sanoh. The Warwick District area is a popular destination for UK and foreign direct investment from leading brands.</p> <p>The area also performs well in terms of business start-up activity.</p> <p>Warwick District Council area benefits from a highly educated and skilled workforce,</p>						

APPENDIX 2

2. Please say why			Response Percent	Response Total
		<p>a high standard of commercial space and an existing cluster of high value businesses and jobs, close proximity to the M40, London and the HQs of some key businesses, which together provide a strong draw to the area. These USPs are ultimately more valuable in attracting and incentivising inward investment to the area.</p> <p>Warwick District doesn't struggle to attract inward investment in the way that many UK locations do, and who seek to close the gap by offering such financial incentive.</p> <p>Elsewhere in the local LEP area, Nuneaton & Bedworth and Hinckley & Bosworth operate similar schemes, but Coventry City, Rugby Borough, North Warwickshire Borough and Stratford on Avon District do not have any such scheme.</p> <p>Ultimately, the risk is that this policy will not attract any inward investment that would not already have come anyway, without this incentive in place. It risks giving up business rate income without generating any additional income. In this way, it may not be in the interests of Council Tax Payers.</p> <p>Supporting and stimulating business investment is to be welcomed, but perhaps there are other more effective ways to achieve this. For example, further funding to support the existing SME investment programmes, or specific funding channelled through partners to support a specific sector, such as creative and digital, or the creation of further local authority managed workspace are some examples.</p>		
			answered	4
			skipped	0

Policy objectives




3. Do you support or reject this section of the draft policy?								Response Percent	Response Total
1	Support							25.00%	1
2	Reject							0.00%	0
3	Neither							75.00%	3
Analysis		Mean:	2.5	Std. Deviation:	0.87	Satisfaction Rate:	75	answered	4
		Variance:	0.75	Std. Error:	0.43			skipped	0

4. Please say why					Response Percent	Response Total
1	Open-Ended Question				100.00%	4
1	30/05/2019 09:47 AM ID: 117984531	Again, it depends on the type of business it is aimed at, we don't need to be encouraging any more coffee shops or the increasing take over of the high street by service industries.				
2	24/07/2019 18:29 PM ID: 122931825	As before				

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4. Please say why			Response Percent	Response Total
3	01/08/2019 12:21 PM ID: 123530544	Whilst the Town Council is generally supportive of the Policy Objectives, it notes that the opportunity to encourage business to introduce measures to minimise its Carbon footprint have not been recognised. It is suggested that measures to recognise the impact of new developments on the achievement of climate change targets could be included in this Policy.		
4	22/08/2019 18:56 PM ID: 125117039	Seem like sensible goals, although the scheme as proposed may not protect the interests of council tax payers, and there may be more effective ways of achieving these goals than the policy under review. See next previous and next answers.		
			answered	4
			skipped	0

Eligibility criteria

5. Do you support or reject this section of the draft policy?							Response Percent	Response Total
1	Support						0.00%	0
2	Reject						50.00%	2
3	Neither						50.00%	2
Analysis	Mean:	2.5	Std. Deviation:	0.5	Satisfaction Rate:	75	answered	4
	Variance:	0.25	Std. Error:	0.25			skipped	0

6. Please say why				Response Percent	Response Total
1	Open-Ended Question			100.00%	4
1	30/05/2019 09:47 AM ID: 117984531	Only for big business, then it's a no from me, what about those businesses with a rateable value between £12,000 and £75,000?			
2	24/07/2019 18:29 PM ID: 122931825	The threshold is too high . Warwick needs to encourage smaller businesses to relocate here and this is too high to encourage businesses to move to centre of town./			
3	01/08/2019 12:21 PM ID: 123530544	Please refer to earlier comment. The Town Council suggests that the following be added to the eligibility criteria:- () applicants are required to demonstrate that in the case of any business expanding into new or larger premises, such premises are fully compliant with the objectives set out in Local Plan Policy CC1 (Planning for Climate Change Adaptation)			
4	22/08/2019 18:56 PM ID: 125117039	The RV level at £75,000 or above will include properties occupied by businesses of a scale where such a financial incentive will be of less importance than access to the right skills and market. The risk is that we financially incentivise a business to move here that would have come anyway.			

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6. Please say why					Response Percent	Response Total
				<p>A lower RV value may incentivise a smaller business who is likely to be more price sensitive, but care would need to be taken here to avoid duplicating an existing national relief scheme, such as the help introduced for retail or the small business rate relief scheme.</p> <p>For long term vacant units, landlords and agents will usually offer a several months rent free for a 5 year lease period. Therefore, a financial incentive already exists in the market for businesses moving into such properties. There are few, if any, long term vacant pieces of commercial land in the area.</p> <p>For commercial space in listed buildings, these are often offices. Such offices are often laid out as separate rooms over multiple floors. Ultimately, the layout will be more important than this incentive for those looking for a modern open plan space.</p> <p>The Warwick District area operates in a very tight property market, where demand exceeds the supply of commercial property in certain locations and for certain use classes. Very often the brake on further inward investment is not lack of demand or interest, but the availability of the right property in the right location.</p> <p>In terms of the wider benefits to the community suggested above, these may be of interest to many businesses, not just those new to the area or expanding here, and perhaps some kind of business rate incentive could be extended to all businesses in the area who satisfy these criteria.</p>		
					answered	4
					skipped	0

Outside the scope of the scheme

7. Do you support or reject this section of the draft policy?								Response Percent	Response Total
1	Support							25.00%	1
2	Reject							25.00%	1
3	Neither							50.00%	2
Analysis		Mean:	2.25	Std. Deviation:	0.83	Satisfaction Rate:	62.5	answered	4
		Variance:	0.69	Std. Error:	0.41			skipped	0

8. Please say why					Response Percent	Response Total
1	Open-Ended Question				100.00%	4
1	30/05/2019 09:47 AM ID: 117984531	Why no support for small businesses?				
2	24/07/2019 18:29 PM ID: 122931825	Dont understand why it cant apply to a business moving into a council owned property.				

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8. Please say why				
			Response Percent	Response Total
3	01/08/2019 12:21 PM ID: 123530544	The Council supports this section of the Policy		
4	22/08/2019 18:56 PM ID: 125117039	Seems a sensible approach.		
			answered	4
			skipped	0



Discount

9. Do you support or reject this section of the draft policy?									
							Response Percent	Response Total	
1	Support			<div></div>			75.00%	3	
2	Reject						0.00%	0	
3	Neither			<div></div>			25.00%	1	
Analysis	Mean:	1.5	Std. Deviation:	0.87	Satisfaction Rate:	25	answered	4	
	Variance:	0.75	Std. Error:	0.43			skipped	0	

10. Please say why				
			Response Percent	Response Total
1	Open-Ended Question		100.00%	4
1	30/05/2019 09:47 AM ID: 117984531	Seems reasonable		
2	24/07/2019 18:29 PM ID: 122931825	Nil to add		
3	01/08/2019 12:21 PM ID: 123530544	The Council supports this section of the Policy		
4	22/08/2019 18:56 PM ID: 125117039	Seems a sensible approach. Other regional schemes include 40% over three years and 50% over two years.		
			answered	4
			skipped	0



Application and decision process

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11. Do you support or reject this section of the draft policy?							Response Percent	Response Total
1	Support						75.00%	3
2	Reject						0.00%	0
3	Neither						25.00%	1
Analysis	Mean:	1.5	Std. Deviation:	0.87	Satisfaction Rate:	25	answered	4
	Variance:	0.75	Std. Error:	0.43			skipped	0

12. Please say why				
			Response Percent	Response Total
1	Open-Ended Question		100.00%	4
1	30/05/2019 09:47 AM ID: 117984531	Seems reasonable		
2	24/07/2019 18:29 PM ID: 122931825	Nil to add.		
3	01/08/2019 12:21 PM ID: 123530544	The Council supports this section of the Policy		
4	22/08/2019 18:56 PM ID: 125117039	Seems a sensible approach.		
			answered	4
			skipped	0

Request for a review of decision

13. Do you support or reject this section of the draft policy?							Response Percent	Response Total
1	Support						50.00%	2
2	Reject						0.00%	0
3	Neither						50.00%	2
Analysis	Mean:	2	Std. Deviation:	1	Satisfaction Rate:	50	answered	4
	Variance:	1	Std. Error:	0.5			skipped	0

14. Please say why							Response Percent	Response Total
1	Open-Ended Question						100.00%	4

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14. Please say why				Response Percent	Response Total
1	30/05/2019 09:47 AM ID: 117984531	No idea			
2	24/07/2019 18:29 PM ID: 122931825	Sensible approach.			
3	01/08/2019 12:21 PM ID: 123530544	The Council supports this section of the Policy			
4	22/08/2019 18:56 PM ID: 125117039	No particular view on this.			
				answered	4
				skipped	0

Policy review

15. On a scale of 1 to 6, where 1 being the least and 6 being the most, please rate the suitability of the 'Policy review'.					
Item	Average	Min	Max	Std. Deviation	Total Responses
	4.50	3.00	6.00	1.12	4
				answered	4
				skipped	0

16. On a scale of 1 to 6, where 1 being the least and 6 being the most, please rate how fair you consider the 'Policy review'.					
Item	Average	Min	Max	Std. Deviation	Total Responses
	4.25	3.00	6.00	1.30	4
				answered	4
				skipped	0

17. Are there any comments you wish to add?				Response Percent	Response Total
1	Open-Ended Question			100.00%	4
1	30/05/2019 09:47 AM ID: 117984531	Why are we being asked to give a detailed rating to this section when we have no idea about the policy review process.			
2	24/07/2019 18:29 PM ID: 122931825	It is good for large businesses but not applicable to smaller ones.			
3	01/08/2019 12:21 PM ID: 123530544	None			
4	22/08/2019 18:56 PM ID: 125117039	An initial 12 months is useful, but such a policy would need more time to fully understand the benefits. For example, it would take time for the commercial			

APPENDIX 2

17. Are there any comments you wish to add?					Response Percent	Response Total
				property agent community to fully understand and make use of the scheme when promoting properties.		
					answered	4
					skipped	0

Reporting on compliance

18. Do you support or reject this section of the draft policy?								Response Percent	Response Total
1	Support							25.00%	1
2	Reject							25.00%	1
3	Neither							50.00%	2
Analysis	Mean:	2.25	Std. Deviation:	0.83	Satisfaction Rate:	62.5		answered	4
	Variance:	0.69	Std. Error:	0.41				skipped	0

19. Please say why									
								Response Percent	Response Total
1	Open-Ended Question							100.00%	4
1	30/05/2019 09:47 AM ID: 117984531	Can't see section 7 yet, so how can you ask me to support or reject this section?							
2	24/07/2019 18:29 PM ID: 122931825	^ months is too soon. It should start at yearly.							
3	01/08/2019 12:21 PM ID: 123530544	The Council supports this section of the Policy							
4	22/08/2019 18:56 PM ID: 125117039	Seems a sensible approach.							
								answered	4
								skipped	0

Clawback of monies

20. Do you support or reject this section of the draft policy?								Response Percent	Response Total
1	Support							50.00%	2
2	Reject							0.00%	0

APPENDIX 2

20. Do you support or reject this section of the draft policy?							Response Percent	Response Total
3	Neither						50.00%	2
Analysis	Mean:	2	Std. Deviation:	1	Satisfaction Rate:	50	answered	4
	Variance:	1	Std. Error:	0.5			skipped	0

21. Please say why				
			Response Percent	Response Total
1	Open-Ended Question		100.00%	4
1	30/05/2019 09:47 AM ID: 117984531	Fair enough for those providing false information, but seems a bit harsh to try and claw back money from a genuinely failed business.		
2	24/07/2019 18:29 PM ID: 122931825	It is fair for the business to stay in district for 5 years if they are taking advantage of this relief.		
3	01/08/2019 12:21 PM ID: 123530544	The Council supports this section of the Policy		
4	22/08/2019 18:56 PM ID: 125117039	No particular view here.		
			answered	4
			skipped	0

Alternative options

22. Please rate the possible options below in order of preference, where 1 is most preferable and 3 is least preferable. Where we state 'policy' we refer to the final policy once updated in accordance with the feedback received.		
Item	Total Score ¹	Overall Rank
Trial the proposed policy	10	1
Do not implement a discretionary rates relief scheme of this nature	8	2
Introduce the policy without a trial period	6	3
¹ Score is a weighted calculation. Items ranked first are valued higher than the following ranks, the score is a sum of all weighted rank counts.	answered	4
	skipped	0

23. Please say why you have chosen this order		
	Response Percent	Response Total
1 Open-Ended Question	100.00%	4
1 30/05/2019 09:47 AM ID: 117984531	Mainly because the scheme only targets big business	

APPENDIX 2

23. Please say why you have chosen this order				
			Response Percent	Response Total
2	24/07/2019 18:29 PM ID: 122931825	It is important to trial it to see what the take up is.		
3	01/08/2019 12:21 PM ID: 123530544	The Council considers the Policy appropriate to the needs of the District subject to the suggested inclusion of a condition requiring applicants to demonstrate measures to reduce the carbon footprint of their business in instances where an existing building is expanded or a new building constructed.		
4	22/08/2019 18:56 PM ID: 125117039	<p>Ultimately, I do not think this policy is necessary in the Warwick District area, and risks reducing LA revenue unnecessarily at a time of financial pressure.</p> <p>Some of the component ideas, such as incentivising apprenticeships, listed building occupancy, links to schools, reaching those considered 'hard to employ' are valuable but could be and are being incentivised in other ways.</p>		
			answered	4
			skipped	0

APPENDIX 3

Key elements of sustainable business practices (not exhaustive)

- Demonstrate company intention around the environment and sustainability – strategies, goals, measurement and accountability
- Partner with Employees – training and involvement in the sustainability agenda.
- Choose only sustainable and environmentally friendly supply chains
- Have in place or agree to develop a Recycling and Energy Efficiency Policy
- Purchase Only Energy Efficient Products and office/factory supplies
- Develop Sustainability Work Policies

Adopt or have adopted a policy around Corporate Social Responsibility (CSR)

- Organizational governance
- Human rights
- Labour practices
- The environment
- Fair operating practices
- Consumer issues
- Community involvement and development

Adherence or intention around ISO 26000 Sustainability clause;

- Prevention of pollution
- Sustainable resource use
- Climate change mitigation and adaptation
- Protection of the environment, biodiversity, and restoration of natural habitats

Equality Impact Assessment/Analysis

Service Area	Development Services
Policy/Service being assessed	Supporting business and creating jobs: a discretionary business rates relief policy encouraging inward investment to Warwick District.
Is this is a new or existing policy/service? If existing policy/service please state date of last assessment	New policy
EqlA Review team – List of members	Suzee Laxton
Date of this assessment	29 May 2018
Signature of responsible officer (to be signed after the EqlA has been completed)	Dave Barber

A copy of this Equality Impact Assessment Report including relevant data and information should be saved in the Equality and Diversity Folder on the shared drive.



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)		
	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Review the policy			✓			✓			✓			✓			✓			✓			✓			✓			✓
Are your proposals likely to impact on social inequalities e.g. child poverty for example or our most geographically disadvantaged communities? If yes please explain how.																											
Are your proposals likely to impact on a carer who looks after older people or people with disabilities? If yes please explain how.																											

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

<u>Stage 1 – Scoping and Defining</u>	
(1) What are the aims and objectives of Plan/Strategy/Service/Policy?	<p>The policy aims to:</p> <ul style="list-style-type: none"> • Incentivise and increase inward investment into Warwick District • Stimulate the creation of new jobs • Provide greater socioeconomic benefit to Warwick District
(2) How does it fit with Council's wider objectives?	<p>The offering of the policy fits within the wider policy framework of Warwick District Council (WDC) and specifically the overall strategic Fit for the Future Plan. This policy would support the delivery of the 'Infrastructure, Enterprise and Employment' strand by promoting a diverse and dynamic local economy and maintaining our vibrant town centres with the resultant impact being an improved local economy with increased employment levels.</p>
(3) What are the expected outcomes?	<p>An increase in the number of successful inward investments leading to an increased business rates pool, an increase in jobs and greater support for key initiatives within the District.</p>
(4) Which of the groups with protected characteristics is this intended to benefit? (see form A1 for list of protected groups)	<p>All, no specific group is targeted.</p>
<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?	<p>Feedback from Local Authorities, Members, financial modelling, feedback from the 3rd sector, internal policy review.</p>

(2) Have you consulted on the plan/ strategy/ service/policy and if so with whom?	Public consultation will take place once the draft Policy is approved by the Executive Committee.		
(3) Which of the groups with protected characteristics have you consulted with?	None. Policy is in draft format only and has been put forward for approval for external consultation.		
<u>Stage 3 – Analysis of impact</u>			
(1) From your data and consultations is there any adverse or negative impact identified for any particular group which could amount to discrimination? If yes, identify the groups and how they are affected.	RACE No.	DISABILITY No.	GENDER No.
(2) If there is an adverse impact, can this be justified?	MARRIAGE/CIVIL PARTNERSHIP No.	AGE No.	GENDER REASSIGNMENT No.
	RELIGION/BELIEF No.	PREGNANCY MATERNITY No.	SEXUAL ORIENTATION No.
	N/A as no adverse impact		

(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.)	N/A
(4) How does the plan/strategy/service/policy contribute to promotion of equality? If not what can be done?	The Policy supports wider inclusion within the workplace and getting people into work who may otherwise feel disadvantaged from doing so.
(5) How does the plan/strategy/service/policy promote good relations between groups? If not what can be done?	No. It is outside the scope of this Policy to do so.
(6) Are there any obvious barriers to accessing the service? If yes how can they be overcome?	No.


<u>Stage 4 – Action Planning, Review & Monitoring</u>					
If No Further Action is required then go to – Review & Monitoring (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.	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

The Policy will be reviewed on an annual basis with a report on its effectiveness submitted to the Executive Committee for its consideration.

Once complete please save a copy of this EIA into the central drive **L:/Equalities & Diversity/EIA/year/relevant service area**
Please annotate your policy with the following statement:

An Equality Impact Assessment on this policy was undertaken on 30/05/2018 and will be reviewed on 30/05/2021.

 EXECUTIVE 12 FEBRUARY 2020		Agenda Item No. 14
Title	Annual Review of Regulation of Investigatory Powers Act (RIPA) Policy	
For further information about this report please contact	Richard Barr Audit & Risk Manager Tel: 01926 456815 email: 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	31 October 2018 – Executive. Minute 82.	
Background Papers	Regulation of Investigatory Powers Act 2000 / Home Office's Code of Practice on Covert Surveillance and Property Interference	
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	No (N/A: no direct service implications)	

Officer/Councillor Approval		
With regard to report approval all reports <i><u>must</u></i> be approved as follows		
Title	Date	Name
Chief Executive/Deputy Chief Executive	27 Jan 2020	Chris Elliott
Head of Service	27 Jan 2020	Mike Snow
CMT	27 Jan 2020	CMT
Section 151 Officer	27 Jan 2020	Mike Snow
Monitoring Officer	27 Jan 2020	Andrew Jones
Finance	27 Jan 2020	As S151 Officer
Portfolio Holder(s)	27 Jan 2020	Councillors Day and Hales
Consultation & Community Engagement		
None other than consultation with members and officers listed above.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below) N/A		

1 **Summary**

- 1.1 The Regulation of Investigatory Powers Act 2000 (RIPA) provides the circumstances in which a local authority may use surveillance techniques in order to prevent and detect crime. Each local authority should have a policy in place, which sets out the circumstances in which these powers may be used and the procedure to be followed.

2 **Recommendations**

- 2.1 That Executive should approve the Council's The Regulation of Investigatory Powers Policy.

3 **Reason for the Recommendations**

- 3.1 Although the Policy is not envisaged to require updating this year it needs to be approved by Members, as set out in Section 8 below.

4 **Policy Framework**

4.1 **Fit for the Future (FFF)**

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met. Impressive cultural and sports activities Cohesive and active communities.	<u>Intended outcomes:</u> Area has well looked after public spaces. All communities have access to decent open space. Improved air quality Low levels of crime and ASB.	<u>Intended outcomes:</u> Dynamic and diverse local economy. Vibrant town centres. Improved performance/ productivity of local economy. Increased employment and income levels.
Impacts of Proposal		
The policy will help to ensure employees within the Council do not breach Article 8 of the Human Rights Act.		

Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained. All staff have the appropriate tools. All staff are engaged, empowered and supported. The right people are in the right job with the right skills and right behaviours.	<u>Intended outcomes:</u> Focusing on our customers' needs . Continuously improve our processes. Increase the digital provision of services.	<u>Intended outcomes:</u> Better return/use of our assets. Full Cost accounting Continued cost management. Maximise income earning opportunities. Seek best value for money.
Impacts of Proposal		
Ensuring that there is an approved policy in place will help to ensure staff comply with legislation when undertaking their duties. N/A RIPA provides the Council with certain powers which could be useful in the prevention and detection of crime, therefore protecting the Council's financial resources.		

4.2 **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies but description of these is not relevant for the purposes of this report.

4.3 **Changes to Existing Policies**

Not applicable.

4.4 **Impact Assessments**

Not applicable.

5 **Budgetary Framework**

5.1 There are no budgetary implications relating to the approval of the policy.

6 **Risks**

6.1 Failure to comply with RIPA legislation could result in a breach of The Human Rights Act.

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 Investigatory Powers Commission (IPCO) is responsible for providing independent oversight of the use of investigatory powers by public bodies which are undertaken under the RIPA and are responsible for undertaking inspections to ensure compliance.
- 8.2 **The Home Office's Code of Practice on Covert Surveillance and Property Interference** provides guidance on the use by public authorities of Part II of the **Regulation of Investigatory Powers Act ("the 2000 Act") to authorise covert** surveillance that is likely to result in the obtaining of private information about a person. The code provides guidance on when an application should be made for an authorisation under the 2000 Act and the procedures that must be followed before activity takes place. The code also provides guidance on the handling of any information obtained by surveillance activity.
- 8.3 The Code also applies to the entry on, or interference with, property or with wireless telegraphy by public authorities.
- 8.4 The code is issued pursuant to Section 71 of the 2000 Act and is intended for use primarily by the public authorities able to authorise activity under the 2000 **Act, the Intelligence Services Act 1994 ("the 1994 Act") and Part III of the Police Act 1997 ("the 1997 Act").**
- 8.5 The 2000 Act provides that all codes of practice issued under the Act are admissible as evidence in criminal and civil proceedings. Any court or tribunal considering such proceedings may take the provisions of the codes of practice into account.
- 8.6 **Paragraph 4.47 of the Code states that: "Elected members of a local authority should review the authority's use of the 1997 Act and the 2000 Act and set the policy at least once a year. They should also consider internal reports on use of the 1997 Act and the 2000 Act on a regular basis to ensure that it is being used consistently with the local authority's policy and that the policy remains fit for purpose."** Although RIPA has not been used by the Council for a number of years the Council has certain powers which may be used should it be necessary.
- 8.7 The policy was updated last year to incorporate legislative changes and to provide more specific details in respect of the Court process for the approval of RIPA requests by a Justice of the Peace. An appendix was also added to the policy, covering the use of social media and setting out the circumstances when a RIPA authorisation would be required. Although the Policy is not envisaged to require updating this year it needs to be approved by Members, as set out above.

**Warwick District Council Regulation of Investigatory Powers Act 2000
(RIPA) Policy**

1 Introduction

- 1.1 In carrying out its statutory duties and as part of the Council's responsibilities to protect the public purse, there may be occasion when surveillance or the gathering of information of a covert nature by individual officers may be required. In exercising this function, the Council must ensure that any action is not unlawful under the Human Rights Act 1998 and therefore must meet the requirements of the Regulation of Investigatory Powers Act 2000 (RIPA) and The Regulation of Investigatory Powers (Directed Surveillance and Covert Human Intelligence Sources) Order 2010.
- 1.2 The Investigatory Powers Commission (IPCO) are now responsible for the oversight of RIPA, and undertake regular inspections to ensure compliance with legislation.
- 1.3 The main purpose of RIPA is to ensure that the relevant investigatory powers are used in accordance with Human Rights and covers both surveillance of members of the public and members of staff.
- 1.4 Article 8 of the European Convention on Human Rights states:

Article 8.1: Everyone has the right to respect for his private and family life, his home and his correspondence. Article 8.2: There shall be no interference by a public authority with the exercise of this right except such as in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic wellbeing of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of rights and freedom of others.

- 1.5 This means that in certain circumstances the Council may interfere with a person's rights outlined in Article 8.1 and 8.2 provided the interference is:
- in accordance with the law
 - necessary, and
 - proportionate

and in order to ensure that the Council does not act unlawfully in carrying out these duties, the requirements under RIPA must be adhered to. The Council must have procedures in place to ensure that any surveillance undertaken is necessary, proportionate and correctly authorised. Surveillance should only be undertaken where there is no reasonable alternative mechanism for obtaining information and the alleged offences carry a minimum sentence of six months' imprisonment or is a statutory exception relating to the underage sale of alcohol or tobacco under sections 146, 147 or 147A of the Licensing Act 2003.

- 1.6 This policy is applicable to all employees and agents working for the Council and should be read in conjunction with the Regulation of

Investigatory Powers Act 2000 and the Home Office Covert Surveillance and property Interference revised code of practice 2018.

- 1.7 Although **routine patrols, observation at trouble "hotspots"**, immediate responses to events and overt use of CCTV are excluded from this policy, the Council can still use these techniques as a means to stop offending behaviour.

2 **Warwick District Council Procedures**

- 2.1 Training Officers who are required to undertake surveillance in the course of their duties, and officers with delegated powers to authorise such requests, will be required to attend relevant training on a tri-annual basis to ensure that all surveillance requests comply with RIPA requirements and codes of practice. Officers who have not had relevant training should not request or authorise requests for surveillance.
- 2.2 The RIPA monitoring officer will be responsible for arranging training and keeping a log of those who have attended. Anyone who needs to undertake either of these duties but who has not had training should contact the RIPA monitoring officer in the first instance to make the necessary arrangements. All investigating officers and those officers who have been allocated specific roles in accordance with RIPA should be fully conversant with the RIPA codes of practice which can be found at <https://www.gov.uk/government/collections/ripa-codes>.
- 2.3 The Council has an Enforcement Group comprising officers involved in enforcement or investigative activities. The Group meets at least quarterly and is used as a channel of communication regarding RIPA matters.

3 **Surveillance**

- 3.1 Officers of this Council are not permitted to undertake intrusive surveillance.
- 3.2 Social Media and Internet Surveillance
 - 3.2.1 Obtaining information via the internet or a social media platform, may be undertaken in order to view or gather information to assist in preventing or detecting crime or other statutory functions and does not necessarily require a RIPA authorisation. However, there are occasions when authorisation is required and is therefore covered by this policy. Further advice and guidance on the use of social media is attached as an appendix to this policy.
- 3.3 Covert surveillance
 - 3.3.1 Any officer intending to carry out covert surveillance in the course of their duties will explore and consider all alternative methods available in order to obtain the required information before making a request for the authorisation of surveillance. If surveillance appears to be the only option, then this should be discussed with the line manager. The investigating officer will need to provide sufficient information to enable the line manager to consider whether the level of intrusion caused by using

surveillance is proportionate when considering both the crime that it is believed to have been committed and the likely consequences of that crime, and also the effect that the intrusion may have on other affected parties who are not the subject of the investigation. The officer will be required to complete an application to submit for authorisation. All applications for covert surveillance will be made using the recommended OSC forms.

4 Necessity and Proportionality

- 4.1 Consideration must be given as to whether information can be obtained using another source other than covert surveillance and if it can, what would be the effect of obtaining it using other means. If the information can be obtained using other means, then covert surveillance should not be used.
- 4.2 Consideration must also be given as to whether the expected outcome is proportionate to the level of intrusion that covert surveillance may cause. This includes any collateral intrusion, that is the risk of intrusion into the privacy of persons other than the individual being investigated. The investigating officer must set out how they intend to minimise this, surveillance will not be proportionate if it is excessive in the circumstances of the case, or could reasonably be obtained using less intrusive methods.
- 4.3 Necessity and proportionality should be considered at each stage of the process, once an application is made a quality check will be undertaken by the RIPA monitoring officer, this will help to ensure that this has been considered carefully. The authorising officer is also required to consider necessity and proportionality as part of the authorisation process.
- 4.4 In order to protect the health and safety of both the investigating officer and the subject of the surveillance, a risk assessment should be carried out identifying the risks to both individuals.

4.5 Use of a Covert Human Intelligence Source

- 4.5.1 It is understood that there may be occasion when an officer would deem it necessary to use a CHIS in order to obtain information relevant to their investigation. Using a CHIS requires officers to receive specific training and certain roles would need to be undertaken other than those required for surveillance purposes. We could provide this training however if officers were not exercising these duties regularly it is doubtful that we could guarantee compliance with the law should a CHIS be used. Therefore, any investigations which require the use of a CHIS will only be undertaken after seeking advice and guidance from the legal team at Warwickshire County Council.

5 Authorisations

- 5.1 Once completed, the application form should be passed to the RIPA monitoring officer for quality checking, the monitoring officer will consider whether necessity, proportionality and collateral inclusion has been considered and offer further advice if necessary.

- 5.2 Following a satisfactory quality review of the application, it will be passed to the authorisation officer for approval. The authorisation officer must record the matters that were taken into account in reaching their decision.
- 5.3 Wherever possible authorisations other than those which involve the use of a CHIS or where confidential information may be obtained, should be passed to Deputy Chief Executive (BH), in exceptional circumstances authorisation can be sought from Deputy Chief Executive (AJ).
- 5.4 Confidential Information. If there is a risk that through the use of surveillance, confidential information may be acquired then the authorisation should only be considered by a Deputy Chief Executive in the absence of the Chief Executive. Confidential information consists of matters subject to legal privilege, confidential personal information or confidential journalistic information and authorisation in these cases should only be granted in exceptional and compelling circumstances.
- 5.5 Approval by JP All authorisations and renewals are subject to approval by a JP before they can take effect or continue after the end date. Once authorised the applicant should contact the monitoring officer so that arrangements for a court hearing can be made. For further guidance please refer to:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/118173/local-authority-england-wales.pdf
- 5.6 The applicant should attend the hearing in order to answer any questions the Judge may have in respect of the investigation together with the RIPA monitoring officer who is best placed to answer questions on the policy and practise of conducting covert investigations.
- 5.8 Authorisation for the use of a CHIS will last for 12 months from the date of the authorisation unless it is renewed.
- 5.9 An authorisation must be cancelled if it is believed that the surveillance no longer meets the criteria upon which it was authorised and the Cancellation of a Directed Surveillance authorisation form should be used for this purpose. The monitoring officer will be responsible for checking that the correct process and timescales have been adhered to by the individual officers.
- 5.10 Copies of all surveillance forms including refusals should be passed to the monitoring officer as soon as they are completed. The monitoring officer will be responsible for maintaining the central register for requests and ensuring that the correct timescales are maintained.
- 5.11 Reviewing authorisations All authorisations must reviewed on a regular basis by the authorising officer to assess the continuing need for surveillance and these review periods should be set at the outset. More frequent reviews will be necessary where the surveillance activities involve a high level of intrusion into private life.
- 5.12 Individuals will be responsible for ensuring that their own applications for surveillance are reviewed and monitored in accordance with the intervals prescribed by legislation and forward copies of the relevant forms to the

monitoring officer. An authorisation will last no longer than 3 months unless an application for a renewal has been made before the end of the 3 months has elapsed, the renewal must be approved by the authorising officer.

- 5.13 A review will be necessary where the level of intrusion increases above what was originally stated or the circumstances change from those stated in the original request and the authorising officer must reconsider the test of proportionality.
- 5.14 If the original authorisation provided for surveillance of an unidentified individual and the identity of the individual becomes known during the operation, an immediate review will be required to update the authorisation with the details. This will not require completion of a new authorisation.

6 Surveillance not requiring authorisation

- 6.1 Authorisation is not required if surveillance is required due to an immediate response to an event or in the circumstances it is not reasonably practicable to obtain authorisation and therefore is not directed surveillance.
- 6.2 General observation activities do not require authorisation whether covert or overt. Such observations frequently form part of the legislative function of public authorities; for example, attending premises to check that no smoking legislation was being adhered to would not need authorisation because this would be part of the general duties of public authorities.
- 6.3 The use of CCTV cameras does not require authorisation except when used in a covert and pre-planned manner and in this instance please refer to the CCTV protocol for further guidance.
- 6.4 The use of a recording device by a covert human intelligence source in respect of whom appropriate use or conduct authorisation has been granted.
- 6.5 Overt or covert recording of an interview with a member of the public where it is made clear that the interview is voluntary and the interviewer is a member of a public authority.
- 6.6 The recording of excessive noise levels from adjoining premises where the recording device is calibrated only to record excessive noise levels.

7 Interception of Communications

- 7.1 Interception of communications can only be undertaken by an officer of the Council in the following circumstances:
 - In the course of normal business practise. Employees e mails, telephone conversations and internet access can be monitored without RIPA authorisation for the purposes of prevention or detection of crime or the detection of unauthorised use of these systems.

- Interception with the consent of both parties If both parties consent then RIPA authorisation is not required but any such interception should be recorded in an appropriate manner.
- Interception with the consent of one party Such interception will require RIPA authorisation because it falls within the definition of surveillance, however if the interception forms part of a previously authorised request, additional authorisation is not required.
- Interception of communications where neither party is aware that this is taking place is prohibited unless a Warrant has been granted by the Secretary of State.

8 Responsibilities

Senior Responsible Officer – Andrew Jones, Deputy Chief Executive

Authorising Officers – Christopher Elliott, Chief Executive; Bill Hunt, Deputy Chief Executive; and Andrew Jones, Deputy Chief Executive (by exception only).

RIPA Monitoring Officer – Richard Barr, Audit and Risk Manager

9 Definitions

Authorising Officer: A person who is responsible for providing authorisation to an officer to undertake either directed surveillance or the use of a covert human intelligence source in accordance with Section 30 of the Regulation of Investigatory Powers Act 2000 and the Regulation of Investigatory Powers (Prescription of Offices, ranks and Positions) Order 2000 SI No 2417. The relevant officers being the Chief Executive and Deputy Chief Executives as set out in the scheme of delegation.

Confidential Personal Information Section 99(1) of the 1997 Act: Personal Information which a person has acquired or created in the course of any trade, business, profession or other occupation, and which he holds in confidence; and communications as a result of which personal information is acquired or created and held in confidence.

Personal Information Section 99(2) of the 1997 Act: Information concerning an individual (living or dead) who can be identified from it and relating to his physical or mental health or to spiritual counselling or assistance given or be given to him.

Surveillance Section **48(2) of RIPA:** • **Monitoring, observing, listening to** persons, their movements, conversations, other activities or **communications** • **Recording anything monitored, observed or listened to in the course of surveillance** • **Surveillance, by or with, assistance of a** surveillance device.

Overt Surveillance: General observations usually made by staff whilst carrying out their duties, includes surveillance where the subject of the surveillance has been notified that such surveillance will be taking place. Overt surveillance does not require authorisation under RIPA.

Covert Surveillance: Section 26(9)(a) of RIPA: If, and only if, carried out in a manner calculated to ensure that persons subject to the surveillance are unaware that it is taking place.

Directed Surveillance: Section 26(2) of RIPA: Covert but not intrusive, and **undertaken • For a specific investigation or operation • In a manner likely** to obtain private information about an individual (whether or not that person is specifically targeted for the purposes of an **investigation**); and • Not as an immediate response to events which would otherwise make seeking authorisation under the Act unreasonable, e.g. spotting something suspicious and continuing to observe it.

Intrusive Section 26(3) of RIPA: Only if covert and • **Carried out in** relation to anything taking place on residential premises or in a private vehicle; and • **Involves the presence on an individual on the premises or** vehicle or is carried out by a surveillance device. Officers from the Council are prohibited from undertaking intrusive surveillance.

Private Information Section 26(10) of RIPA: In relation to a person, includes any information relating to his private or family life.

Covert Human Intelligence Source (CHIS) Section 26(8)(a)-(c) of RIPA: A person who establishes or maintains a personal or other relationship with **a person for the covert purpose of facilitating the doing of anything that •** Covertly uses such a relationship to obtain information or to provide access to information to another person; **or • Covertly discloses** information obtained by the use of such a relationship, or as a consequence of the existence of such a relationship.

Conduct and use of a CHIS Section 26(7)(a)(b) of RIPA: • Conduct Establishing or maintaining a personal or other relationship with a person for the covert purpose of (or is incidental to) obtaining and passing on information i.e. **the task in hand • Use Actions inducing, asking or** assisting a person to act as a CHIS i.e. setting up the CHIS.

The Regulation of Investigatory Powers 2000 and the use of social media and internet

1 Introduction

- 1.1 Guidance on the use of social media is provided in the Covert Surveillance and Property Interference revised code of practise 2018:


The growth of the internet, and the extent of the information that is now available online, presents new opportunities for public authorities to view or gather information which may assist them in preventing or detecting crime or carrying out other statutory functions, as well as in understanding and engaging with the public they serve. It is important that public authorities are able to make full and lawful use of this information for their statutory purposes. Much of it can be accessed without the need for RIPA authorisation; use of the internet prior to an investigation should not normally engage privacy considerations. But if the study of an individual's online presence becomes persistent, or where material obtained from any check is to be extracted and recorded and may engage privacy considerations, RIPA authorisations may need to be considered.

- 1.2 The internet may be used for intelligence gathering and/or as a surveillance tool. Where online monitoring or investigation is conducted covertly for the purpose of a specific investigation or operation and is likely to result in the obtaining of private information about a person or group, an authorisation for directed surveillance should be considered, as set out elsewhere in this code. Where a person acting on behalf of a public authority is intending to engage with others online without disclosing his or her identity, a CHIS authorisation may be needed
- 1.3 In deciding whether online surveillance should be regarded as covert, consideration should be given to the likelihood of the subject(s) knowing that the surveillance is or may be taking place. Use of the internet itself may be considered as adopting a surveillance technique calculated to ensure that the subject is unaware of it, even if no further steps are taken to conceal the activity. Conversely, where reasonable steps have been taken to inform the public or particular individuals that the surveillance is or may be taking place, the activity may be regarded as overt and a directed surveillance authorisation will not normally be available.
- 1.4 Depending on the nature of the online platform, there may be a reduced expectation of privacy where information relating to a person or group of people is made openly available within the public domain, however in some circumstances privacy implications still apply. This is because the intention when making such information available was not for it to be used for a covert purpose such as investigative activity. This is regardless of whether a user of a website or social media platform has sought to protect such information by restricting its access by activating privacy settings.

- 1.5 Where information about an individual is placed on a publicly accessible database, for example the telephone directory or Companies House, which is commonly used and known to be accessible to all, they are unlikely to have any reasonable expectation of privacy over the monitoring by public authorities of that information. Individuals who post information on social media networks and other websites whose purpose is to communicate messages to a wide audience are also less likely to hold a reasonable expectation of privacy in relation to that information.
- 1.6 **Whether a public authority interferes with a person's private life includes a consideration of the nature of the public authority's activity in relation to that information. Simple reconnaissance of such sites (i.e. preliminary examination with a view to establishing whether the site or its contents are of interest) is unlikely to interfere with a person's reasonably held expectation of privacy and therefore is not likely to require a directed surveillance authorisation. But where a public authority is systematically collecting and recording information about a particular person or group, a directed surveillance authorisation should be considered. These considerations apply regardless of when the information was shared online".**

2 **Using social media**

- 2.1 Officers should not use their own private social networking account to view the accounts of others during the course of their duties.
- 2.2 **One-off or infrequent visits to an individual's social media** profile over a period of time will not be considered directed surveillance and will not therefore normally require a RIPA authorisation provided the visit is not prolonged and is not used to gather large quantities of data about an individual, such as trying to establish their movements for a period of time.
- 2.3 **Where it is considered frequent visits to an individual's social media profile** may be required, officers should ensure that they follow the RIPA policy to obtain the necessary authorisation.
- 2.4 Officers should maintain a log of visits to the social media profile accessed with the case notes of the investigation so that this can be monitored.
- 2.5 Any information obtained from social media profiles should be copied and or a screen shot taken and held with the case notes, ensuring that the information is held securely and complies with the data protection and retention policy appropriate to the service.

 EXECUTIVE 12 February 2020		Agenda Item No. 15
Title	Warwick Castle Masterplan	
For further information about this report please contact	Dave Barber (01926 456065) dave.barber@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	Warwick district Local Plan 2011-2029	

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 - 1023
Equality & Sustainability Impact Assessment Undertaken	Yes
The Local Plan and the policies within it has been subject to equalities impact assessment.	

Officer/Councillor Approval	Date	Name
Chief Executive	10/1/20	Chris Elliott
CMT	10/1/20	Chris Elliott, Bill Hunt, Andrew Jones
Section 151 Officer	10/1/20	Mike Snow
Monitoring Officer	10/1/20	Andrew Jones
Head of Service		Dave Barber
Portfolio Holder(s)		Councillor John Cooke
Consultation & Community Engagement		
The Masterplan has been subject to a public consultation, facilitated by Warwick Castle		
Final Decision?	Yes	

1 SUMMARY

- 1.1 The Warwick District Local Plan 2011-2029 was adopted in September 2017. Policy CT6 requires Warwick Castle to produce a Masterplan to set the guiding principles of any future applications.

2 RECOMMENDATIONS

- 2.1 That Executive notes the content of the attached Masterplan (Appendix 1).
- 2.2 That Executive agrees to the Guiding Principles set out in Chapter 7 of the Masterplan (Appendix 2) to inform future development at Warwick Castle in line with Local Plan Policy CT6.

3 REASONS FOR THE RECOMMENDATIONS

- 3.1 Policy CT6 of the Local Plan sets the requirement for development at Warwick Castle to be brought forward in line with an approved Masterplan.
- 3.2 Warwick Castle have developed and consulted upon a Masterplan, the final draft of which is included as Appendix 1. This includes a summary of the consultation responses.
- 3.3 Members should note that report does not seek to adopt this Masterplan in full. Instead, the Council is only endorsing Chapter 7 (shown as appendix 2 to this report and in endorsing this will be approving Chapter 7 as Supplementary Planning Guidance (SPG) to inform future development proposals at Warwick Castle. It should be noted that there are no set criteria for the extent of public consultation for an SPG, and so the reach and extent of the public consultation undertaken by the Castle is appropriate.
- 3.4 The final Masterplan has been reviewed by the Conservation and Planning Policy teams who both consider the Guiding Principles contained in Chapter 7 as appropriate and reasonable.
- 3.5 All future applications at the Castle will continue to need to respond to all relevant national and local policies, as well as conforming with the Guiding Principles.
- 3.6 As the Council is not approving the whole Masterplan document, (only the Principles as set out in Chapter 7, and provided separately as Appendix 2), Members should note, that the potential projects included in the wider Masterplan are not being endorsed, and will be subject to the appropriate planning process in due course.

4.0 POLICY FRAMEWORK

- 4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. Amongst other things, the FFF Strategy contains Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The **Council's SAP's are the programme of work** fundamental to the delivery of the strands described in the table below.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
n/a	n/a	The Guiding Principles will give a degree of surety to the owners of the Castle to continue with their improvement and investment plans
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The adoption of the Guiding Principles will help support Development Management officers in determining relevant applications	n/a	n/a

4.2 **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies. The Local Plan is one of the key strategies, cutting across many of the FFF strands.

4.3 **Changes to Existing Policies**

This document is in line with the Policies of the Local Plan, specifically Policy CT6.

3 BUDGETARY FRAMEWORK

- 5.1 There are no implications to the budgetary framework.

6 RISKS

- 6.1 There are no specific risks related to adopting the Guiding Principles of the Warwick Castle Masterplan.

7 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 The Executive could decide not to adopt the Guiding Principles as set out in the Warwick Castle Masterplan. However, given that they are a requirement of Policy CT6 and provide some clarity relating to the future development of Warwick Castle, and further they have been consulted upon publicly and have met with approval from Conservation and Planning Policy, this option has been dismissed.

8 BACKGROUND

- 8.1 Warwick District Local Plan 2011-2029 was adopted in September 2017, and the Masterplan responds to Policy CT6 therein.
- 8.2 The background to the Castle as both a defensive structure and as a tourist attraction is covered in the Masterplan, attached as Appendix 1.



WARWICK CASTLE

MASTERPLAN

JANUARY 2020





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I.THE MASTERPLAN DOCUMENT

Introduction to Warwick Castle

I.1 Warwick Castle is branded as ‘Britain’s Ultimate Castle’ where guests are invited to experience the fun of real history. From its origins in 1068, the Castle has developed in various phases, starting as a simple defensive fort to a substantial stately home. Unlike many Castles in Britain, Warwick is substantially intact — that presents opportunities and challenges in itself — and has over 1,000 years of history to present to its guests.



I.2 The Castle’s location, effectively within the town of Warwick, its proximity to neighbours, private ownership structure, extent of heritage designations and scale of the buildings create the context within which it is managed. This context is relatively complex, presenting a variety of challenges. The solution to these requires a balance to be reached. The purpose of this document is to explain the various facets of Warwick Castle, the challenges it faces and thoughts about the solutions that will be proposed over the next decade or thereabouts. These are framed by longevity of the Castle — whereby many interventions made are only now in place for a relatively short period of time — and the universal expectation and desire that the Castle remains in good condition for centuries to come.

I.3 Warwick Castle and its grounds are located on the south-east of Warwick town centre and extends to 42ha. Warwick Castle is designated a Grade I Listed Building and, in part, a Scheduled Monument (SM). The Castle and its grounds are Grade I listed on English Heritage’s Register of Park and Gardens and are located within the Warwick Conservation Area.

I.4 The Castle is also surrounded by a number of buildings and landscapes which are of high heritage value. These include the Stables, marking the main north entrance to the Castle (Grade II*), 5 Castle Street (Grade II listed), a portion of the boundary wall to Warwick Castle abutting part of Castle Lane (Grade II) and the Conservatory (Grade II*) located to the west of the site.

I.5 Merlin Entertainments Group (MEG) has owned and managed Warwick Castle, since the acquisition of The Tussauds Group (TTG) in 2007. MEG is the leading name in location-based, family entertainment and is Europe’s Number one and the world’s number one visitor attraction operator. Merlin now operates C 120 attractions, 13 hotels, 5 holiday villages in 24 countries and across 4 continents. As a leading global business, MEG expects each visitor attraction to meet high standards, especially in meeting or exceeding visitor expectations.

I.6 The Castle was sold by Lord Brooke in 1978 to The Tussaud’s Group. Whilst the Castle had been open to the public, it required significant investment and expertise to manage the property as a high quality visitor attraction. Since 1978, an extensive investment and refurbishment programme has been undertaken to ensure the fabric of the Castle and grounds are enhanced and maintained. The continued attraction of visitors to the Castle is vital for its economic viability and to ensure that funds are available for the upkeep of the heritage assets. As public sector funding is not available to the Castle, it is critical that it is able to continue to attract visitors and investment to continue the extensive heritage restoration programme and offer visitors the experience and standards they expect from a visitor attraction in the 21st Century.



Warwick Castle

Policy Background

I.7 This Masterplan responds to the Local Plan (adopted September 2017) and in particular Policy CT6. This policy states that development at Warwick Castle should be brought forward in line with an approved Masterplan.

I.8 It is intended (as set out in Policy CT6) that the Masterplan will provide the framework within which planning applications will be determined and will identify:

- the physical and economic context of the site;
- the significance of heritage assets within the vicinity and how they will be sustained and enhanced;
- the development principles for future proposals;
- the location of developments and how they relate to the heritage assets; and,
- how the proposals support the vitality and viability of the local economy.

I.9 The Local Plan recognises tourism as a key part of the local economy and the Council's strategy seeks to positively promote and actively deliver tourism. The District's cultural assets and visitor facilities should therefore be supported to grow and improve in ways which maintain their attractiveness and integrity, particularly those assets associated with the historic environment. Policy CT6 supports the role of Warwick Castle as a nationally / internationally renowned attraction at the same time as ensuring the significance of the local heritage assets (including the Castle itself) are sustained and enhanced. It is also important that the mix of activities on offer within the Castle grounds allows both the Castle and the Town Centre to play to their strengths to the mutual benefit of both.

Purpose of the Document

I.10 Competition within the leisure industry and the expectations of visitors to leisure attractions and accommodation continues to grow, including expectations about the quality of the leisure experience, whether it is places to stay or visit. Leisure operators need to refresh and renew their facilities in order to attract and maintain visitors, including “repeat” visitors.

I.11 The approach for future development at Warwick Castle has to address its context. The Castle is one of a limited number of heritage based visitor attractions across the country which is privately funded and, unlike many other visitor attractions, does not benefit from public funding. It is, therefore, essential for MEG, over and above other operators, to ensure it can continue to appeal to all audiences.

I.12 To remain ‘attractive’ to visitors the Castle has to be managed and operated in a way that meets customer’s expectations and provides a ‘day out’ that is as good as, or better than, the competition provides. In the leisure and tourism sector the competition is wide. When deciding on how to spend leisure time, potential visitors to the Castle will have a wide range of options, not just other heritage attractions. The Castle has to provide the ‘services’ to compete in its market.

I.13 The facilities and services provided at other leisure / visitor attractions influence the expectation of visitors. Some examples are set out later in this document. These set the context within which the Castle operates.

I.14 It is only with visitors to the Castle that money is generated to employ staff and, importantly, maintain the fabric of the buildings and grounds. The extensive work undertaken will be summarised later in this document.

I.15 This document provides a snapshot of how Warwick Castle and its grounds have developed throughout its history, as well as establishing the ‘Vision’ for the Castle over about the next 10 years (to the mid-2020s).

I.16 Responding to the policy background, this document is the final draft of the future masterplan for the site. This document therefore:

- Provides a brief history of Warwick Castle (Section 2.0);
- Outlines the background information on the relevant Planning and Heritage Policy and Guidance (Section 3.0);
- Identifies the site context for the Castle (Section 4.0);
- Explains the visitor attraction market (Section 5.0);
- Presents an assessment of the Heritage and Economic Impacts of Warwick Castle (Section 6.0);
- Sets out the proposed Masterplan concepts and guiding principles for projects (Section 7.0); and,
- Takes a look forward, setting the Vision for Warwick Castle that will support its continuing success (Section 8.0);
- Explains the Stakeholder and public consultation undertaken on the Masterplan (Appendix 4).



Show in the courtyard

2.A BRIEF HISTORY



The Mound at Warwick Castle

The Early Years

2.1 The first castle at Warwick was erected in 1068 as one of the earliest fortifications in the kingdom established by William the Conqueror. The motte (the mound) and bailey (enclosed courtyard below the mound) structure of the original Castle was a Norman importation. It was built partly on the remains of an Anglo Saxon burgh (fortified dwelling) which was established on the site in 914. The motte and bailey would have been very different from the Castle seen today, but the general plan form is likely to have been similar, in terms of the partially rectangular mound to the south-west and the enclosed bailey to the north-east.

2.2 The motte and bailey structure was erected on a hill rising above the River Avon (Figure 2.1). This offered the greatest vantage point across the land and enabled 'The Mound' to provide the Castle with a strong defensive system. Dwellings and ancillary uses were then established within the bailey in close range of the Castle. A timber fence encompassing the top of 'The Mound' and bailey was used to define this.

2.3 By about 1260, stone had replaced wood as the principal building material. The Gatehouse, defensive corner posts and the main building (which is now the site of the house) had been built on the riverside wall of the Courtyard. Figure 2.2 illustrates the resultant changes to the external appearance of the Castle and its defensive boundary. This marked the start of Warwick Castle's role, alongside Windsor Castle, in the rise of English power.

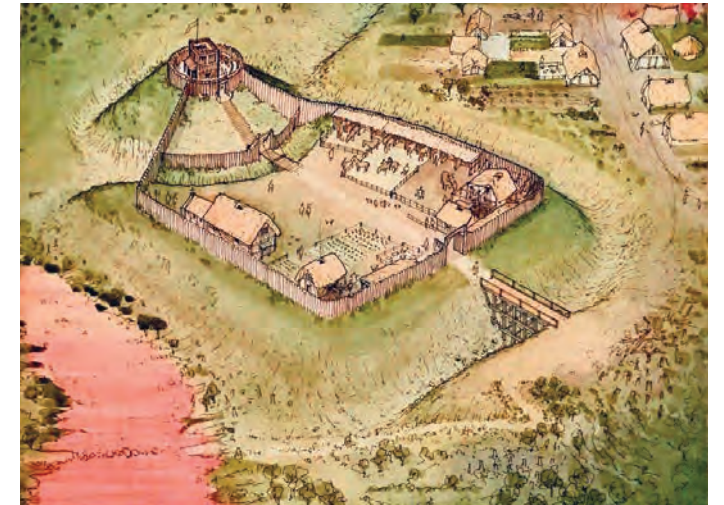


Figure 2.1: c.1070

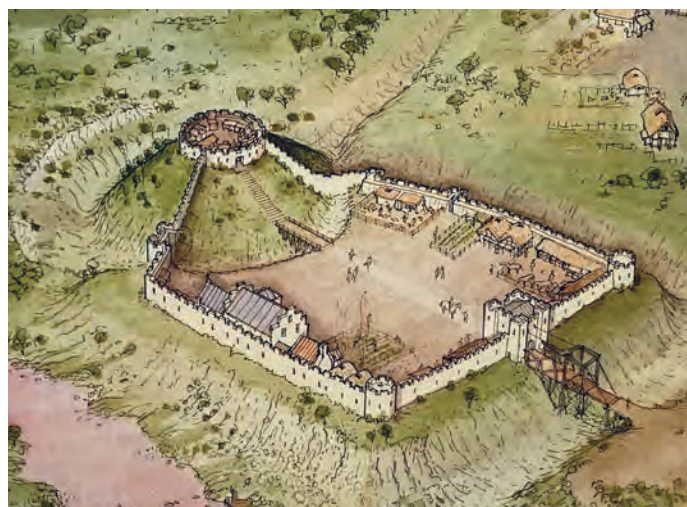


Figure 2.2: c.1260

14th Century

2.4 The 14th century witnessed the rebuilding of the domestic range. The works took place over some 50 – 80 years and involved the construction of the barbican, gate tower, the Watergate Tower and the two ‘anchor points’, Caesar’s Tower and Guy’s Tower. The Castle walls were also strengthened and the ditch (not the moat) was dug deeper to create a medieval stronghold. Much of this can still be seen on the site today.

16th Century

2.5 Following, a limited amount of construction during the 15th century, the rebuilding and improvement of Warwick Castle continued in the 16th century with the erection of the Spy Tower and ancillary lodgings (Figure 2.3).



Figure 2.3: 1540

17th Century

2.6 Surveys undertaken in the 16th century confirmed signs of decay and neglect within the Castle. Shortly after, Sir Fulke Greville acquired the Castle and undertook extensive rebuilding and alteration works. This included the formation of an earth bank to reinforce the curtain wall between the Gatehouse and Guy’s Tower, the creation of a path from the Watergate Tower along the western side of The Mound and the purchase of additional land to enlarge the grounds and provide a garden and orchard.

18th Century

2.7 Following use of the Castle as a Parliamentary garrison during the mid-17th century, in about 1740, Lord Brooke (Francis Greville, First Earl of Warwick) initiated repairs to the interior of the buildings and improvement of the grounds. Much of the alterations established the character of the Castle that can be seen today (Figure 2.4).

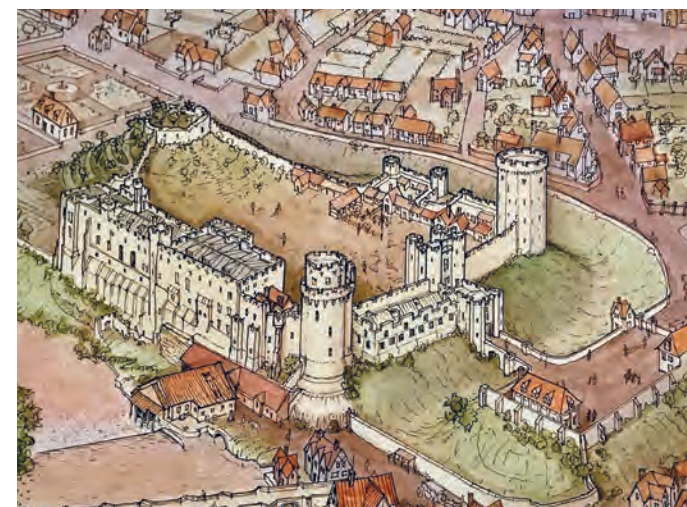


Figure 2.4: 1700

2.8 In 1744, an order was obtained to close a track that ran just outside the garden wall to the south-west of ‘The Mound’; this was the beginning of the process to reposition the town that had developed close to the Castle. Following this, Brooke instructed Lancelot ‘Capability’ Brown to redesign the landscape. This involved the removal of Fulke Greville’s walled gardens, levelling of the grounds, creation of a walkway by the River Avon, planting of trees and shrubs on ‘The Mound’ and the erection of bridges. This work led on to form the park which would later become the Registered Park and Garden.

2.9 On his father’s death, the second Earl of Warwick (George Greville) extended the boundary of the Castle grounds by stopping-up various lanes adjoining the Castle, including Banbury Road, and created a new gateway out of the Castle courtyard into the grounds. This established the perimeter that is evident today (Figure 2.5).

2.10 It was during this period that records of public visits to the Castle first emerged. This marked the start of the Castle’s contribution to the local economy of Warwickshire and a fledgling tourism industry.



Figure 2.5: 1800

19th Century

2.11 In the 1870s the Castle was attracting more than 10,000 visitors per annum. One of the most significant additions to the grounds had been the creation of the Rose Gardens by the curator of the Royal Botanic Society’s garden in Regent’s Park.

2.12 In 1871 a fire destroyed the great hall, the private apartments to the north and the rooms above the dining room. Extensive restoration was required and as a result of the success of public appeal, the funds raised enabled the necessary works to be undertaken. By the end of the 19th Century, visitor numbers had increased to 25,000 and five guides were employed at the Castle.

2.13 A number of archaeological finds have been recorded within these areas and are documented within the archives (see Figures 2.6 to 2.8). Those of note include the sites of a number of medieval churches as original domestic buildings of the Castle; an early medieval settlement comprising four houses; the medieval domestic range of the Castle’s undercroft; a Roman coin and medieval items; and evidence of civil war activity.

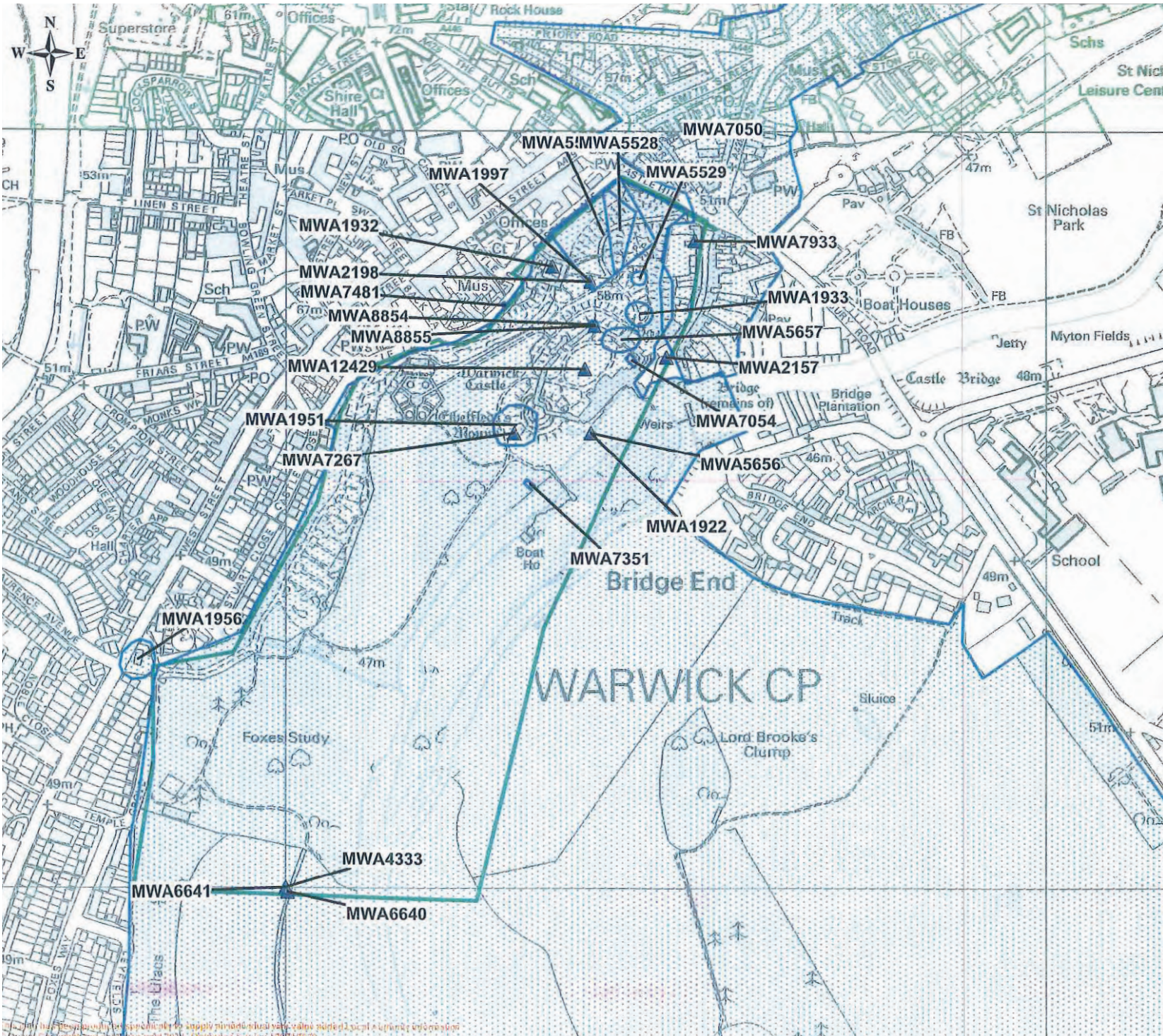


Figure 2.6: Historic Environment Records (HERs) for Monuments (features / buildings)

Monument / Building Record Reference	Name	Summary of Description
MWA1951	Site of Church of All Saints, Warwick Castle	Site of the Medieval Church of All Saints at Warwick Castle which was founded in 1119. Exact location within the Castle is unknown.
MWA7267	Warwick Castle Domestic Range Undercroft	Built in the Medieval period, largely escaped alteration and retains many original features.
MWA1956	Not part of Warwick Castle	
MWA6641	Findspot – Post Medieval metal items in Warwick Castle Park	Findspot – Post Medieval items were found in Castle Park, Warwick.
MWA4333	Findspot – Medieval Assorted Finds	Findspot – finds from Castle Park dating to Medieval period including coins, two strap ends, buckles and a seal.
MWA6640	Findspot – Roman coin from Castle Park, Warwick	Findspot – a Roman coin found at Castle Park.
MWA7351	17 th / 18 th Landscape Features at Warwick Castle	Excavations revealed that landscaping around the Castle had taken place during the Imperial Period.
MWA1922	Warwick Castle, Phase I	Phase I of Warwick Castle which was built from 1068 as a motte and bailey castle. First constructed in wood, was rebuilt in stone possibly during 12 th century.
MWA5656	Site of Early Medieval Settlement at Warwick Castle	Dating to the early Medieval period. Evidence that building of the castle led to 4 houses being demolished.
MWA7054	Brewhouse West of Caesar's Tower, Warwick Castle	Evidence that there was once a Medieval period brewhouse west of Caesar's Tower.
MWA2157	Castle Mill, Warwick	The site of several watermills dating from the Medieval to Imperial period. Present building dates from the 18 th century and main waterwheel survives.
MWA5657	Medieval defences	Archaeological excavation revealed a bank containing Medieval pottery. The foundations of a Medieval gatehouse were also discovered.
MWA1933	Old Stables at Warwick Castle	First built in the Medieval period just outside the Castle gate. Demolished and rebuilt in 1667. Demolished in the 18 th century and resited on Castle Street.
MWA7933	Not part of Warwick Castle	
MWA5529	Icehouse in Castle Park, S of Castle Hill	Built in the Imperial period and located in Castle Park.
MWA7050	Not part of Warwick Castle	
MWA5528	Excavation of C17 – C19 Settlement S of Castle Hill	Archaeological excavation revealed settlement dating to the Imperial period south of Castle Hill; including a cess pit, a house platform, cellars and former roads.
MWA1997	Medieval Features to South of Castle Hill	A Medieval pit and traces of a yard were found during an archaeological excavation.
MWA1932	Warwick Castle Stables	Built between 1768 and 1771 and constructed of sandstone.
MWA2198	Site of Medieval Roads to N of Castle	Site of Medieval roads known from documentary sources and historic maps.
MWA8854	Guy's Tower, Warwick Castle	Dates to the Medieval period. Construction of the lower part of the tower began in the 1380s.
MWA7481	Arch Eval at Warwick Castle (Trench 2)	Results of an excavation showed that certain parts of Castle Park were not covered by the Medieval settlement. Post Medieval activity revealed, though Medieval pottery was also found.
MWA8855	Medieval tiled floor, Guy's Tower, Warwick Castle	The remains of a Medieval tiled floor which consists of glazed, decorated ceramic floor tiles.
MWA12429	Civil War Activity, Warwick Castle	The Castle was refortified just before the Civil War. It was besieged for around 2 days by Royalist forces led by the Earl of Northampton in August 1642. A number of features, some still visible, have been recorded.

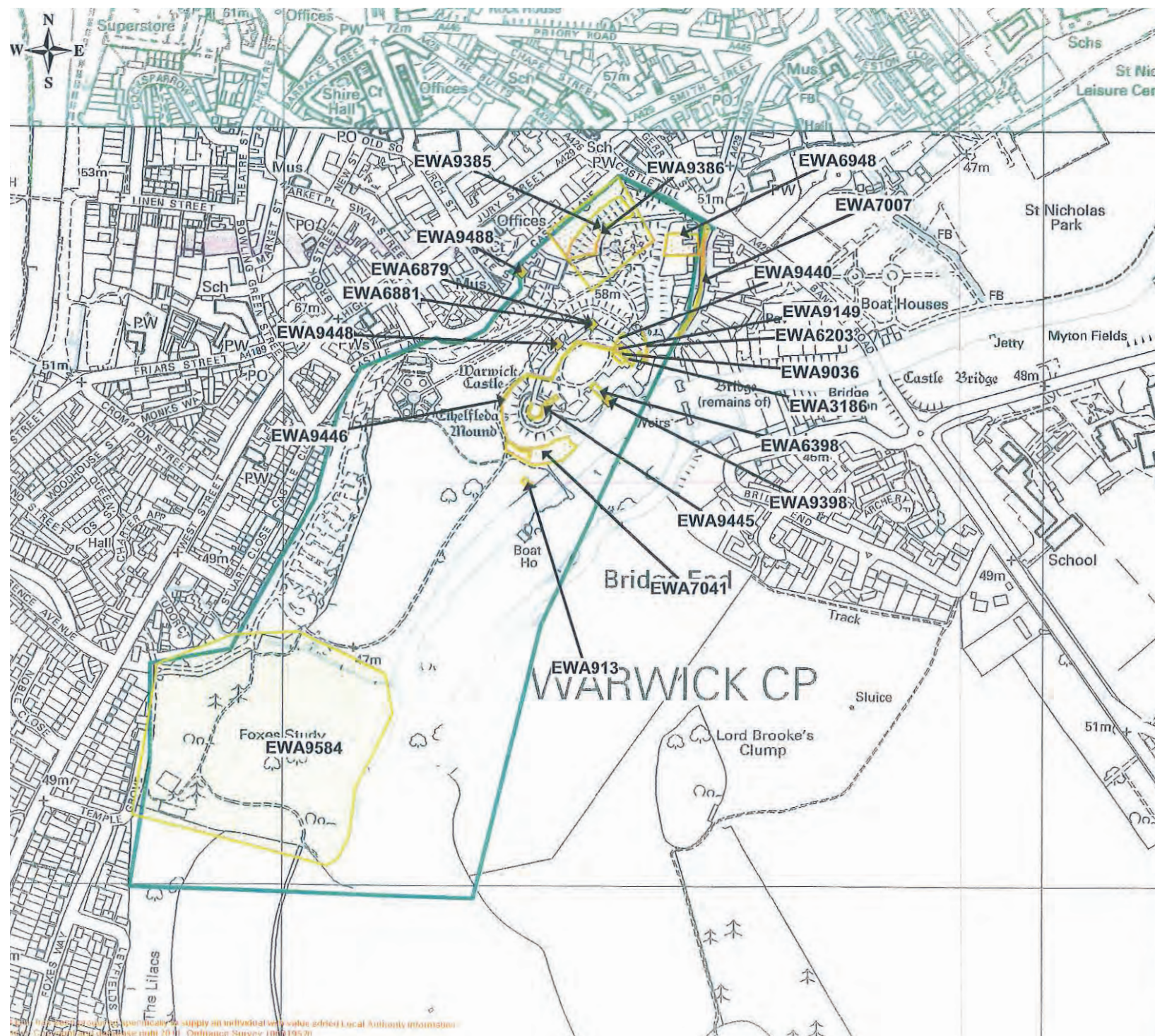
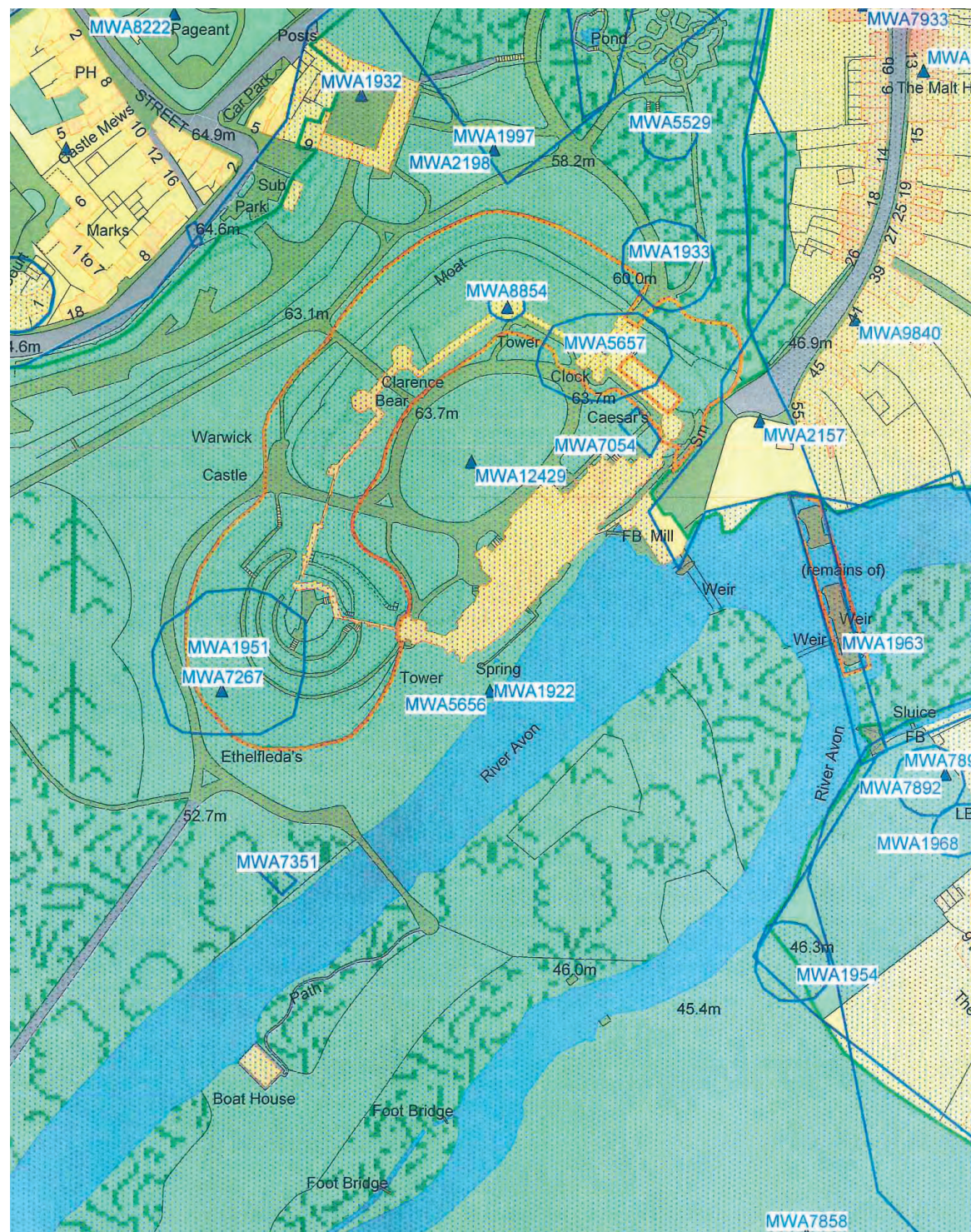


Figure 2.7: Historic Environment Records (HERs) Events (including field work)

Monument / Building Record Reference	Name	Summary of Description
EWA9446	Observation of cabling within the courtyard of Warwick Castle	Features recorded were mostly associated with the Capability Brown landscaping of the Castle.
EWA9448	Observation of repairs to the Bear and Clarence Tower Bridge, Warwick Castle	Two 1.5m deep soakaways in the bottom of the Castle ditch showed the original depth to have been much greater than at present.
EWA6881	Photographic survey of tiled floor, Guy's Tower	Recording a medieval tiled floor. Also a programme of drawing and researching the tile designs.
EWA6879	Guy's Tower, Warwick Castle, Medieval and later use	Research into the Medieval and later usage of Guy's Tower. Building is likely to have begun in the 1380s.
EWA9488	Not part of Warwick Castle	
EWA9385	Archaeological Observation of Adventure Playground: Warwick Castle Park	Area formerly within the Medieval town and known as the Vineyard from the middle ages until the 18 th century. A small number of Medieval pits were recorded.
EWA9386	Evaluation on north grounds of Warwick Castle Park	12 th and 17 th – 19 th century features were located. Some features associated with the 18 th century development of the parkland were recorded.
EWA6948	Not part of Warwick Castle	
EWA7007	Not part of Warwick Castle	
EWA9440	Excavation along line of pipe trench, Warwick Castle	The earliest layers excavated contained 11 th – 12 th century pottery, overlain by a series of make-up layer.
EWA9149	Archaeological excavation of bases for a new ticket tent and banners in Warwick Castle Courtyard	Three small trenches revealed only layers associated with 18 th Century landscaping.
EWA6203	Warwick Castle: Archaeological Evaluation of paths below Caesar's Tower	Four trial trenches were excavated mainly laying along earlier, post-medieval paths and elements of the 18 th and 19 th century landscaping of this area. Fieldwork also uncovered a foundation of Caesar's Tower itself and provided evidence to suggest that the Medieval ditch was considerably wider and deeper than the existing one.
EWA9036	Archaeological recording of a new entrance pavilion in Warwick Castle Courtyard (2007)	Revealed no significant features. The earliest layer revealed probably associated with 19 th century landscaping.
EWA3186	Archaeological Investigation of Brewhouse adjacent to Caesar's Tower	Recorded the robbed out foundations of the Brewhouse, as recorded on Smythson's plan of c. 1600.
EWA6398	Domestic Range Undercroft: Archaeological Recording (Phase I) at Warwick Castle	A small trench was excavated, service trenches observed and architectural features were recorded.
EWA9398	Observation of masonry repairs, revetment, Warwick Castle	A number of 18 th and 19 th century drains were recorded, cut into the ground behind the revetment.
EWA9445	Evaluation of Castle Mound, Warwick Castle	Part of the Medieval shell keep was recorded together with Medieval mound construction layers. The Mound was later used as a gun battery in the Civil War.
EWA7041	Warwick Castle: Archaeological recording of path	Observed the construction of a new path south of the Castle mound. No features recorded, some post-medieval finds, roof tile / clay pipe.
EWA913	Archaeological Evaluation of a hard standing for fire engines south of Warwick Castle Mound	Landscaping features, undated, but possibly 17 th century in origin, were recorded in test pitting.
EWA9584	Map regression of Foxes Study, Warwick Castle Park	Cartographic evidence from 1610 to the present day was used.



Monument / Building Record Reference	Name	Summary of Description
MWA6956	Warwick Castle Park	Documentary and evidence from excavation shows that the landscaped park dates to the Post Medieval and Imperial periods.
MWA1968	Site of Medieval Cross at Bridge End	Documentary evidence suggests that this is the probably site of a Medieval cross, at the western loop of Bridge End.
MWA7893	Boundary Wall at Park House	Excavations revealed a boundary wall dating to the Imperial period just south of Warwick Castle Old Bridge.
MWA1932	Warwick Castle Stables	The Stables at Warwick Castle were built between 1768 and 1771 and constructed of sandstone. They now hold the ticket office and form the entrance to Warwick Castle.

Warwick Castle as a Tourist Attraction

2.14 Railways, bicycles, trams and then cars and coaches allowed for greater access to the Castle. This increase in tourism encouraged the commercialisation of the Castle and, in turn, it became a venue for events as well as an attraction in its own right.

2.15 In 1978, the Castle, its contents and part of the parkland (as well as its archives) were sold to S Pearson & Son (later the Pearson Group), owner of Madame Tussauds, for £1.5 million.

2.16 In 1980, the Castle was the 8th top heritage attraction in the Country, one of the top two country houses and the nation's most important commercial property (not in the ownership of the state, a trust or a private family). By 1996, it was attracting 820,000 visitors per annum. Shortly after, the Pearson Group was restructured and led to a management buy-out of TTG.

2.17 In March 2005, TTG was sold to Dubai International Capital and in 2007, Merlin Entertainments Group (MEG), acquired TTG and its attractions, forming part of MEG's growing entertainment and leisure portfolio.

2.18 Today, the Castle continues to be operated by MEG and makes an important contribution to the Warwick and Warwickshire economy. The Castle and its grounds (the part within MEG ownership) occupy much of the land to the east and south-east of the historic centre of Warwick. This comprises 23ha of informal gardens and pleasure grounds, a river island and part of Castle Park. A number of permanent attractions are provided within the Castle and its grounds, such as the 'Royal Weekend Party', 'Castle Dungeons', Great Hall and State Rooms, and 'Time Tower'. These are discussed further in Section 6.



Warwick Castle: Domestic range, internal courtyard

Warwick Castle Today

2.19 The Castle and its immediate grounds are immediately to the south east of Warwick Town Centre, with the River Avon flowing through the centre of the site. Whilst the Castle owns some land beyond the Avon that is part of the historic park, the majority of the 600 acre park is in separate ownership. The extent of the land holding and park are shown on Figure 2.9.

2.20 The aerial photograph (Figure 2.9) highlights a number of features:

- Castle
- Castle Mill (1)
- Conservatory
- Stables (2)
- Stratford Road Car Park (the main visitors car park)
- Stables Car Park
- River Island
- Historic driveway, from the Banbury Road (3)
- Foxes Study (where lodges and glamping is located: Knights Village)
- The maze (4)
- Children’s Play Area (5)
- Old Castle Bridge (a Building at Risk, in three separate ownerships) (6)
- Boundary walls (7)
- The woodlands around the site and trees across the estate

2.21 Beyond the Castle but immediately adjacent are properties in Mill Street (to the north east) and to the west are mainly residential properties, along Castle Lane, Temple Grove, Tudor Close and Stuart Close. To the south is an area of the Park known as Leafields Farm and boundary planting, the Lilacs. Within the wider Castle Park, in addition to woodlands / tree belts is New Waters (formed by a dam across the Tachbrook) and listed bridge (Leafield) and The Hunting Lodge (Grade II*).



Figure 2.9: Site Context Plan



Castle Mill and River Avon



The Stables



Old Castle Bridge



Knight's Village with Lodges in Foxes Study



Old Castle Driveway

2.22 In terms of topography, the main part of the Warwick Castle site, to the west of the Avon, occupies land generally set several meters above the river. The island and park to the east are lower lying and, as shown on the Environment Agency map, and evidenced by events over the past decades, at risk of flooding (Figure 2.10).



View of the River Avon from Castle Mill



Figure 2.10: Flood Mapping (source: EA Flood Mapping)



River Avon, towards southern end of the site, adjacent to Foxes Study



View from the Castle looking across the River Avon and weir, Old Bridge with Castle Park beyond and Bridge End.

3. PLANNING AND HERITAGE LEGISLATION POLICY AND GUIDANCE

3.1 Any future development proposals at Warwick Castle need to be prepared and assessed taking into account relevant legislation, planning policies and guidance.

3.2 The Statutory Development Plan for Warwick comprises the adopted Warwick District Local Plan (2011 – 2029).

3.3 Other material considerations of relevance include Government policy within the National Planning Policy Framework (NPPF) (2019) and guidance within National Planning Practice Guidance (PPG) (2014) and Warwick District Council Supplementary Planning Guidance documents. Historic England guidance is also of relevance.

Ancient Monuments and Archaeological Areas Act 1979

3.4 A scheduled monument is an historic building or site that is included in the Schedule of Monuments kept by the Secretary of State for Digital, Culture, Media and Sport. The regime is set out in the Ancient Monuments and Archaeological Areas Act 1979.

3.5 Once a monument is scheduled any works to it, with few exceptions, require scheduled monument consent from the Secretary of State, (not the local planning authority). Historic England manages the process of scheduled monument consent on behalf of the Secretary of State.

3.6 For historical reasons, a few buildings are both scheduled and listed. In such a case the scheduled monument statutory regime applies and the listed building regime does not.

3.7 S61(9) provides that the protected site of a monument may also include any land adjoining it essential for its support and preservation. The protection extends not just to known structures or remains but also to the soil under or around them. This is in order to protect any archaeological interest in the site, but the extent of the protection is not dependant on there being such an interest.

Planning (Listed Building and Conservation Areas) Act 1990

3.8 The Planning (Listed Building and Conservation Area) Act 1990 (as amended) provides specific protection for buildings and areas of special architectural or historic interest.

3.9 Section 66 (1) of the Act states that in considering whether to grant planning permission for development which affects a listed building or its setting, the local planning authority “... shall have special regard to the desirability of preserving the building or its setting, or any features of special architectural or historic interest which it possesses”.

3.10 Section 72 (1) of the Act, with regard to general duty in the exercise of planning functions in Conservation Areas requires that “... special attention shall be paid to the desirability of preserving or enhancing the character or appearance of that area”.

Development Plan Policy

District Local Plan (2011 – 2029)

3.11 This Local Plan will guide the Council’s assessment of future planning applications at Warwick Castle. The statutory and local planning policy and guidance make clear the need to understand the numerous heritage assets on the site, the need to prevent substantial harm to the heritage environment and its setting, enhance and preserve the significance of the relevant heritage assets and support the growth of the local economy and tourism and leisure development.

3.12 The Local Plan sets out the future strategy for the District, part of this strategy supports prosperity: “seeking to enable the district’s economy to prosper by providing opportunities for businesses to grow and relocate is an important priority for the Local Plan. To achieve this, the Plan sets out policies and proposals to support employment, vibrant town centres and a strong cultural and tourism offer...”, (para. 1.33).

3.13 The Local Plan identifies Warwick Castle as a nationally / internationally renowned tourist attraction and notes that in terms of its future development, “... It is also important that the mix of activities on offer within the Castle grounds allow both the Castle and the town centre to make the most of their strengths to the mutual benefit of both”, (para. 3.132).

Other Material Planning Considerations

National Planning Policy Framework (NPPF) (February 2019)

3.14 At the heart of the NPPF is the achievement of sustainable development — this includes securing high quality design and conserving heritage assets in a manner appropriate to their significance.

3.15 The NPPF supports the creation of conditions in which businesses can invest, expand and adapt. “Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future”, (para. 80). Specifically, in relation to tourism and leisure developments, the NPPF states that planning policies and decisions should enable, “... sustainable rural tourism and leisure developments which respect the character of the countryside...”, (para. 83).

3.16 The NPPF outlines that the conservation of heritage assets can bring wider social, cultural, economic and environmental benefits, (para. 185). Applicants are required to describe the significance of heritage assets affected by proposals, including any contribution made by their setting, (para. 189). Local planning authorities should take account of “... the desirability of sustaining and enhancing the significance of heritage assets...”, (para. 192) and “... great weight should be given to the asset’s conservation.”, (para. 193). The more important the asset, the greater the weight should be.

3.17 For development proposals that lead to “less than substantial harm” to the significance of a designated heritage asset, the harm should be weighed against the public benefits of the proposal, including securing its optimum viable use (para. 196).

3.18 With regards to conservation areas, the NPPF states that local planning authorities should look for opportunities for new development within conservation areas and within the setting of heritage assets that will enhance or better reveal their significance (para. 200).

National Planning Practice Guidance (PPG)

3.19 The PPG provides useful clarification with regards to understanding the significance of designated heritage assets, as well as the assessment of “substantial” or “less than substantial harm”.

3.20 The guidance makes clear that being able to properly assess the nature, extent and importance of the significance of a heritage asset, and the contribution of its setting is very important to understanding the potential impact and acceptability of development proposals (para. 10).

3.21 The PPG notes the following in relation to the assessment of what constitutes substantial harm to a heritage asset: “... substantial harm is a high test, so it may not arise in many cases”.

3.22 The Guidance clarifies that:

“Public benefits may follow from many developments and could be anything that delivers economic, social or environmental progress as described in the National Planning Policy Framework”, (para. 7).

Other Guidance

3.23 Other relevant non-statutory guidance includes:

- Coventry & Warwickshire LEP Strategic Economic Plan.
- Supplementary Planning Document ‘A Guide to Conservation Areas’ (Undated)
- Historic Environment Good Practice Advice in Planning Note 3: The Setting of Heritage Assets 2nd Edition (Dec. 2017), Historic England
- Constructive Conservation: Sustainable Growth for Historic Palaces (March 2013), Historic England
- Conservation Principles, Policies and Evidence: For the Sustainable Management of the Historic Environment, (2008), Historic England updated with consultation draft currently available (Jan. 2018).

Local Plan

3.24 A list of the relevant Local Plan policies is contained in Appendix I of this document.

3.25 Policy CT6 seeks to support the role of Warwick Castle as a renowned attraction and at the same time balancing this against the significance of the local heritage assets. Any future development at Warwick Castle will need to have full regard to this balance including the sensitive historic surroundings and the national and local policy support for the growth of tourism and leisure development and its contribution to the local economy.

3.26 As the history of Warwick Castle demonstrates, and national legislation and policy requires, regard must continue to be given to the value and interest of the Castle and its site in order to preserve its significance. It is its significance that forms the basis of why Warwick Castle continues to attract visitors which, in turn, contributes to its upkeep. To retain the appeal to visitors, the features and facilities necessary to attract those visitors need to be planned and provided in the context of the heritage assets and in the acknowledgement that whilst facilities may introduce new elements these are important, ultimately, to the overall health and upkeep of the heritage asset.

3.27 This can present challenges, with a potential tension between preservation of significance and the need to introduce new facilities / structures / buildings / uses that introduce change to the site / main buildings.

3.28 The purpose of this document is to show how the issue has been carefully approached and a balance struck between the various needs, to achieve an acceptable outcome for the heritage assets and needs of a significant visitor attraction. A summary Statement of Significance is set out below.

CT6 Warwick Castle and St Mary's Lands, Warwick

The Development at Warwick Castle or St Mary's Land, including Warwick Racecourse (within the boundaries defined on the Policies Map), will be permitted where it is brought forward in line with an approved Masterplan setting out the development principles and broad areas for development, indicating the type of uses proposed and, in the case of the Castle, a Conservation Plan for the historic asset. The Masterplan for each will provide the framework within which planning applications will be determined and will:

- a. identify the physical and economic context;
- b. identify the development principles to underpin future development proposals;
- c. identify the significance of heritage assets within the vicinity, setting out how these will be sustained and enhanced (including listed buildings, listed parks and gardens, conservation areas and historic landscapes);
- d. identify the location of developments, demonstrating how proposals will relate to the heritage assets and how they will enhance the positive contribution the asset makes to sustainable communities and to the character and distinctiveness of the area; and,
- e. identify how the proposals support the vitality and viability of the local economy.



Warwick Castle: the South Front

4. STATEMENT OF SIGNIFICANCE

Introduction

4.1 The NPPF highlights the importance of understanding and describing the significance of heritage assets, and using this understanding to inform development proposals. Annex 2 of the NPPF defines significance as:

“The value of a heritage asset to this and future generations because of its heritage interest. The interest may be archaeological, architectural, artistic or historic. Significance derives not only from a heritage asset’s physical presence, but also from its setting.”

4.2 English Heritage’s Conservation Principles, Policies and Guidance (April 2008) has also informed the assessment of significance of the identified heritage assets.¹ This document states that significance embraces the heritage values that people associate with an asset, these are: evidential, historical, aesthetic and communal. Any one or a combination of these heritage values may be attached to a place.

4.3 This Section summarises the significance of the designated heritage assets that fall within the Warwick Castle site, within MEG’s ownership. It is these heritage assets that are likely to be affected by development within the MEG site. Planning applications for future development will need to be accompanied by Heritage Impact Assessments that may also consider heritage assets outside the MEG site boundary. The significance of these heritage assets are not included within this Masterplan document.

Designations

4.4 As a result of Warwick Castle’s early purpose as a Conquest Castle and subsequent development along with an association with individuals involved with the growth of Britain, “this castle, (containing a fine collection of antiques and works of art) is considered of very great national interest” (Warwick Castle List Entry, Historic England ref. 1364805) and therefore of high historical significance. The Castle is designated as a Grade I Listed Building and, in part, a SM. The grounds and parkland are also Grade I listed on Historic England’s Register of Historic Parks and Gardens (see Figure 4.1) and the entire asset is located within Warwick Conservation Area (CA) (see Figure 4.7).

4.5 In addition to the Castle, there are a number of features of special archaeological, architectural, historic or artistic significance which have also been designated in the interest of preserving or enhancing their recognised qualities. These are shown on Figure 4.1 and 4.2 and are:

- 1. Warwick CA (see Figure 4.7)
- 2. Warwick Castle RP&G (Grade I)
- 3. Warwick Castle (Grade I / SM)
- 4. Uninhabited Parts of the Castle and the Mound (SM)
- 5. Conservatory (Grade II*)
- 6. Mill (Grade II*)
- 7. Warwick Castle Lodge (Grade II)
- 8. Stables (Grade II*)
- 9. Portion of Boundary Wall to Grounds of Warwick Castle abutting Castle Hill and east part of Castle Lane (Grade II)
- 10. Portion of Boundary Wall to Warwick Castle abutting west part of Castle Lane (Grade II)
- 11. Remains of Old Castle Bridge (Grade II* / SAM)
- 12. Portion of Boundary Wall to Warwick Castle abutting Mill Street (Grade II*)
- 13. Hunting Lodge (Grade II*)
- 14. Leaffield Bridge (Grade II).

KEY

Warwick Castle Site Boundary

Listed Buildings

Scheduled Monuments

Warwick Castle Grade I Park & Garden

An aerial photograph of Warwick Castle and its surrounding grounds. The castle itself is a large, irregularly shaped area in the center, outlined in red. Various parts of the castle and its grounds are highlighted in different colors: yellow for Grade I Park & Garden, orange for Scheduled Monuments, and red for Listed Buildings. Labels on the map include: 'Boundary Wall to Castle Lane (east part of)', 'Stables', 'Warwick Castle Lodge', 'Boundary Wall to Castle Lane (west part of)', 'Conservatory', 'Warwick Castle (uninhabited parts)', 'Boundary Wall to Mill Street', 'Warwick Castle Old Bridge (remains of)', 'Remains of Old Castle Bridge', 'Warwick Castle Mill', 'Hunting Lodge', 'Leaffield Bridge', and 'Warwick Castle'. The map shows the castle's location relative to the surrounding urban area and the River Avon.

Figure 4.1: Designated Heritage Assets Plan

¹ All ‘English Heritage’ documents, their content and advice are still correct and remain current until any rebranded documents are issued by Historic England.

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KEY

Warwick Castle
Site Boundary



Listed Buildings



Scheduled Monuments



Warwick Castle Grade I
Park & Garden



Figure 4.2: Designated Heritage Assets Plan



Old Castle Bridge



The Mill and east front (domestic range of Castle)

Statement of Significance

4.6 Rodney Melville and Partners (RMP) prepared significance plans for the Castle in 2012. These identify the significance of the various elements of the landscape and Castle structures and are included at Figures 4.3, 4.4 and 4.5. The listing descriptions of the various designated heritage assets within the Castle and wider RP&G are provided at Appendices 2 and 3.

4.7 Warwick Castle and the surrounding parkland is of the highest historical significance as a site that has been continuously occupied since the Saxon period and can be linked with some of the most important figures in British and European history. The Castle and its grounds have illustrative value as a clear manifestation of the aspirations and rising power of a number of historically important families. 19th century buildings and landscaping within the grounds is illustrative of Victorian and Edwardian “high society”.

4.8 The Castle is of very high architectural and historic significance, in particular the east front (domestic range) which showcases the highest quality of 14th century British architecture (Figure 4.4). It is of evidential significance as a building that displays high quality medieval detailing and craftsmanship. It has further aesthetic and historic value as a structure that has inspired awe and fear in people for hundreds of years. The remaining ancillary structures, the Conservatory, Stables, Mill, old bridge, lodge and castle walls are not of such high intrinsic architectural interest as the Castle but together form highly significant elements of the Castle estate as a whole and comprise historic and evidential interest. In the context of the site they are identified as being of medium significance (Figures 4.4 and 4.5).

4.9 The surrounding RP&G has aesthetic value as well as historic illustrative value. This includes the pleasure grounds by “Capability” Brown whose work completed the transformation of the grounds and landscape of Warwick Castle creating one of the most memorable of English castle or country house settings and Robert Marnock’s 19th gardens which also have aesthetic and illustrative value.

4.10 The site is of international significance as one of Britain’s most popular visitor attractions and as part of the unique “Warwickshire offer”. The significance of the various elements is considered in more detail in the following sections.

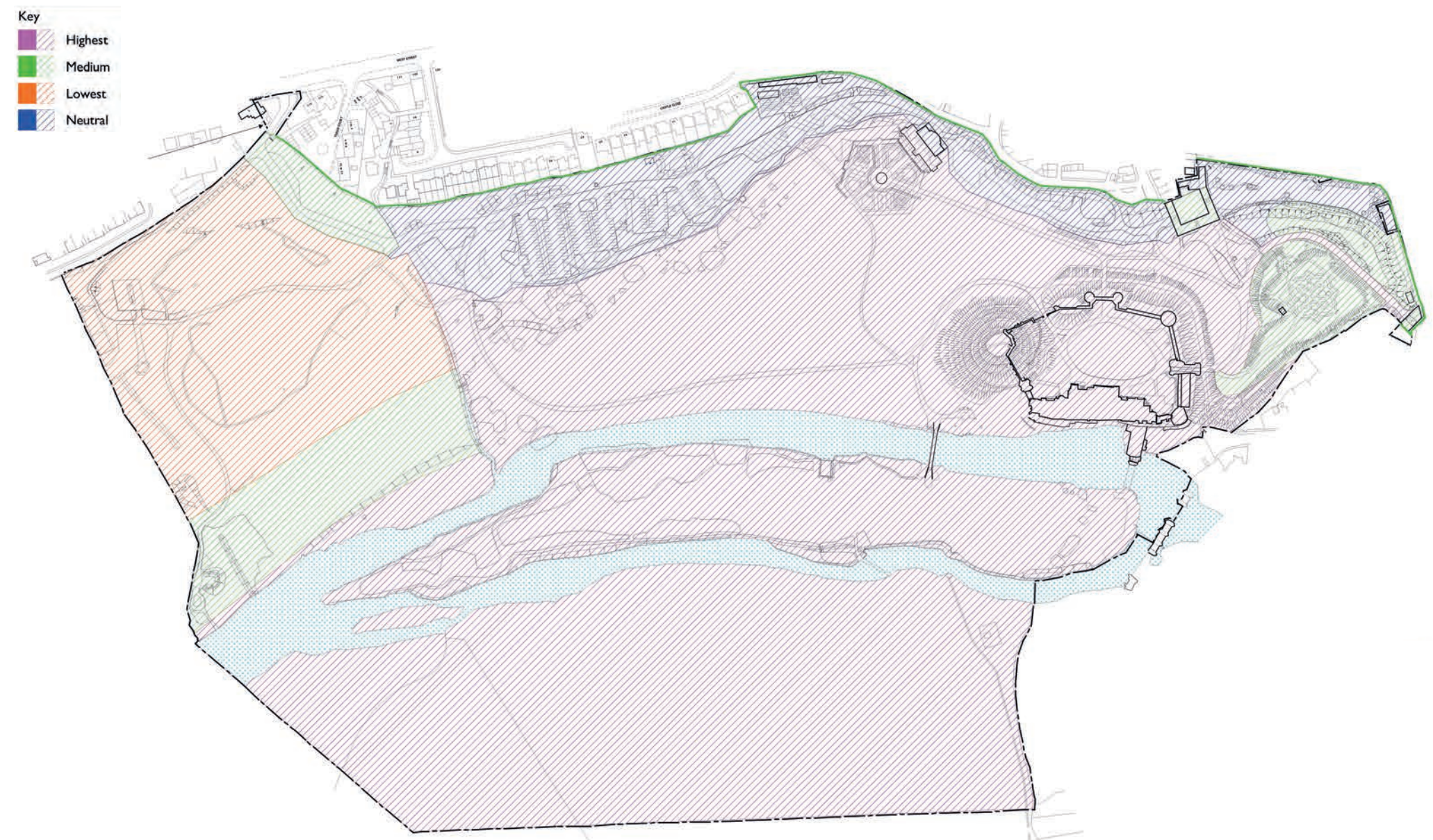


Figure 4.3: Landscape Significance Plan (base plan to be updated to reflect current site) © Rodney Melville + Partners (RMP)

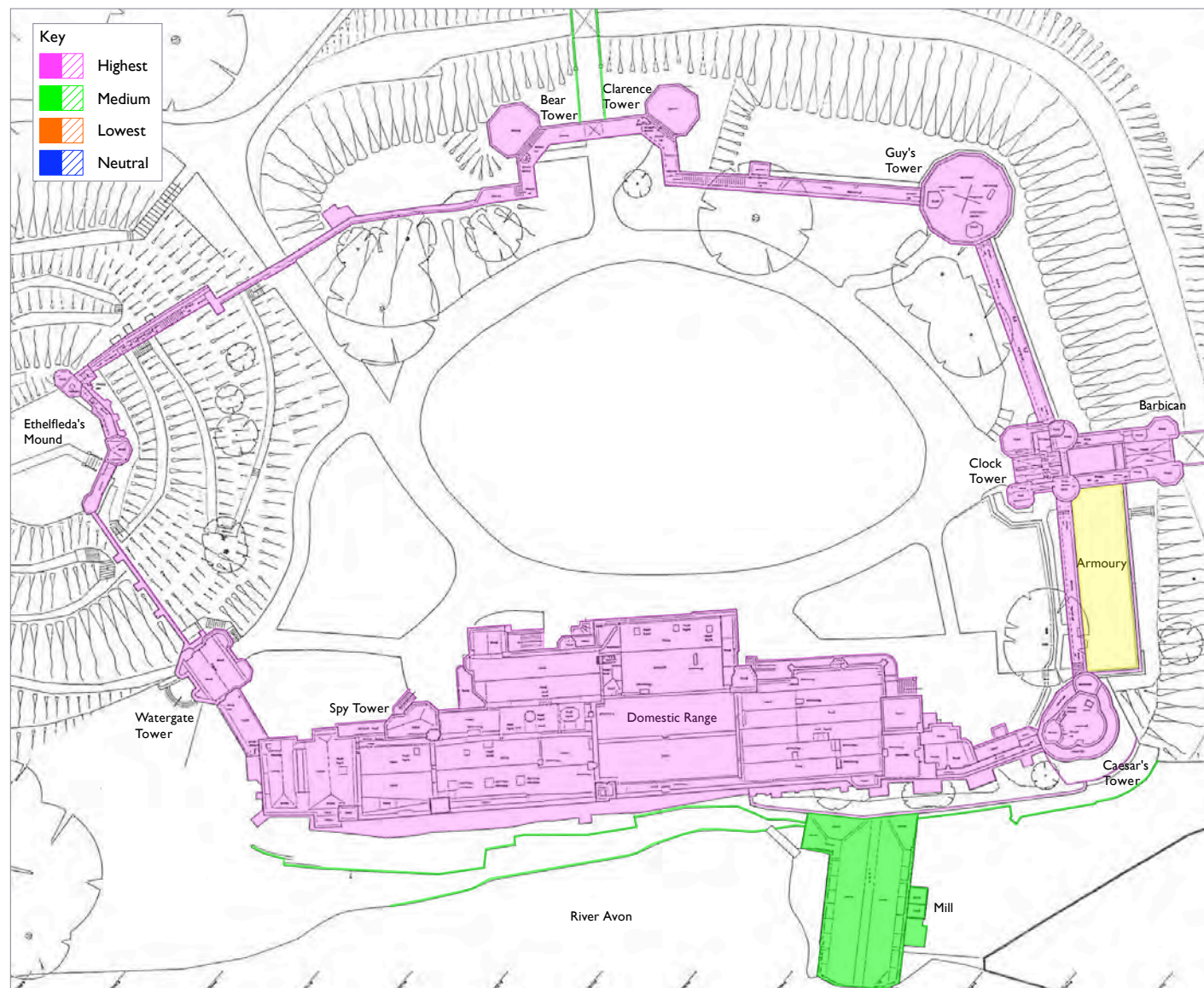


Figure 4.4: Main Courtyard Base Plan: Structures Significance Plan © RMP



Figure 4.5: Castle Site Plan: Structures Significance Plan © RMP



Warwick Castle Domestic Range



Warwick Castle Mound

Warwick Castle (Grade I & Scheduled Monument)

4.11 Warwick Castle stands on high ground to the north-west of the River Avon, the steep bank of which is enclosed behind a high 16th century retaining wall from which the state and private apartments rise on the south-eastern range. The Castle is constructed around an approximately rectangular courtyard, with the 14th century north-west tower, known as Guy's Tower, of a twelve-sided plan rising six storeys to a machicolated parapet.

4.12 The high significance of the Castle lies in its historic, architectural and archaeological interest. The RMP Structures Significance Plans identify the Castle domestic range, ramparts and adjoining towers as being of high significance.

4.13 The historic interest of the Castle is extensive as it has played a key role in British history. Interest is derived from associations with an earlier Saxon burgh on the site which dates to the settlement of the nearby town in 914. The first Castle built on the site in 1068 represented one of the earliest fortifications in the new kingdom of William the Conqueror. Its historic interest, and indeed architectural interest, can be derived from the motte and bailey design of the early Castle (still evident today), which was a completely Norman importation into England. Other historic interest that contributes to the significance of the Castle is in its close association with important historical figures, including Richard III, Henry VIII and the Earls of Warwick, who would become one of the most powerful dynasties in the country, notably Richard Neville, often referred to as the 'Kingmaker'. The Castle can also be linked with a number of historical events including various battles fought by the Beauchamp Earl's of Warwick during the Wars of the Roses (described on pages 5 – 7 of RMP Conservation Plan). The Castle was also used as a shelter for puritans under the second Lord Brooke and as a Parliamentary stronghold and prison for royalists during the English Civil War.

4.14 The archaeological interest of the Castle is derived from the earlier Saxon burgh on the site in 914, the development of the motte and bailey Castle between 1068 and the 14th century, and as a site of conflict during the De Montfort Rebellion in 1264.

4.15 The Castle has communal value today as a distinctive local landmark that has been a tourist attraction and important economic driver in Warwick for over 200 years. The Castle and its archive also act as an important source of local and national history.

4.16 The setting of the Castle, which contributes to its significance, includes the River Avon to the east, south and south-west, and the long ranging views of the wider landscape from the Mound which, historically, offered the greatest vantage point. Views from the top of Guy's Tower provide expansive panoramic views of the historic town to the north and west with countryside beyond. The RP&G is seen to the south with countryside stretching beyond. Views eastwards include Leamington Spa. Areas of woodland and vegetation within Castle Park delineate much of the southern boundary of the Park. The elevated location of the park, its wide-ranging views across the surrounding land and landmark role are all important elements of its significance as a defensive system. Its setting therefore plays an integral role within its significance. The RP&G is an especially important and sensitive part of the setting of the Castle given its historic and functional association with the Castle. The significance and setting of the RP&G is considered below.

4.17 The relationship between the Castle and the wider Park is key to the significance of both assets and must be maintained and enhanced where possible both physically and visually. The Masterplan proposals must take this into consideration.

Warwick Castle Registered Park and Garden (Grade I)

4.18 The whole of the grounds, landscape and parkland at Warwick Castle is designated at Grade I on the Register of Historic Parks and Gardens (added to the register in 2001). The listing description states:

"Mid C18 park and pleasure grounds landscaped by Lancelot Brown, with late C18 picturesque additions, together with mid C19 gardens designed by Robert Marnock and an early C20 garden by Harold Peto, associated with a medieval fortress."

4.19 A full copy of the listing description is provided at Appendix 2 and the boundary is shown on the map at Figure 4.1. This section does not repeat the listing description which provides a full understanding of significance. It does provide a brief summary and draws out those elements of relevance to the Masterplan.

4.20 By the end of the 17th century the Greville family owned large parts of the land around the Castle including the Warren and Temple Fields and a system of avenues was laid out through this land, with the Castle Mount, which was the centrepiece in the Castle gardens, as the focus for the avenues in the park. In 1743 the Castle Park was created by the 1st Earl to replace Wedgnock Park as the deer park for the Brooke estate. The aim was to create a park for pleasure and profit, based on contemporary aesthetic principles. The relationship with the Castle was strengthened by removal of field boundaries, and the creation of drives in order to enjoy the Park. From 1749 – 1752 Lancelot Brown was first employed at Warwick to re-landscape the grounds. Views were introduced by means of planting. The grounds feature informal pleasure grounds to the north, west and south-west of the Castle, and formal gardens to the north and north-west. Brown emphasises the importance of nature in English landscape design and is synonymous with the expansive parks of the picturesque. A Brown landscape is recognised through its use of planting in the form of pasture, enlivened with tree clumps, perimeter shelterbelts and screens of trees to create an English parkland. Brown used native oaks and elms within the Castle grounds as well as a high proportion of evergreens.²

4.21 'Capability' Brown's essential plan remains today although his plantings have been thickened and extended (the plantations added by the second Earl in the late 18th century and also work by Robert Marnock and Harold Peto, who designed mid-19th and early-20th century gardens respectively. In 1869 Robert Marnock's five-sided parterre garden (Peacock Garden) in front of the Conservatory was constructed. Together these layers of history which illustrate the improvements and tastes of the various owners and their employees and contractors contribute to the significance of the Grade I grounds which is of national historic significance (of highest importance).

² 'Capability' Brown & the Landscapes of Middle England (Compton Verney, Warwickshire) (undated).



Warwick Castle Registered Park and Garden

4.22 There are a number of significant views throughout the RP&G, particularly those from the Castle ramparts and towers, the carriage drive, views up the River Avon towards the Mill and remains of the medieval bridge, views from the Castle Mound and views south from the Conservatory across the Pageant Field to the River. In the listing description of the RP&G it describes further significant views:

“There is a complex system of vistas within the site with particularly significant reciprocal views of the Castle from Spiers Lodge and Temple Hill. There are also important views of the town from Spiers Lodge; this view was painted by Paul Sandby in 1776 (WCRO). From Castle Bridge on Banbury Road there are significant designed views south-west down the river to the Castle and the ruins of the medieval bridge which are framed by gardens attached to properties in Mill Street and Bridge End; there is a reciprocal view of the river, gardens, and bridges from within the Castle. From the walls and towers of the Castle there are extensive views in all directions, and particularly across the Castle Park to surrounding agricultural land and late C20 commercial development at Heathcote.”

4.23 There are elements of the RP&G (within MEGs ownership) that are of less value than the remainder of the RP&G. These are shown on RMP’s Landscape Significance Plan (Figure 4.3). Situated to the south of the pleasure grounds and to the north of Castle Park lies Foxes Study, a woodland area containing mixed specimen trees and shrubbery (Figure 2.9). It was first incorporated into the Castle’s parkland in 1719 and planted in the picturesque style in the late 18th century. At this time it was interlaced with winding paths, however, much of this has eroded. During the 19th century an avenue of deodar cedars was planted running south-west through Foxes Study. The majority of this area is identified as of low significance with only the eastern and north-western edges identified as of medium significance. The area to the north of this, that runs along the remainder of the western edge of the park is identified as of neutral significance, meaning there is no significance attached to this area, albeit the boundary wall is of medium significance (Figure 4.3). This area comprises the southern car parks, maintenance compounds and the car park to the north of the Stables. The Stables area and areas either side of the historic carriage drive are of medium significance.

The remainder of the RP&G within the ownership of MEG is of the highest significance. The areas of no significance are generally well screened by vegetation such as the evergreen hedge with deep planting behind running to the west of the Long Walk and the belt of dense planting to the east of the Stratford Road car parks. From within the park and from important viewing points such as the Mound, the ramparts and Guy’s Tower, these neutral areas are difficult to discern. The focus of these elevated views is to the wider town and expansive countryside beyond. The tower of St. Mary’s Church being a particular focus to the north-west. The remainder of the RP&G the ‘Great Park’ outside the ownership of MEG is also a particular focal point stretching southwards with the River Avon running through it. The relationship between the Castle and the wider park should be maintained and enhanced where possible.

4.24 Setting: The Castle Park is enclosed to the east by a predominantly deciduous plantation which screens the Banbury Road. To the south east it is enclosed by Nursery Wood, which is a late 18th century mixed plantation on high ground. Barford Wood bounds the park to the south on land added to the park after the Barford enclosure in 1760 and further plantations known as Ashbeds Wood and The Lilacs screen the western boundary. The setting is however far wider than this and extends to the surrounding town and wider countryside. This is evident from elevated views from the Castle. The countryside setting of the park to the south contributes to its significance as it demonstrates the wider rural setting that the designed landscape would historically have had. The proximity of the park to the historic town to the east and north also contributes to its significance, as the town developed over time adjacent to the Castle, which defended the surrounding land.



View looking south west across the Mound



View looking north east from Guy’s Tower

Conservatory (Grade II*)

4.25 The Conservatory was constructed in 1786 – 8 to designs by William Eborall to house the Warwick Vase, a 4th century Greek urn that was acquired by the second Earl (Grange Greville) in 1774 following its discovery at Hadrian's Villa, Tivoli, in 1770. During the Victorian period it was reused as a glasshouse for displaying exotic plants. It comprises a large single storey building constructed from stone ashlar with a glass roof (late 20th century replacement). It has five large Gothic arched windows with stone chamfered mullions and transoms and a parapet with moulded coping. The Conservatory was restored in 1989 and is currently used as a café.

4.26 The building has architectural interest as a surviving late 18th century Conservatory that has evolved to suit the changing requirements and ownership of the Castle. It has historic interest for its association with Eborall, a prominent architect in Warwick and group value with the Castle and its other ancillary structures. It has aesthetic value as an addition to 'Capability' Brown's park and pleasure grounds. The RMP Structures Significance Plan identifies it as a structure of medium significance (Figure 4.5).

4.27 Setting: The Peacock / Italian Garden, a geometric flower garden that was designed by Robert Marnock in 1869, was constructed to the immediate south east of the Conservatory. While a later addition, this now forms an important part of its setting and illustrates the evolution of the pleasure gardens throughout history. There is an important vista from the Conservatory and flower garden south across Pageant Field to the River Avon. As 'Capability' Brown had completed his work on the grounds by the mid-18th century it is likely that the Conservatory was strategically placed within the existing designed landscape in order to take advantage of planned views and vistas. As such the setting contributes to its significance. The Long Walk stretches northwards from the north-east side of the Peacock Garden to the principal Castle buildings. To the east and west of the Conservatory the setting is completely enclosed by mature trees which screen the 'back of house' area which is identified as neutral on RMP's Landscape Significance Plan. Consequently the areas that lie beyond this are less sensitive to change.

Stables (Grade II*)

4.28 The Stables was constructed in c.1768 – 71 by local mason Job Collins, perhaps to designs by Robert Mylne. It is built up on three sides around a central courtyard with the fourth side enclosed by the Castle's perimeter boundary wall. The building is two storeys, constructed from sandstone ashlar with arched entrances and neoclassical features. It was converted to provide a visitors' entrance in the late 20th century with extensive interior alterations.

4.29 The Stables is of architectural and historic significance as an ancillary building to Warwick Castle, representative of the 18th century phase of development led by Lord Brooke (first Earl of Warwick) which included landscape works by Lancelot 'Capability' Brown. Its historic interest is bolstered through the possible association with Robert Mylne, a prolific architect and surveyor who worked on notable structures including Blackfriars Bridge, St Paul's Cathedral and Canterbury Cathedral. The architectural value of the Stables is somewhat diminished by 20th century alterations. The RMP Structures Significance Plan identifies them as structures of medium significance (Figure 4.5).

4.30 Setting: The Stables are located to the east of Castle Lane. There is a vehicular entrance to the north of the Stables leading into a car park which forms the northern entrance to the Castle. To the east of this carpark is a playground. These elements form the northern setting of the Stables. The car park and perimeter fencing to the playground form a negative feature in the setting of the Stables. The western setting of the Stables comprises the perimeter wall with the wider town beyond which is generally a positive feature. The south and eastern settings are contained within the park and comprise the Castle and pleasure grounds.

4.31 To the immediate south of the Stables is the Mound which is located outside of the designed landscape on Castle Park Drive which could accommodate change.

Mill (Grade II*)

4.32 The Mill is situated to the south-east of the Castle where it is built up against the 16th century boundary wall. It was constructed in 1767 – 8 on the site of the former 14th century mill and is likely to incorporate some of the medieval structure. The Mill was designed by Timothy Lightoler and is castellated with a low turret in stone ashlar. In 1880 the low stone building was gutted by a fire that swept through much of the Castle. In 1894 it was converted to house an electricity generating plant. The machinery was dismantled in the 1950s but the building was renovated and reopened in 2002. To the east of the building is a large timber water wheel.

4.33 It is of historical and architectural significance as an ancillary building to Warwick Castle with medieval foundations with a particular function that historically served the Castle. The decorative treatment is unusual for this type of building as it reflects the medieval Gothic architecture of the Castle. The building has technological interest as a water mill and later engine room that powered the Castle. It has group value with the Castle and other ancillary buildings. The RMP Structures Significance Plans identify it as a structure of medium significance (Figure 4.4 and 4.5).

4.34 Setting: The Mill sits on the River Avon which provides an open rural setting to the south-east. The dominating façade of the Castle's 14th century domestic range encloses the setting to the north-west and south-west. Directly north of the Mill the remains of the old medieval castle bridge can be seen along with 18th century cottages on Mill Street. Due to its topography and sense of enclosure the Mill has a largely unaltered historic setting that contributes considerably to its significance.



The Conservatory



The Stables



The Mill

³ BHO <http://www.british-history.ac.uk/vch/warks/vol8/pp418-427>

Remains of Old Castle Bridge (Grade II* & Scheduled Monument)

4.35 Ruin of a late medieval stone ashlar bridge constructed over the River Avon by the castle weir. What remains of the bridge are three complete arches, one on the south bank and two in the river. The arches have simple chamfered moulding and the central piers have cutwaters. It originally formed the main route over the River Avon and was connected to the town centre via Mill Street. In the 1780s Lord Brooke commissioned a new, wider bridge that was constructed upstream and the medieval bridge was closed off. Records suggest that much of the bridge was swept away during a flood in 1795.³ The bridge was then “enhanced”, including partial demolition, to create a picturesque ruin, by the second Earl.

4.36 The structure is of high historic significance and evidential archaeological value as a medieval structure that was once a main thoroughfare linking Warwick with the south. It is an early example of the application of picturesque theory to the practice of landscape design that was first endorsed by Humphrey Repton in the late 18th century. As a Scheduled Monument, it is of high significance (Figure 4.3).

4.37 Setting: The remains of the old castle bridge has a wide open rural setting afforded by the River Avon which due to its associated function makes a clear contribution to its significance. The bridge has group value with the Castle and its ancillary buildings many of which incorporate medieval structures themselves and which materially and stylistically reflect one another. The function of the bridge as the earliest bridge over the River Avon connects it to the town which grew around the Castle, illustrating their group value. Set on the Mount to the west, the large domestic range of the Castle towers over the old bridge. This element of the setting makes a highly important contribution to the significance of the bridge as it illustrates the impressive and domineering impression that the Castle would have made to visitors approaching Warwick from the south.

Portion of Boundary Wall x3 (Grade II* & Grade II)

4.38 Representing three separate designations these historic portions of the Castle’s boundary wall abut Mill Street (Grade II*) and the west and east part of Castle Lane (both Grade II). They are large stone ashlar boundary walls (approximately 3m tall) constructed in 1789 by William Eborall and decorated with sandstone moulded coping. They form part of the grounds improvements that were commissioned by the second Earl George Greville whereby large areas of the town were subsumed into the Castle grounds. They have been restored in places with either stone or red brick.

4.39 They are of illustrative and historic significance as they represent the 18th century improvements that were made to the Castle grounds by the George Greville which involved the large reconfiguration of the Castle boundary. They have evidential value as a physical manifestation of the Greville Earls’ aspiration for power. The RMP Landscape Significance Plan identifies them as structures of medium significance (Figure 4.3). Red brick alterations of the walls abutting Castle Lane have taken place. This is evident on the section of wall adjacent to the stone-masons’ yard.

4.40 Setting: The setting comprises residential buildings just outside of the Castle boundary. On Mill Street many of these buildings have 16th century origins which contribute to the historic setting of the wall. The setting along Castle Hill has a mixed character leading on to the historic town. Along Castle Lane to the north-west the setting has a residential character. The setting to the south of the walls that abut Castle Lane and Castle Hill, although within the RP&G, is largely used for car parking and maintenance yards and has a back of house character that does not contribute to their significance.

Warwick Castle Lodge (Grade II)

4.41 Single storey neo-gothic lodge situated to the north-east of the Castle. It was constructed in stone ashlar by Samuel Muddiman and John Williams in 1796 – 7 as part of the second Earl’s improvements to the grounds. It is built into the Castle’s perimeter wall and provides an entrance to the grounds from the top of Banbury Road. At the centre of the building is a Gothic carriage arch supporting a pair of timber doors. It has a crenelated parapet. The lodge is currently vacant and provides pedestrian access to the Castle.

4.42 The lodge is of illustrative and historic significance as a physical manifestation of the ambitions and growing status of George Greville the second Earl of Warwick. It has group value with the Castle and ancillary structures which are materially and stylistically related. The lodge has communal value as the one of the main entrances to the Castle which addresses the town centre. The RMP Structures Significance Plan identifies it as a structure of medium significance (Figure 4.5).

4.43 Setting: To the west the lodge leads onto a tarmac drive which was cut into the sandstone bedrock in the early 19th century to create a picturesque approach to the Castle. The visual setting is completely enclosed by tall trees and vegetation above the bedrock.

This part of the RP&G is identified by the RMP Landscape Significance Plan as of high (drive) or medium (the planting) significance (Figure 4.3). To the east the lodge faces onto a roundabout (a modern detractor) beyond which lies Warwick town. Cottages along Mill Street and the spire of St Nicholas Church feature positively in the setting.



The Old Castle Bridge



Portion of Boundary Wall to Castle Lane



Warwick Castle Lodge (behind wall)

³ BHO <http://www.british-history.ac.uk/vch/warks/vol8/pp418-427>

Warwick Conservation Area

4.44 The CA comprises the historic town of Warwick together with the Castle, its pleasure grounds and Castle Park (see Figure 4.7). The appearance — derived from the buildings and spaces — is varied, ranging from the narrow and densely developed streets, dating back to the medieval era and the parklands such as Castle Park. The historic town of Warwick offers a rich diversity of character and form; ranging in scale from modest dwellings to the most architecturally prestigious of buildings, with key buildings constructed in brick and stone and designed in a classical style. Development ranges from medieval to Victorian and later buildings. It is of architectural, historic and archaeological interest.

4.45 The historic interest of the wider CA is derived from its association with the Greville Earls, who had a critical impact on the urban form of the Town in the 18th Century, and from the medieval Castle. From the wider CA the tower of St. Mary's Church forms a notable landmark, assisted by being located on the highest point of the ridge on which the town is built.

4.46 The Castle and Castle Park forms a sub-area (10) of the CA, which is of the highest architectural and historic importance.

4.47 Setting: The CA is bounded by rural countryside to the south and east which creates a green horizon and retains its historic character. To the north is the wider town of Warwick which marks the gradual expansion of Warwick that took place during the 20th and 21st centuries. This area has a modern character and does not contribute to the significance of the CA. Within the CA Appraisal significant views of the Castle are identified from Mill Street and Castle Bridge.



Elevated view looking south-east across Castle Park and Conservation Area



Mill Street, part of Conservation Area

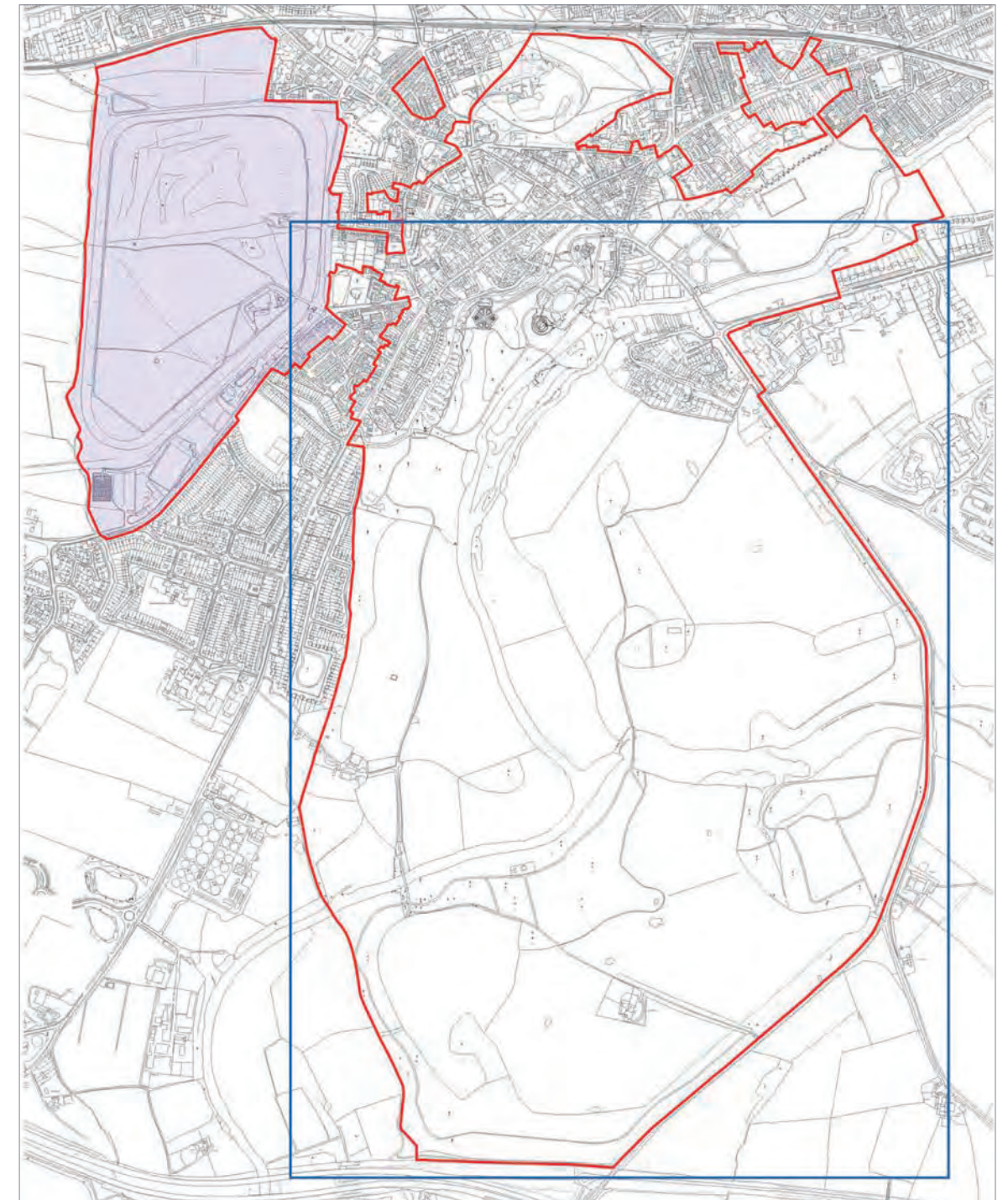


Figure 4.7: Warwick Conservation Area Map (blue box indicates Sub-Area 10)



Warwick Castle, Castle Park and Town, from St Mary's Church

5.THE VISITOR ATTRACTION MARKET

Warwick Castle as a Visitor Attraction

5.1 Warwick Castle, as a visitor attraction, operates within a highly competitive sector of the economy. Leisure spending is generally discretionary and there are many opportunities available to the public about how, when and on what money is spent. Within the leisure sector just retaining visitor numbers is a challenge, especially for those businesses where there is a degree of repeat business (where a visitor returns on several occasions). Essential factors in a visitor attraction retaining its visitor numbers include meeting customer expectations and standards (which are generally rising), providing unique insights / opportunities and a range of experiences that can attract people of varying ages and interest — such as families.

5.2 Barclay’s research, predicated the value of domestic “staycation” holidays in the West Midlands to exceed £1 billion by 2017. A 2019 update, reports increased demand in the Midlands since 2017, fuelled by family-friendly attractions.

5.3 Warwick Castle has been innovative in terms of developing its offer, within the context and requirements of an historic site. However, the Castle’s competition has copied the range and quality of offer. There is therefore a need to respond to customer expectations and differentiate the Castle from others. This is where, for example, the accommodation offer plays a vital role.

5.4 As part of its investment strategy at the Castle, Warwick Castle has introduced visitor accommodation to enhance the potential visitor experiences at the Castle in the form of seasonal ‘glamping’, Tower Suites and more recently lodges.

5.5 In June 2014 the Castle restored two rooms in Caesar’s Tower offering the first opportunity, in 1,100 years, to spend the night in a private chamber in Caesar’s Tower, at the Castle, which enjoys a wealth of Royal connections. Each Suite is located on its own private floor of the 14th century Caesar’s Tower and comprises a bed chamber with four-poster bed in addition to en-suite facilities. The restoration of these rooms — that had just been used for storage — cost over £300,000. All aspects of the accommodation, including the furniture and fabrics, have been designed and created specifically for this exceptional location and to complement the mediaeval architecture.

5.6 Alongside the offer of the Castle itself, visitors have an opportunity to enjoy various experiences within the Castle and across the wider site. These include the permanent events and attractions, such as ‘The Royal Weekend Party’, ‘The Dungeons’ and ‘Birds of Prey’ show. The grounds also host occasional concerts and shows, for example, the Summer Proms. Parts of the Castle can also be hired for private functions.



Tower Suite in Caesar's Tower



Concert event at the Castle



Air show event at the Castle



Birds of prey show

Competition and Investment

5.7 Tourist attractions are continually under pressure to appeal to both new and existing visitors in order to remain competitive. Investment in these attractions is therefore crucial to their continued success. The investment has to meet the expectations of a 'modern' visitor. Accordingly Warwick Castle has to keep its facilities and overall 'offer', under review, investing in upgrading and / or introducing new elements to deal with market expectations as well as competition.

5.8 Nearby visitor attractions are all continually investing — recent developments show a strong trend for on-site accommodation to create a more immersive visitor experience. For example, planning permission has been granted for 40 holiday lodges at Drayton Manor and a new hotel / water park / education centre at West Midlands Safari Park. Glamping is also being introduced at Hatton Country World in 2017.

5.9 Whilst Warwick Castle has a strong brand and a good quality, diverse 'offer', it has to respond to customer expectations and standards that are often informed by experiences elsewhere, including but not solely arising from other heritage based visitor attractions. The competitive marketplace is an important factor in the development of the Castle's Masterplan, set of course within the heritage context.

5.10 Warwick Castle is one of a limited number of 'heritage' attractions across the country which is privately funded and unlike other attractions, does not benefit from public funding. It is, therefore, essential for MEG, over and above other operators, to ensure it can continue to appeal to a wide audience. One means of securing this is to provide new ancillary elements to the main attraction. Drawing from a number of heritage based attractions it can be demonstrated how this has been achieved elsewhere:



5.11 Blackpool Tower is a Grade I listed building and first opened to the public in 1894. As a tourist attraction the tower is historically renowned for its Circus and Ballroom. In 2011, Merlin undertook major refurbishment and added 'The Eye' attraction at the top of the Tower. This enhanced the viewing platform through the creation of a solid-glass SkyWalk and provides a 4D Cinema. In addition, a large indoor children's adventure playground (Jungle Jim's Towering Adventureland), the Tower Lounge Bar and The Dungeons (part of the group operated by MEG) have been added to the original heritage asset since MEG acquired the Tower.



5.12 Blenheim Palace is a Grade I listed building, located in Oxfordshire and with a similar catchment to Warwick Castle. The Palace is a significant attraction that has funding advantages due to its charitable status. Extensive grassed car parking is a particular operational benefit. The Palace hosts many temporary events including concerts and sporting competitions, keeping it in use and marketing fresh products and ideas.



5.13 Chatsworth House is a Grade I listed building and comprises grounds that are also Grade I listed on Historic England's Register of Historic Parks and Gardens. Similar to Warwick Castle, Lancelot 'Capability' Brown was responsible for the landscaped park. The House requires constant care and attention. In 2005, a £32.7 million Masterplan was adopted, one of the largest projects undertaken at Chatsworth since 1828. This has involved extensive restoration work to the original house as well as the construction of new galleries to provide exhibition space. Other facilities added since the 20th century includes the farmyard and adventure playground, as well as an award winning farm shop. Throughout the year, a variety of events are hosted within the grounds including horse trails, the Art Out Loud festival, and the Beyond Limits monumental outdoor sculpture exhibition. The Royal Horticultural Show was held at Chatsworth House, in 2017.



5.14 The Alnwick Garden forms part of the original grounds of Alnwick Castle and is Grade I listed under Historic England's Register of Historic Parks and Gardens. In addition to the Gardens, there are two modern glass buildings which house the café and restaurant as well as the 'Treehouse' attraction. This opened in 2005 and provides a number of restaurants and a venue for private events. Planning permission is currently being sought for the creation of an additional attraction at Alnwick Gardens in the form of a 'Play Village' to the north of the Treehouse. This will comprise cabins, a chapel, hall and a café within an Elfic Play Structure.



5.15 Stonehenge is a UNESCO World Heritage Site and a unique prehistoric monument within an outstandingly rich archaeological landscape. A 110 seater café was erected in 2013 on the wider Stonehenge site, along with a gift shop, a visitor centre with over 300 archaeological objects, an audio-visual experience to enhance the Stonehenge experience and a choice of walking routes available within the surrounding site.



5.16 Knebworth House is a Grade II* listed building set within 250 acres of parkland, including 28 acres of formal gardens and a historic deer park listed under Historic England's Register of Historic Parks and Gardens. Similar to Warwick Castle, a number of events such as Medieval Jousting, Ghost Tours, Food and Flower festivals and the Open Air Cinema are held within the grounds throughout the year. In addition, an Adventure Playground and Dinosaur Trail comprising 70 life sized dinosaurs are located within the Gardens to appeal to younger visitors. Two 400-year-old Tithe Barns have been restored to provide accommodation at the House and two new barns were constructed in 2011 to accommodate an additional number of guests.



5.17 Savill Gardens is Grade I listed on the Register of Historic Parks and Gardens and is often referred to as 'Britain's finest ornamental garden'. Recent developments at the site include a 'kitchen' restaurant with floor to ceiling windows to allow views out across the gardens. Visitors are also encouraged to walk into the heart of the gardens over a raised walkway which curves over the garden below.



5.18 Compton Verney is Grade I listed building within Grade II* Registered Historic Park and Garden. Similar to Warwick Castle, Lancelot 'Capability' Brown was responsible for the landscaped grounds. The original building was rescued from the 'Buildings at Risk' register by Historic England in the early 2000s and subsequently transformed into a major new arts venue which comprised the development of a modern extension. In addition to the gallery, there is now a children's adventure playground and, new in 2017, 'The Clearing' art installation. This feature is a temporary geodesic dome which contrasts with the manicured landscape and provides a space for workshops and living art including the occasional short-term camping by artists. The structure was funded by the Heritage Lottery Fund.



5.19 Cromford Mills is the home of the Sir Richard Arkwright's first mill complex and is a Grade I Listed Building within an internationally recognised UNESCO World Heritage Site. In addition to the original mill, there are a number of visitor attractions within the buildings including 'the gateway' which provides a shop and interactive displays, the Cromford Mills Store which provides period re-enactments and interactive waterwheel models, the 'Arkwright Experience and Exhibition', café and restaurant, and a number of shops and galleries.



5.20 National Maritime Museum is situated adjacent to a Grade I English Heritage Registered Historic Park, a Scheduled Ancient Monument and located within a Conservation Area and the Maritime Greenwich World Heritage Site. In June 2011 a £35m development at the National Maritime Museum (London Borough of Greenwich) opened the Sammy Ofer Wing. Both planning permission and listed building consent were secured for what is the biggest development in the Museum's history, including major works of alteration and extension to a Grade I listed building to facilitate the construction of the exhibition wing which included a new southern entrance, visitor facilities and a café and restaurant.



5.21 Cardiff Castle features a Norman motte and bailey castle, similar to Warwick Castle, which is a Scheduled Ancient Monument as well as elements of 19th century reconstruction which are listed and sit atop the scheduled remains of the Roman Fort. In addition to the medieval jousting re-enactments, the Trebuchet and tours of the Castle, museum, a new visitor centre, 'the interpretation centre' has been constructed to the rear of the Castle's south wall. This provides film shows of the Castle's history and shows its transformation over time.

6. HERITAGE AND ECONOMIC IMPACTS

Heritage and Tourism

6.1 Conserving and enhancing Warwick Castle is a major task, especially in light of the fact that MEG does not benefit from any public funding. As such all repairs and restoration are privately funded. Since 1978, an extensive investment and refurbishment programme has been undertaken to ensure that the fabric of the listed buildings and grounds are maintained. Evidently, the continued attraction for visitors to the Castle is vital for its economic viability and to ensure that funds are available for the upkeep of the listed buildings and grounds.

6.2 Over the past 35 years over £20 million has been spent on restoration including £8.5 million over the last 10 years. Since 2010, MEG has committed at least a quarter of a million pounds every year to restoration and repair projects which are above and beyond essential maintenance required for the Castle's upkeep:

- 1980: Demolition of existing timber footbridge and erection of footbridge over River Avon
- 1981: Restoration of the boundary walls
- 1990: Masonry repairs to Caesar's Tower
- 2000: Repairs to the roof of the Great Hall
- 2001: Restoration and alterations to east and west elevations of the Mill
- 2002: Reinstatement of the Mill and Engine House
- 2008 – 2012: Restoration of the River Wall at an estimated cost of £1 million (figure 2.2 from Lodge Planning Statement)
- 2014: Repairs to Guy's Tower and removal of graffiti
- 2015: Restoration of the Castle Walls and Tower at an estimated cost of £1 million
- 2017: Restoration of the Victorian Boathouse, Fire Compartmentation (for the Domestic Range) and restoration and repairs to Guy's Tower, which makes a total of over £1.1 million.

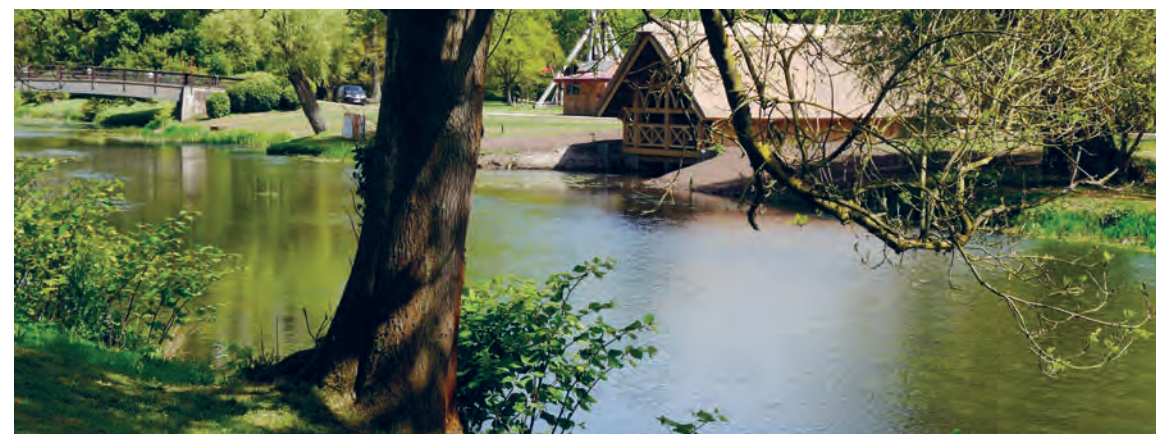
6.3 Historic England has confirmed that nationally, applications for listed building consent are an increasing proportion of all planning applications submitted to local planning authorities. In 2015 / 2016 this represented 7.1% of all applications, an increase from 5.7% in 2007 / 2008⁴. This illustrates the continued requirement to invest in such assets in order to preserve the Castle for future generations.



River wall during repairs



River wall after repairs



Re-built Victorian Boathouse

⁴ Heritage Counts 2016 England, Historic England



Guy's Tower during repairs

Tourism and Economy

6.4 The importance of tourism to Warwick and Warwickshire is well known and confirmed in a range of documents, produced in the recent past. These documents include:

- 1. Warwick District Council Tourism Strategy
- 2. WDC Corporate Business Development Plan; Fit for the Future
- 3. Warwickshire Visitor Economy Framework 2013 – 18 (November 2012) and.
- 4. Warwick District Council Retail & Leisure Study, July 2018

6.5 The Council’s overarching vision for Warwick District is to be “... a great place to live, work and visit where we aspire to build sustainable, safe, stronger and healthier communities.”

6.6 The vision is set out in its “Sustainable Community Strategy” that is then supported by “4 thematic priorities” including the theme of “skill and employment” where the priority includes attaining an “economically vibrant and creative community...” that includes requiring innovations in tourism (amongst other sectors of the economy). The aim of the priority is to create a strong and diverse economy with the district’s tourism economy “thriving” as one of the top visitor destinations.

6.7 The approach to the tourism economy is set out in more detail in the WDC Tourism Strategy. Overall this document reinforces the need to develop the tourism sector, acknowledging a role for both the public and private sectors, with partnership working a key component to achieve a successful outcome (para. 1.1, 4.1). The vision underpinning the strategy is clear about the aspiration to grow the tourism economy.

“Working in partnership with others to present a clear, compelling message about the area’s unique strengths, which has the active support of local businesses and communities, and which is founded on the highest standards of visitor welcome.

To grow the value of tourism to the District’s economy by more than 5% per annum over the next 10 years.”

6.8 The context that supports WDC’s approach is summarised in the document (Section 2) identifying for example:

- 1. Government policy is to harness the potential for tourism to grow the economy
- 2. Visit England want to grow tourism 5% per annum (over 10 years)
- 3. Visit England consider Warwick a national “attract brand”
- 4. The LEP has acknowledged tourism as one of 7 sectors that will assist growth of the sub-regional economy
- 5. In Warwick, tourism is “big business” (over 3 million trips p.a., supporting nearly 5,000 jobs (para. 2.2)
- 6. The District has a strong appeal to visitors from the UK and overseas
- 7. And, of the ‘brands’ that attract people, Warwick Castle is particularly strong, along with Shakespeare’s Birthplace (para. 2.2).

6.9 To support the overall vision, WDC explains that it has a number of roles, including a recognition of how important the quality of the environment is, to attract visitors, along with the character of the destination. Accordingly the Council wants to place shape which, it explains:

“... relates to how a destination plans, develops and maintains its offer, presenting a coherent, consistent, distinctive position, message and brand which can engage businesses, investors and visitors, to build confidence and competitiveness.”

6.10 And that WDC’s role:

“... is to create the right environment in which tourism can thrive — through a conducive planning policy, development of the public realm, conservation and management of heritage and landscape, promoting quality, and town centre animation.”

6.11 The approach to tourism recognises that there are several other factors that will contribute towards success of the sector.

6.12 The Retail and Leisure Study recommends the proactive and continuous promotion of Warwick as a family leisure destination.

6.13 Warwick Castle welcomes the clear support that WDC offers for reinforcing the tourism sector and the importance of a “quality offer” to achieving success. This echoes the approach that Warwick Castle takes and has guided the development of the ideas set out within this masterplan.

6.14 The Castle is a leading visitor attraction; it contributes significantly to the local tourism offer and the local and regional economy providing a diverse mix of jobs and flexible working. Its continued success is important for the economy of the town and to generate money for the upkeep of the heritage assets.

6.15 Research by Historic England concludes that investment in the historic environment:

- 1. Supports economic performance by attracting new business and residents, encouraging people to spend more locally and enhancing perceptions of the area. It is a successful way to encourage economic growth and provides a blueprint for sustainable development
- 2. Can lead to significant additional spending in the Warwick local economy and wider economy. Research by Historic England indicates that every £1 invested in the historic environment directly contributes on average an additional £1.60 to the local economy over a ten year period and an extra £7.10 in the wider economy [this remains the most recent statistics according to the 2016 Counts document]. Based on this assumption, £7.3 million investment in restoration at the Castle over the past 10 years will have generated £11.7 million locally and a further £12.4 million in the wider economy. Therefore, the combined value of investment in the historic environment at the Castle amounts to over £24.1 million.
- 3. In 2016, the heritage sector provided 328, 700 jobs and generated £18.4 billion in tourism expenditure. By 2025, it is estimated that this will grow significantly and result in a total tourism

contribution of £324 billion and 4.6 million jobs.

6.16 The key benefits that Warwick Castle brings

-  to the local economy include:
-  Delivery of circa **£34m** revenue to the region;
-  Consistent generation of national **TV & PR and awareness** of Warwick;
-  **46%** of Castle overnight guests visit **Warwick Town**;
-  Spending of **£782,000** on supplies from local businesses;
-  **Accommodation for 13,000** overnight visitors in the lodges, Tower Suites & seasonal glamping (July & August);
-  ‘Glampers’ who choose to dine in Warwick spend an average **£18 per head**;
-  Tower Suite guests purchased circa **350 meals** in restaurants in 2016;
-  Employing **370 staff** including circa 180 permanent and circa 180 seasonal jobs provided; and,

It is estimated that the Castle generates **75,000 room nights** across hotels in the region and support for other businesses in the area.

6.17 The Castle undertakes significant annual promotional and advertising of the attraction ensuring that the town of Warwick receives national recognition. In 2014, the Castle generated an advertising value equivalent of £17 million. This level of investment and spending leads to significant additional spending in the Warwick local economy and the wider economy.

7.THE CONCEPT AND GUIDING PRINCIPLES

Visitor Attractions — Investment is Essential

7.1 As evident from the economic context, Warwick Castle, as a visitor attraction, operates within a highly competitive sector of the economy and just retaining visitor numbers is a challenge, especially for those businesses where there is a degree of repeat business. Essential factors in retaining visitor numbers include meeting rising customer expectations and standards, and providing a range of experiences that can attract people of all ages and interest. Warwick Castle has been innovative in terms of developing its offer, within the context and requirements of a historic site. Since TTG acquired the Castle in 1978 a number of sensitive 'attractions', of a limited development nature, have been added to the Castle and within the grounds. This limited level of development has enhanced the existing assets whilst providing new opportunities for visitors:



Opening of the 'Castle Dungeon' experience



Use of land for 'glamping' site (seasonal to 2022)



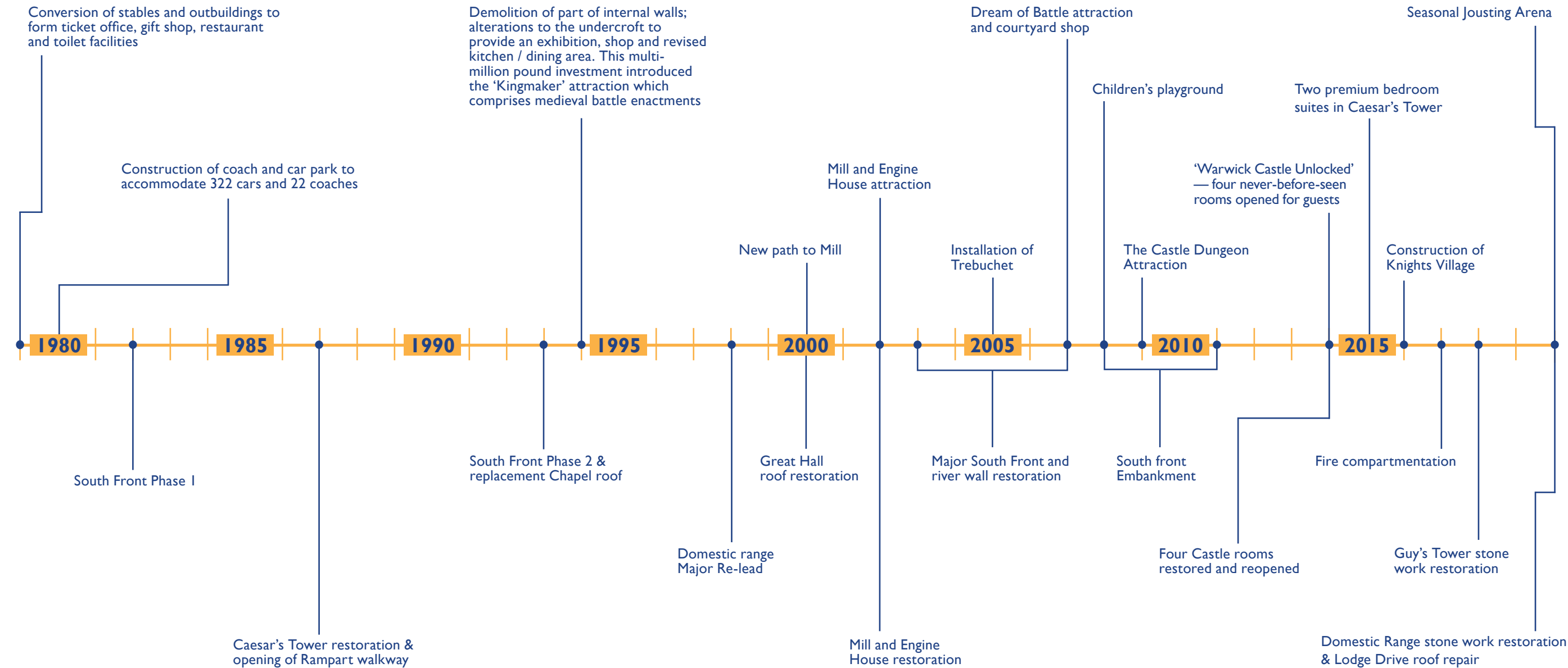
Construction of base for trebuchet (siege machine) on river island



Erection of 14 permanent semi-detached lodges (28 units) for visitor accommodation

Major Investments Since 1978

Development



Restoration (£25 million)

7.2 The managers of the Warwick Castle undertake visitor surveys and assess the feedback against key performance indicators (KPIs). These help inform decision about projects that should be progressed.

7.3 The feedback identifies dissatisfaction with:

- Catering facilities
- Toilet provision
- Disabled access
- Covered / sheltered areas (especially on hot or wet days).

7.4 The dissatisfaction with these aspects is magnified on busy days.

7.5 In addition, from a management perspective, office space is very limited and in some cases occupies rooms in the Castle that could be opened to guests. Whilst this would help provide more space for guests, it would present challenges for the operational side of the Castle. The Castle also needs adequate space for other operational facilities. The increased success of the Castle and demand for better and a more varied food and beverage offer, means that there is a need for accessible on-site storage space. At the moment some supplies are stored off-site which adds complexity to the operation of the Castle. This is often exacerbated by traffic in Warwick.

7.6 With the shift to more of our guests who visit the Castle travelling by car (versus a greater percentage who arrived by coach in the 1990s) we are reviewing how we manage the increased car volumes. The overflow car park in Leafield Farm is being used more regularly than originally expected (on neighbouring land). We will work with WDC on this, as their plans are also to develop town centre car parking to see if this can help our situation.

7.7 The visitor is the focus of the Castle’s operation: they are essential to ensure the Castle is maintained, that it is able to employ staff and suppliers which, in turn, have many spin off benefits. However, as set out above there are challenges, especially from competitors both in the UK and overseas.

7.8 Accordingly Warwick Castle has to provide a range of facilities and features that draw visitors. In addition, a

visitor attraction requires significant ‘infrastructure’ to ensure it is managed efficiently, some infrastructure is related to the visitor, other infrastructure is required for the management of the estate. Due to the significance of the site there is the need for both buildings / structures and the landscape to be carefully maintained.

7.9 The facets of the overall operation of the Castle are, therefore:

- Visitor facing ‘attractions’
- Visitor infrastructure
- Management infrastructure
- Building maintenance
- Landscape management.

7.10 All need to be addressed over the next 10 years or so. This section of the Masterplan outlines a number of concepts and guiding principles to enable the continued successful running of the Castle as a visitor attraction alongside ongoing maintenance and restoration of the heritage assets.

The Concepts

- 1. Visitor Facing ‘Attractions’:
 - i. Upgraded existing ‘attractions’ — refreshing facilities that may have become dated or no longer meet visitor demands / expectations;
 - ii. New ‘attractions’ to complement the existing offer of the Castle — a mix of permanent and seasonal facilities, shows, displays, access to the heritage asset.
- 2. Visitor Infrastructure:
 - i. Rationalised food and drink offer to provide more high quality permanent facilities including opportunities across the site to help distribute visitors
 - ii. Enhanced facilities for visitors to eat and drink, e.g. covered seating areas
 - iii. Additional visitor accommodation on-site
 - iv. Improved retail facilities
 - v. Wheelchair access to more areas of the castle

- vi. Improved / more integrated pedestrian access
- vii. Provision of adequate overflow car parking.

- 3. Management Infrastructure:
 - i. Office space for Castle staff
 - ii. ‘Back of house’ improvements to provide better storage and maintenance areas.
- 4. Building Maintenance and Heritage Restoration:
 - i. Domestic range masonry repairs east and west;
 - ii. South Front repairs Phase 6
 - iii. Tower’s and ramparts
 - iv. Mound curtain wall
 - v. Conservatory window frames
 - vi. Boundary walls.
- 5. Landscape Management:
 - i. Ongoing management of the existing grounds
 - ii. Opportunities for new tree planting.

Guiding Principles

- | | |
|--|--|
| 1. Consideration of the significance of the RP&G and preserving its values and significance; | 4. Any new build structures to remain subservient to the heritage asset(s) and respect their setting; |
| 2. Assessment of the significance of the Conservation Area and continued commitment to preserving or enhancing its character and appearance; | 5. Archaeological investigations to be carried out if foundations or below ground physical works are required; |
| 3. Careful consideration of any proposed physical alterations to the heritage assets: <ul style="list-style-type: none">i. loss of historic fabric should be minimised;ii. consideration of the reversibility of proposals in the future; and,iii. selection of historically sympathetic and high quality materials; | 6. Planting to be used, where historically appropriate, to reduce visibility of any new build structures; |
| | 7. Consider opportunities to enhance the aesthetic of an area, where appropriate. |
- Projects which are developed in accordance with the above concepts and which follow the outlined guiding principles will be capable of preserving the significance of the heritage assets, the RP&G and the CA.

Case Study

The opening up of the undercroft is a good example of how Warwick Castle resolved a problem over 20 years ago (1993 – 4) that achieved management, heritage and guest benefits. Feedback from guests identified that the Castle’s medieval history was underrepresented. The undercroft was an ideal space to explain that aspect of the Castle’s history but it was occupied by maintenance workshops and, in part, an apartment created in the late 19th Century.

The solution was to build a specific building, the Estate Management Building in Foxes Study, on a cleared area surrounded by woodland. This meant the workshops could be cleared out of the core of the Castle. This enabled the undercroft to be made accessible to visitors and became the location for the Kingmaker attraction. It was concluded that this overall scheme, including removal of the apartment, created benefits, including restoration and revealing another part of the heritage significance of the Castle.



8. WARWICK CASTLE — CONTINUING SUCCESS

This section identifies the plans and projects that Warwick Castle is currently considering in line with the concepts set out in Section 7. The plans and projects set out are merely emerging/initial ideas of how the concepts could be realised at the Castle. They will be subject to ongoing consideration, design evolution and pre-application discussion with the Council prior to submission of the required planning applications. As the projects set out here are only initial ideas, it is agreed that this Section of the Masterplan will not be adopted/endorsed specifically by the Council. However, it demonstrates how the concepts might be delivered at the Castle and how the guiding principles can be applied to specific projects and sites within the Castle grounds.

The potential for effects on heritage assets, traffic, residential amenity, ecology, flood risks, and trees or any other relevant matters will be considered, where relevant, on a project by project basis.

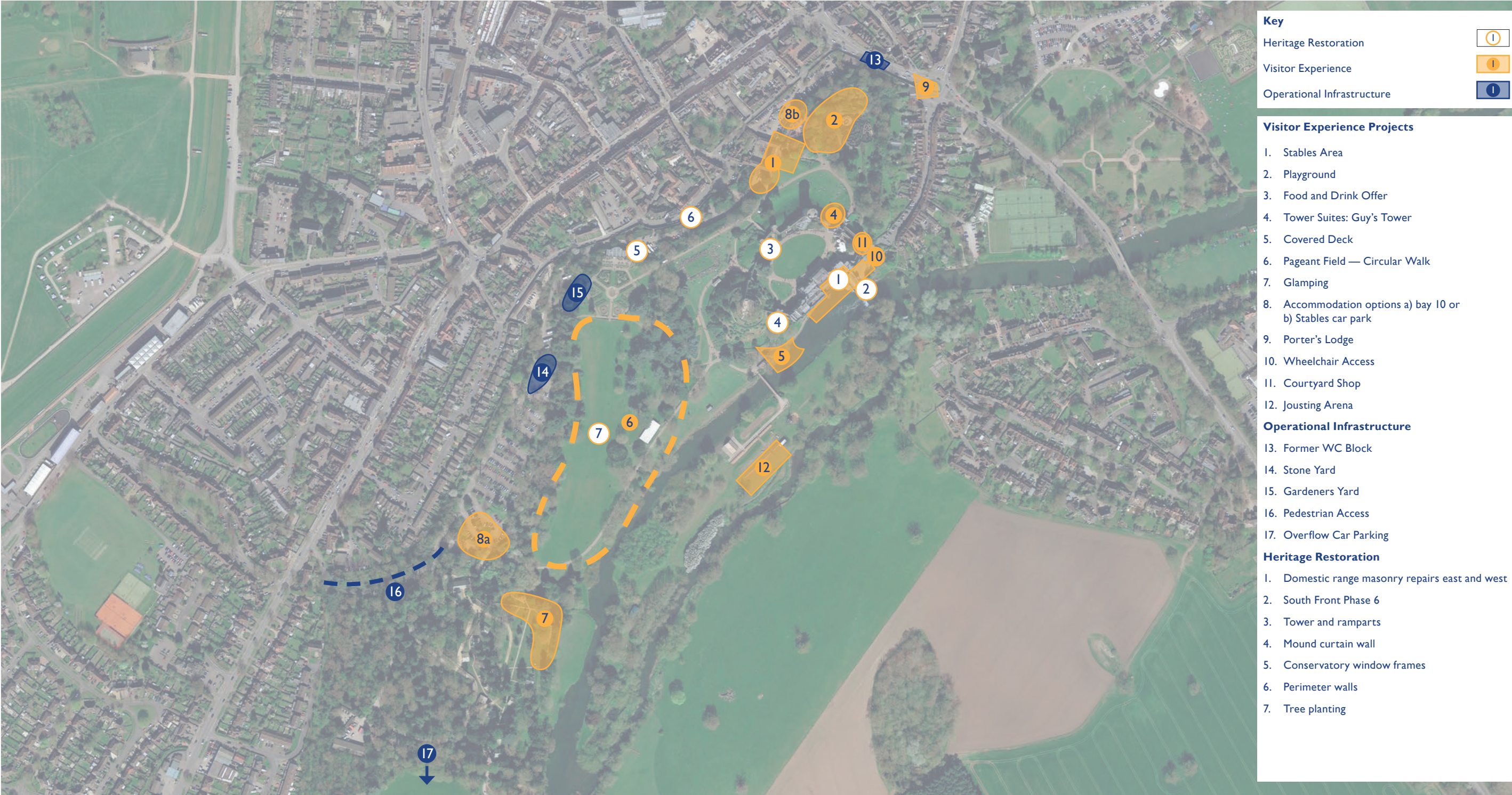
8.1 A high level Heritage Impact Assessment (HIA) has been completed for each initial project idea to ensure that heritage significance is fully identified and considered at an early stage as the Castle considers projects / plan ideas in line with the concepts identified in Section 7. The HIAs following the guidance of Historic England: 'Historic Environment Good Practice Advice in Planning Note 2: Managing significance in Decision Taking in the Historic Environment', 27 March 2015.

The structure of each HIA has also followed the approach identified on Warwick District Council's website. At this masterplan stage, an overview and general development / design principles are provided for each initial project to demonstrate how the Castle can apply the guiding principles in Section 7 to the emerging specific project ideas. This includes potential impacts and how any potential harm will be mitigated. Detailed designs will follow later. Each project will be subject to pre-application discussion and a full Heritage Impact Assessment once the details of the projects have been established.

8.2 The significance of each area currently being considered is described including the contribution of its setting to significance. Development /design principles are established for proposed new development which align to the guiding principles in Section 7 — to maximise opportunities for enhancement and to mitigate any potential harm. The contribution that each site makes to the setting and significance of the Grade I Registered Castle Park and pleasure gardens, and the setting of the Grade I listed (part Scheduled Monument) Warwick Castle, is also noted — as either high, medium, low or neutral, as identified on the RMP significance plans.



Overall Masterplan



Overall Masterplan

I. Stables Area

8.3 This is the main arrival point for all guests. It contains several functions including; ticket sales, toilets, food and drink and a shop. The space is limited and relatively congested. Consideration has been given to enclosing the courtyard but design and cost considerations mean this option is currently unviable. To the south of the stables is a small mound with shrub planting abutting the Grade II listed boundary wall. There is the potential to add a sensitively designed building here, on the main pedestrian route from the Stratford Road Car Park to / from the Castle, to ease congestion.

Significance of Heritage Asset

8.4 The Stables (Grade II*) were constructed in c.1768 – 71 by local mason Job Collins, perhaps to designs by Robert Mylne. It is built up on three sides around a central courtyard with the fourth side enclosed by the castle's perimeter boundary wall. The building is two storeys, constructed from sandstone ashlar with arched entrances and neoclassical features. They were converted to provide a visitors' entrance in the late 20th century with extensive interior alterations.

8.5 The Stables is of architectural and historic significance as an ancillary building to Warwick Castle, representative of the 18th century phase of development led by Lord Brooke (First Earl of Warwick) which included landscape works by Lancelot Capability Brown. The historic interest is bolstered through the possible association with Robert Mylne, a prolific architect and surveyor who worked on notable structures including Blackfriars Bridge, St Paul's Cathedral and Canterbury Cathedral. The architectural value of the interior of the Stables is somewhat diminished by 20th century alterations. As indicated by the listing description, it has group value with Warwick Castle, the boundary walls, the Conservatory, Mill and Lodge.

8.6 The setting comprises the Castle and pleasure grounds to the south / southeast, the perimeter wall to the west and the stables carpark, playground and entrance to the north. The wider setting includes Warwick town centre to the north-west and the RP&G to the south.

These are all positive features within the setting that contribute to the significance of the Stables. The Stables car park and perimeter fencing to the playground form a negative feature in the setting. The mound (see adjacent photograph) where an extension could possibly be accommodated is situated to the south of the Stables along Warwick Castle Drive. It has a back of house character which accommodates pedestrian access and car parking and is not as important as the wider grounds.

8.7 The Portion of Boundary Wall (Grade II) to the west of the Stables was constructed in 1798 by William Eborall from sandstone ashlar. It is of historic significance as it represents improvements of the grounds commissioned by George Greville (Second Earl of Warwick). It forms part of an important group with the Castle and other ancillary structures and defines the boundary of the Grade I Registered Castle Park and Garden.

8.8 In the context of the Warwick Castle site as a whole, the potential development area is identified as neutral on the RMP landscape plan (see Figure 4.3) and the Stables and boundary wall are of medium significance.

Assessment of Impact

8.9 There is no confirmed project here. The potential of adding floorspace to the mound area could affect the following:

1. The historic fabric of the Stables and boundary wall to Castle Lane if a structure is physically attached to either of these elements
2. The setting of the Stables through addition of new development and loss of shrubs / landscaping
3. The setting of the Castle, particularly in views from Guy's Tower
4. The character and appearance of the Conservation Area
5. The significance of the RP&G.



Development / Design Principles

1. Careful consideration of any physical alterations to the stable: minimisation of loss of historic fabric; reversibility of proposals in future and choosing historically sympathetic materials where appropriate
2. New build to remain subservient to Stables
3. An addition to be well designed and identifiable as 21st century development (could be either traditional or modern in style)
4. Archaeological investigations
5. Planting, if appropriate, to reduce visibility of new build within the setting of the Castle
6. Ensure height of new building remains lower than the Castle Lane boundary wall so it is not visible from Castle Lane / the southern end of Castle Street.

8.10 If the above principles are followed development could preserve the significance of the Stables, boundary walls, Castle, RP&G and the CA.





2. Playground

8.11 The playground is located to the north of the Stables between the Stables carpark and the historic picturesque driveway that was cut into the bedrock in 1797 as part of Lord Brooke's major grounds improvements. It comprises modern timber play structures set on a sloping area of land and enclosed by tall modern timber perimeter fencing. Running the length of its western side is a bank densely planted with evergreen and deciduous trees. A modern timber fence is located to the west of this bank at the perimeter of the Stables car park. A modern timber bridge and modern steps provide an elevated pedestrian route from the car park to the historic driveway at the southern boundary of the playground. Beyond the carpark lies the Grade II listed boundary wall fronting Castle Lane. The tall timber entrance to the playground faces southwards towards the Castle and is just to the north-east of the Stables. The area needs to be upgraded. Consideration is being given to whether it is renewed (as a playground) or similar alternative use within the area.

Significance of Heritage Asset

8.12 The playground structures are modern and are of neither historic nor architectural interest. The area is however, located in close proximity to the Stables (Grade II*) and boundary wall (Grade II) and set within the Warwick Castle RP&G (Grade I). This area was included within the Castle grounds by Lord Brooke's (the 2nd Earl's) expansion in the late 18th century. Trees were planted at the perimeter of the historic carriage drive that was cut into the sandstone bedrock in 1797 in order to create a picturesque approach to the Castle through the boundary plantations.

The playground site is of limited significance as the former 19th century planting within the area has been removed. The RMP Landscape Significance Plan identifies the southern part of the playground as a landscape of neutral significance whilst the northern part is of medium significance given it forms part of the 2nd Earl's late 18th Century expansion (see Figure 4.3).

8.13 Due to the sloping topography and surrounding vegetation and fencing the playground structures have an enclosed visual setting. The wider setting comprises the Stables carpark, castle boundary wall and Warwick town centre to the north with the Stables and Warwick Castle to the south. The playground is largely screened from the surrounding heritage assets and from views within the RP&G. Perimeter fencing along its western boundary is clearly visible from the north entrance of the Stables and from the portion of boundary wall that abuts Castle Lane. The perimeter fencing which has mock crenulations is of low quality design and detracts from their setting. The playground is obscured in views from the Castle by mature specimen trees. The elevated fencing can just be seen above the surrounding vegetation in panoramic views from Guy's Tower.

Assessment of Impact

8.14 There is no confirmed project here. The potential replacement of the playground with new open-air playground structures or similar alternative use could affect the following:

1. The setting of the Stables and boundary wall to Castle Lane through addition of new development
2. The setting of the Castle, particularly in views from Guy's Tower and the ramparts and the 'experience' of being close to the historic Castle.

This includes the route for pedestrians who currently use the bridge which is a utilitarian feature

3. The character and appearance of the Conservation Area, albeit the mature trees provide substantial screening
4. The medium significance of this part of the RP&G.

Development / Design Principles

1. To replace the playground fencing (including the fencing to the car park) with fencing of a more discrete, low-key design
2. To not increase the height of the existing perimeter fencing. Look to reduce the height of the elevated fencing on the bank that is visible from Guy's Tower / the ramparts.
3. To ensure that the new structures (either enclosed or open-air) remain obscured from the historic carriage drive through the protection and, if appropriate, enhancement of the current planting. A landscape architect specialising in historic landscapes should contribute to decisions on appropriate planting.
4. To design structures and use materials carefully to improve the aesthetic quality of this area and enhance the experience, including (if needed) a bridge
5. To ensure a building or new structures remain low-scale and not visible from the carpark or from Guy's tower
6. Archaeological investigations to be undertaken if foundations are required.

8.15 If the above principles are followed development could preserve the significance of the Stables, boundary walls, Castle, RP&G and the CA.



3. Food and Drink Offer

8.16 The Castle is seeking to rationalise its catering offer to improve the facilities for guests in terms of quality and ease of access. Currently, food and drink is predominantly sold from a number of mobile units / kiosks across the grounds and there is an under provision of permanent high quality restaurant/cafe space at the Castle. The aim is to de-clutter the provision and focus on higher quality provision that better serves guests.

Significance of Heritage Asset

8.17 No specific proposals have been confirmed to date but means of improving and rationalising the food and drink offer at various locations within the Castle grounds are being considered.

Assessment of Impact

8.18 There are no confirmed projects here. The improvement, rationalisation and consolidation of the existing units to a high quality temporary or permanent replacement within the grounds of the Castle could affect the following:

1. The setting of the Castle, particularly in views from Bear, Clarence and Guy's Towers and the mound

2. Depending on location it also has the potential to affect the setting of the Stables, Conservatory and boundary wall to Castle Lane
3. The high significance of parts of the RP&G
4. The character and appearance of the CA.

Development / Design Principles

1. Careful selection of location
2. Specialist heritage input at site selection stage to identify a suitable location which minimises effects on the significance of the RP&G and the setting of the Stables, Castle and Conservatory
3. Minimisation of loss of mature planting
4. Additional planting, if historically appropriate, to reduce visibility of new build within the setting of the Castle, boundary wall, Stables or Conservatory
5. Any addition to be well designed and identifiable as 21st Century development (could be either traditional or modern in style)
6. Ensure scale and massing of any new building is appropriate to its location and within the setting of the Castle stables, Conservation or boundary wall

7. Ensure scale and massing of new building is appropriate to its location and within the setting of the Castle, Stables, Conservation or boundary wall
8. Archaeological investigations.

8.19 If the above principles are followed development could preserve the significance of the Stables, boundary walls, Castle, RP&G and the CA.

4. Tower Suites: Guy's Tower

8.20 Guy's Tower is at the north west point of the Castle constructed in the late 14th century and connected to the gatehouse and barbican by crenelated curtain walls. Guy's Tower was recently refurbished and now contains two tower suites. These have provided the Castle with a high quality and highly unusual offer and the rooms have been very popular. The heritage benefits that have resulted include repairs to the listed building / Scheduled Monument as well as finding a use for long underused / empty spaces. There are vacant rooms in Guy's Tower with potential to create additional suites and improve this offer.



Significance of Heritage Asset

8.21 Guy's Tower is a large stone fortification tower constructed on the site of the original castle of 1068 in the late 14th century. It is twelve-sided on plan and rises some six storeys to a machicolated parapet.

8.22 It forms part of the Grade I listed Castle, is a Scheduled Monument and is a prominent feature in the RP&G and Warwick CA. It is of the highest architectural, historic and archaeological significance as a site that has been continuously occupied since the Saxon period and can be linked with some of the most important figures in British and European history. A detailed summary of the significance of the Castle, SM, RP&G and CA is in section 4 of the Warwick Castle Masterplan. The RMP Structures Significance Plan 4.4 identifies the Castle domestic range, ramparts and adjoining towers as being of high significance.

Assessment of Impact

- 8.23 The refurbishment of vacant rooms within Guy's Tower could have the following affects:
1. The historic fabric of the Castle could be affected through the installation of infrastructure (power / water / drainage) which in turn could affect the significance of the Grade I listed and Scheduled Monument.

Development / Design Principles

1. Careful consideration of any physical alterations to Guy's Tower: minimisation of loss of historic fabric; reversibility of proposals in future and choosing historically sympathetic materials, where appropriate
 2. Archaeological investigations.
- 8.24 Following the above principles could restore the spaces and bring them into beneficial use that will be an enhancement to this important building. Scheduled Monument consent rather listed building consent would be required for this work.





5. Covered Deck

8.25 In order to address the shortage of restaurant / café space at Warwick Castle the installation of a terrace adjacent to the Garden / Peacock kiosk has been suggested. The Garden / Peacock kiosk is situated immediately south of the Mound and south west of the domestic range of the Castle. This location is relatively discreet partly due to the screening by the kiosk, mature trees and general topography. A seating deck / terrace would provide visitors with a sheltered area with views to the Castle's east front, River Avon and Island. The identified area is situated to the east of the kiosk on the banks of the River Avon. The sloped area currently has a semi-rural, character.

Significance of Heritage Asset

8.26 The Garden / Peacock Kiosk is not a heritage asset but a modern structure of no particular interest that was constructed in c.1990. The identified area is part of the RP&G. The area currently contributes to the semi-rural appearance of the RP&G along the River Avon. It contributes to significant views within the RP&G, including views from the Castle Mound and views north along the River Avon towards the Mill and remains of the medieval bridge. The RMP Landscape Significance Plan (Figure 4.3) identifies this area as being of high significance. It is in close proximity to the uninhabited parts of the Castle which form the Scheduled Monument and particularly the Mound.

8.27 The setting of the identified area comprises the Castle (Grade I & SM) to the north east, the Mill (Grade II*) and the remains of the Old Castle Bridge (Grade II* & SM) to the north and the River Avon to the east. Due to its location and sloping topography it is relatively concealed to the west and north by the modern kiosk and Castle Mound. It is most visible in views from the Castle Mound, along the River Avon and from the island to the east. The surrounding temporary fencing currently detracts from the aesthetic value of this part of the RP&G.

Assessment of Impact

8.28 The installation of a terrace adjacent to the Garden / Peacock kiosk could affect the following:

1. The significance of the RP&G through development — introduction of modern decking and seating equipment may affect the rural character of this area although it already contains man made structures; bridge and kiosk
2. The setting of the Castle, the Mill and the remains of the medieval bridge
3. Impact on trees.

Development / Design Principles

1. High quality traditional materials should be used for the terrace, preferably timber, to preserve the historic setting of the surrounding heritage assets

2. A 'light touch' approach should be taken that ensures the terrace is easily revisable in the future
3. Choice of discreet and stylistically sensitive furniture in muted colours — consider free standing furniture that is easily removed
4. Additional planting to strengthen existing screening may be beneficial, particularly when viewing the site from the island
5. Archaeological investigations prior to installation may be required (although unlikely if foundations are not needed).

8.29 If the above principles are followed development could preserve the significance of the Castle, Mill, medieval bridge, RP&G and CA.



6. Pageant Field — Circular Walk

8.30 Pageant Field comprises an area of lawn, situated south west of the Castle. It is enclosed on the 'long' sides by mature specimen trees and mixed ornamental shrubbery and descends from the late 19th Century formal garden (by the Conservatory) to the River Avon. It forms part of Lancelot Brown's pleasure grounds laid out in the mid-18th century. The provision of a circular walk with seating / interpretive signs within Pageant Field and the surrounding trees has been suggested in order to draw visitors into the grounds and relieve some of the pressure that is currently put on the Castle and its courtyard on peak days. It is hoped that this will inspire greater appreciation of the wider Castle grounds and historic gardens.

Significance of Heritage Asset

8.31 The lawn and trees to the east and west were laid out in the mid-18th century replacing the earlier formal gardens south and south-east of the Castle, and a hamlet, High Ladsome, which occupied the site of the Pageant Field. Its significance lies in its association with the nationally important figure Lancelot Brown. This area was one of his first tasks — to demolish and clear away Fulke Greville's walled gardens to the south of the mound and then to level the ground, create a walk by the river and in the moat, plant trees including semi-mature specimens in paired clumps, plant shrubs on the mound and create bridges. It has aesthetic value as part of a designed, informal and picturesque landscape that is emblematic of Brown's work. It forms part of the RP&G where it contributes to its significance. There are significant views from the Conservatory south across Pageant Field to the River Avon. The RMP Landscape Significance Plan identifies it as a landscape of high significance (Figure 4.3).

8.32 The setting of Pageant Field comprises the Conservatory (Grade II*) and formal garden to the north and the River Avon to the south. The lawn is enclosed to east and west by mature specimen trees and mixed ornamental shrubbery that were planted as part of Brown's design. Inter-visibility between the Castle and Pageant Field is therefore very limited.

Assessment of Impact

8.33 The introduction of a circular walk with seating / interpretive signs within Pageant Field and amongst the adjacent trees could affect the following:

1. The significance of the RP&G (and CA) through development
 2. The setting of the Castle and Conservatory.
- Development / Design Principles**
1. Reuse of existing pathways only, located towards the edges the fields. Paths to be macadam with golden gravel dressing (to match paths elsewhere in the castle grounds)
 2. Traditional materials and muted colours for any signage and furniture along the walkway to reduce impact in the setting of the castle — easily reversible.

8.34 This is primarily a landscape focused project. The location and design of the furniture and signs is the main issue, especially taking into account the views southwards from the Conservatory. If this project is completed sensitively it has the potential to enhance and better reveal the significance of the heritage assets by providing greater understanding for visitors.





7. Glamping

8.35 Temporary planning permission was granted for seasonal medieval glamorous camping at Foxes Study for a period between 17th May and 9th September 2014 and subsequently for a period between 1st May and 30th September 2015 – 17. Following the success and popularity of this venture Warwick Castle has been granted permission for glamorous camping to remain on site (reduced in scale) for a further period to 2022. The site is in the northern part of Foxes Study, approximately 500m south-west of the Castle and is located to the west of the River Avon. This site is accessed on foot via an existing gravel track which leads to the main vehicular visitor access off Stratford Road.

8.36 The proposed site is about 0.4ha and is a significant reduction from the site area of the previous glamping permissions (2.15ha and 2.18ha). Unlike previous approved temporary schemes, the proposal does not provide a dedicated reception and the large kitchen / dining tents. The proposal is for seasonal use between 1st May and 30th September for the years 2018 – 2022. This timeframe includes a period of around four weeks prior to public use to erect the tents and two weeks after for dismantling, as per the current planning permission. Following the removal of tents each year, the pitches will be de-compacted using 'Terralift' methodology and re-seeded.

Significance of Heritage Asset

8.37 Foxes Study is a woodland area containing mixed specimen trees and shrubbery. It was first incorporated into the Castle's parkland in 1719 and planted in the picturesque style in the late 18th century. At this time it was interlaced with winding paths, however, much of this has eroded. During the 19th century an avenue of deodar cedars was planted running south west through Foxes Study. This area now contains 'The Knight's Village' which comprises timber lodges and toilet / shower facilities. The RMP Landscape Significance Plans identify most of Foxes Study as being of low significance (Figure 4.3). The eastern edge of Foxes Study is identified as being of medium significance, presumably as it has fewer evergreen trees to the north and therefore greater inter-visibility with the Castle. The new location for the medieval glamping tents is within the eastern edge of Foxes Study.

8.38 The setting comprises the River Avon to the east and 'The Knight's Village' to the west. The site is screened by evergreen trees to the north, that significantly limit views from the Castle, Conservatory and main part of the Castle's grounds.

Assessment of Impact

8.39 The seasonal erection of medieval glamorous camping tents on an area of around 0.4ha at Foxes Study could affect the following:

1. The significance of the RP&G through development
2. The setting of the Castle and Conservatory.

Development / Design Principles

1. Careful positioning behind existing trees so that tents are screened in views from the Castle Mound
2. Sensitive materials in muted colours to preserve the setting of surrounding heritage assets
3. Sensitive installation and removal of tents to not disrupt planting and ecology.



8. Accommodation

8.40 The diversification of visitor attractions by providing on-site accommodation is well established in many locations. Staying visitors (rather than day visitors) tend to explore and spend significantly more in the local area and therefore, bring additional economic benefits. The existing accommodation at Warwick Castle has proved successful, attracting visitors to stay. The Castle is exploring whether additional accommodation — in a different form to the lodges / tower suites / glamping may encourage more visitors to stay on site.

8.41 Consideration is being given to the construction of a small lodge style hotel building with around 60 – 80 rooms in an appropriate location. Potential areas for added on-site accommodation have been identified at Bay 10 of the carpark off Stratford Road and within the Stables car park off Castle Lane.

8.42 At this stage the Castle Management is not pursuing any specific plans.

Significance of Heritage Asset

8.43 Bay 10 was formerly part of the Foxes Study wooded area located at its perimeter edge to the east of Park Lodge. In 1981 this area was tarmacked to provide vehicular parking for visitors to the Castle. Bay 10 is part of the RP&G but is within an area that today has a back of house character that is of low aesthetic value and does not contribute to its significance. The RMP Landscape Significance Plan identifies it as a landscape of neutral significance (Figure 4.3).

8.44 The setting is generally enclosed by mature trees which obscure views towards the Castle and surrounding heritage assets. To the west is Warwick Castle Drive beyond which there are residential properties within Warwick CA. A portion of the Castle's boundary wall (Grade II) may be seen in glimpses to the west with modern housing within the Warwick CA beyond.

8.45 The Stables car park is situated to the north of the Stables (Grade II*). Historic mapping shows that this area previously comprised a lawn with scattered trees at the perimeter of a densely planted area to the north of the carriage drive. It has been used as a car park for many years. It is part of the RP&G and CA and is visible from the wider Warwick CA to the north of Castle Lane.

It is within the immediate setting of the Stables and the portion of boundary wall that abuts Castle Lane (Grade II).

The RMP Landscape Significance Plan identifies it as a structure of neutral significance (Figure 4.3). This is due to the conversion of this area to a car park which has detracting features in addition to parked cars such as the modern timber fence to the playground. There is a small single storey building (former WC block) abutting the boundary wall at the north of the car park that is screened from view by planting. Its proximity and relationship to the Stables means the majority of the car park is sensitive to development within it.

8.46 The setting of the Stables car park is enclosed to the east by dense vegetation within the playground area and to the south by the Stables building. The south end of the car park is visible from the Castle in panoramic views from Guy's Tower. To the west of the car park there is the portion of boundary wall that abuts Castle Lane and the urban centre of Warwick CA beyond. The wider CA has a mixed historic character which generally contributes to the significance of the RP&G. The north of the car park is defined by a dense row of trees beyond which is the former WC block abutting the castle wall to Castle Hill.

Assessment of Impact

8.47 The provision of further accommodation buildings in the Stables carpark could affect the following:

1. The settings of the Stables and portions of boundary wall that abut Castle Lane and Castle Hill (west and north)
2. The setting of the Castle in views from Guy's Tower
3. The character and appearance of the Conservation Area
4. The significance of the RP&G.

8.48 For Bay 10, the potential effects would be alterations within the RP&G (and CA), albeit within a significantly less sensitive, neutral area. There is also the potential that a new building would be seen together with the boundary wall to the west, therefore affecting its setting (but that wall is already interacting with modern development).

Development / Design Principles

1. Stables: This is more sensitive than Bay 10 due to its more prominent location on approach to the Castle / Stables. The southern portion of the car park would not be able to accommodate a new building due to its proximity to the Stables and its visibility from elevated locations from the Castle, such as Guy's Tower. There is the possibility that a small-scale building could be accommodated towards the northern part of the car park. In this case, its location, scale, massing and design would need to be very carefully considered to test whether this option would be acceptable in heritage terms
2. Bay 10: a building that remains lower than the tree line and that preserves the significance of the RP&G (and CA and boundary wall) could be achieved. The effect on trees and ecology, possibly historic trees, would need to be carefully considered together with the potential for additional planting
3. Archaeological investigations would be necessary for both options
4. The effects on car parking, traffic movement and residential amenity and the town centre would also need to be assessed for both options.

8.49 For either option, a full Heritage Impact Assessment would be required to assess the effects of development on the significance of heritage assets. Specialist heritage advice would be required from an early stage to evolve a scheme that would be acceptable in heritage terms.



Stables car park — looking south



Stables car park — looking north



Bay 10

9. Porter's Lodge

8.50 The Porter's Lodge is situated on the northern boundary of the Castle where it provides a pedestrian access to the Castle off Castle Hill. The lodge was constructed in 1796 – 7 and leads on to a historic carriage drive. The building is currently vacant and may be suitable for refurbishment as a guest lodge.

Significance of Heritage Asset

8.51 The lodge is a Grade II listed building. It was constructed in the Neo Gothic style in 1796 – 7 as part of the second Earl's improvements to the grounds. It is of architectural and historic significance as a physical manifestation of the ambitions and growing status of George Greville the second earl of Warwick. It has group value with the Castle and ancillary structures which are materially and stylistically related. The RMP Structures Significance Plans identify it as a structure of medium significance (Figure 4.5).

8.52 The lodge leads onto a tarmac drive which was cut into the sandstone bedrock in the early 19th century to create a picturesque approach to the Castle. The visual setting is completely enclosed by tall trees and vegetation above the bedrock. This part of the RP&G is identified by the RMP Landscape Significance Plan as of high (drive) or medium (the planting) significance. To the north east the lodge faces onto a roundabout (a modern detractor) beyond which lies Warwick town. Listed cottages along Mill Street and the spire of St Nicholas Church feature positively in the setting.

Assessment of Impact

8.53 The potential refurbishment of Porter's Lodge could affect the following:

1. The historic fabric of the Lodge could be affected through the installation of infrastructure (power / water / drainage) which in turn could affect its significance
2. The significance of the RP&G
3. The character and appearance of the CA.

Development / Design Principles

1. Careful consideration of any physical alterations to the lodge: minimisation of loss of historic fabric; reversibility of proposals in future and choosing historically sympathetic materials where appropriate
2. Ensure use of traditional materials externally using like-for-like repairs where appropriate to preserve and enhance the character and appearance of the wider CA.

8.54 If completed sensitively, this project has the potential to introduce heritage benefits (and potentially better reveal the significance of this building) by bringing it back into use.





10. Wheelchair Access (Project Implemented — August 2018)

8.55 Historic buildings often present challenges for disabled / mobility impaired visitors. However, options are being explored at Warwick Castle, to enable access to more of the property. Wheel chair access to the domestic range is now located within the central courtyard with the provision of an exterior structure. Listed Building consent has been granted.

Significance of Heritage Asset

8.56 The provision of exterior wheelchair access could have a direct effect on Warwick Castle (Grade I & SM (uninhabitable parts)) and the RP&G. The high significance of Warwick Castle, RP&G and CA is detailed in section 4 of the Masterplan. The RMP Structures Significance Plans identify the Castle domestic range, ramparts and adjoining towers (as well as the central courtyard by Lancelot Brown) as being of high significance.

8.57 The visual setting of the central courtyard of the Castle is enclosed by the domestic range, ramparts and adjoining towers. Existing low quality modern structures (small timber sheds and tents) to the north east of the courtyard detract from the setting of the Castle. They do not contribute to its significance.

Assessment of Impact

8.58 The provision of wheelchair access within the Castle courtyard could affect the following:

1. The significance of Warwick Castle through the installation of modern structures that may require alterations to the historic fabric, having a limited, localised effect on the setting
2. The significance of the RP&G through the addition of new development
3. The immediate setting of the Castle through addition of new development particularly in views from Guy's Tower.

Development / Design Principles

1. Careful consideration of any physical alterations to the Castle: minimisation of loss of historic fabric; reversibility of proposals in future and choosing historically sympathetic materials where appropriate
2. Structures should be selected that are visually sensitive in terms of scale, style and colour: using traditional material and muted colours where possible
3. The compatibility of external and internal materials of the Castle with attached structures should be considered to minimise harm
4. Temporary structures that are removed when not needed should be considered to preserve the setting of the Castle.

8.59 The benefits of increasing accessibility to Warwick Castle would have to be weighed against any harm to the historic fabric of the building. The location of the works will determine whether Scheduled Monument consent or listed building consent would be required.





II. Courtyard Shop

8.60 The Castle's courtyard is a major focus of activity particularly as it provides access to several of the Castle's main attractions. There are two tents in the north eastern corner of the Courtyard (albeit one tent is a shroud to a building). Whilst these have a relatively temporary appearance both are permanent features. There is general agreement that the tents detract from the quality of the Courtyard; consideration is being given to whether a permanent new building could be constructed in their place.

Significance of Heritage Asset

8.61 The courtyard shop is a modern structure that sits within the RP&G, CA and is within the immediate setting of the Castle. The high significance of these heritage assets are detailed in section 4 of the Masterplan. Within the Castle the courtyard is laid out with a gravel carriage turn enclosing an elliptical-shaped lawn. The courtyard was laid out in its present form by Lancelot Brown for Lord Brooke in 1753. The existing courtyard shop is of low architectural quality and detracts from the aesthetic value of the courtyard. It is a negative feature in the setting of the Castle (Grade I & SM). The RMP Structures Significance Plan (Figure 4.4) identifies the Castle domestic range, ramparts, adjoining towers and central courtyard as being of high significance.

Assessment of Impact

8.62 The replacement of the existing courtyard shop with a permanent building could affect the following:

1. The significance of the RP&G through the addition of new development
2. The immediate setting of the Castle through addition of new development.

Development / Design Principles

1. A detailed options study would need to be carried out to establish the most sensitive appropriate design for the replacement permanent structure. A heritage specialist should feed into this work
2. Consultation with the Council and heritage stakeholders will be important from project inception
3. The building would need to be of a high standard of design, materials and detailing. Wattle and daub and timber frame should be considered as a potential design option.

8.63 A full Heritage Impact Assessment would need to accompany a planning application (Scheduled Monument consent might be required). This project has the potential to enhance and better reveal the significance of these heritage assets through the replacement of the existing permanent shop which is a detracting feature within the RPG and the setting of the Castle.



12. Jousting Arena

8.64 Situated on the river island, the Jousting Arena presents two shows each day during the main season, that is a popular feature with many Castle visitors.

8.65 It is a temporary structure, with timber posts and rails defining a rectangular space, with a central timber rail creating the two gallops for the jousting. The arena has a sand base (laid on matting onto the grass). Flags and canvas awnings / roof cover (over the spectators) complete the arena. Other than the timber posts / rails all the other elements are easy to dismantle.

8.66 The arena was introduced as a temporary feature but given its popularity, the managers of Warwick Castle wish to retain it for a further two years, with it in situ during the main visitor season only and with recommended noise mitigation. It has now been removed from the River Island.

Heritage Comment

8.67 The arena sits in a central, open position on the river island. It is adjacent to the restored Boat House, a notable feature on the River Avon. The Jousting Arena is located within the Registered Park and Garden and changes the character and appearance of this part of the landscape. However, whilst it is an intervention in the landscape, the majority of the structures (timber posts / rails) that would remain in situ are minor elements in the wider landscape. The flags / awnings have a festival / temporary appearance and as such do not harm the overall and relative permanence of the rural landscape, particularly in views where the River Avon is a dominant feature and there are extensive views across the Castle Park.

8.68 Overall, the landscape is sufficiently robust and extensive to accommodate this low level and modest intrusion.





13. Former WC Block

8.69 The former WC Block is a mid-20th century building located at the northern end of the Stables Car Park where it is built up against the boundary wall that abuts Castle Hill. The block is currently vacant and could be converted to provide additional office space (if not the identified location for additional hotel accommodation).

Significance of Heritage Asset

8.70 The former WC Block was constructed in the middle of the 20th century on a cleared area immediately inside of the castle boundary wall that abuts Castle Hill. The building is sunken in between the boundary wall and retaining banks planted with evergreen shrubbery and specimen trees. The south east elevation of the building is built up against the historic boundary wall which was constructed in 1789 and is Grade II listed. The boundary walls are of architectural and historic significance as they illustrate the 18th century improvements that were made to the Castle grounds by the George Greville which involved the large reconfiguration of the Castle boundary. The RMP Landscape Significance Plan identifies the WC block and area to the north as being of neutral significance (Figure 4.3). It identifies the attached boundary wall and area to the south as being of medium significance.

8.71 The block is a plain, utilitarian structure of low aesthetic value. While it detracts from the setting of the boundary wall, the topography of the site and dense woodland to the south and west means that it is obscured from Warwick Castle and the remainder of the RP&G and CA.



Assessment of Impact

8.72 The conversion of the former WC block to provide office space could affect the following:

1. The significance of the 18th century boundary wall through alterations to its fabric and new development within its setting
2. The character and appearance of the CA through new development
3. The significance of the RP&G.

Development / Design Principles

1. Ensure that any works do not harm the historic fabric of the boundary wall
2. Any alterations / new development to be well designed and identifiable as 21st Century development (could be either traditional or modern in style).

8.73 This project has the potential to have a neutral effect on the significance of the boundary wall, RP&G and CA.

14. Stone Yard

8.74 The stone yard is a plot on western edge of site situated between the boundary wall and Warwick Castle Road / Stratford Road Car Park which contains no built development. This area has been identified as a potential location for storage or office space.

Significance of Heritage Asset

8.75 The stone yard contains no heritage assets but is located within the RP&G and CA. It is a cleared area set within perimeter vegetation immediately inside of the Castle's boundary wall. Historic mapping suggests that the stone yard has existed since at least the late 19th century where there was a small building to the south of the clearing. The stone yard is currently used for staff car parking and the storage of maintenance equipment. It is of low aesthetic value and does not contribute to the significance of the RP&G. There are currently no buildings on site except for a small modern timber shed. It is bounded by the Castle boundary wall of 1789 which is Grade II listed. The boundary walls are of architectural and historic significance as they illustrate the 18th century improvements that were made to the Castle grounds by the George Greville, the 2nd Earl, which involved the large reconfiguration of the Castle boundary. However the portion of boundary wall adjacent to the stone yard appears to have been considerably rebuilt as much of it is of red brick rather than sandstone ashlar. The RMP Landscape Significance Plan identifies the stone yard as of neutral significance. It identifies the boundary wall as being of medium significance (Figure 4.3).

8.76 The setting is enclosed to the north and south by mature trees. Stratford Road Carpark is visible to the east. To the west the roofs of mid-20th century houses can be seen above the boundary wall marking the wider CA.

Assessment of Impact

8.77 There is no confirmed project here but the potential construction of a storage or office building could affect the following:

1. The fabric and significance of the listed boundary wall
2. The significance of the RP&G through new development
3. The character and appearance of the CA.

Development / Design Principles

1. Any additions to be well designed and identifiable as 21st century development (could be either traditional or modern in style)
2. Archaeological investigations
3. Planting, if appropriate, to reduce visibility of new build within the RP&G.

8.78 A full Heritage Impact Assessment would be required to accompany a planning (and listed building consent) application for new buildings within this area. The project has the potential to ensure the significance of the RP&G and CA is preserved.





15. Gardener's Yard

8.79 The Gardener's Yard is situated to the north east of the Castle grounds between Warwick Castle Drive and the portion of boundary wall to the west of Castle Lane. More covered space is required in this area via the introduction of a larger building (if relocated from the existing Estate Management Building, see project 14).

Significance of Heritage Asset

8.80 The yard comprises late 19th century red brick workshop buildings and two glass houses of 1991 set within a large gravel drive. The yard forms part of the RP&G and sub-area 10 of the CA which are both of high significance (detailed in section 4 of the Masterplan). The maintenance yard buildings are of interest as ancillary buildings from the late 19th century. The area makes a minor positive contribution to the significance of the RP&G. The historic boundary wall to the east is Grade II listed. The RMP Landscape Significance Plan identifies the maintenance yard as being of neutral significance. It identifies the boundary wall as being of medium significance (Figure 4.3).

8.81 The setting of the maintenance yard is enclosed to the north and east by mature trees. Stratford Road car park is visible in glimpses to the south east.

To the west and south the roofs of 19th and 20th century houses can be seen above the boundary wall along with the tower of St James' Chapel and the spire of St Mary's Chapel marking the wider CA.

Assessment of Impact

8.82 There is no confirmed project here. The potential construction of a new building to this area could affect the following:

1. The significance of the RP&G through new development
2. The character and appearance of the CA
3. The setting of the 19th century building and glass house as non-designated heritage assets.

Development / design principles

1. To preserve the setting of the existing 19th century buildings — a new building may be most appropriate to the north of this area. An options study should be carried out to identify the most suitable location for a new building in this area, specialist heritage input will be required for this work.

2. An addition should be identifiable as 21st century development (could be either traditional or modern in style)
3. Archaeological investigations
4. Planting, if appropriate, to reduce visibility of new build within the setting of the RP&G.

8.83 A full Heritage Impact Assessment would be required to accompany a planning application for a new building within this area. If the above principles are followed the project has the potential to preserve the significance of the heritage assets, including the setting of the late 19th century buildings within the area.

16. Pedestrian Access

8.84 The entrance from the Stratford Road is only intended for vehicles. However, despite signage directing pedestrians to continue along the main road, many still enter the Castle grounds via the car park access road. To ensure a safe operation of this entrance the intention is to introduce a footpath to separate pedestrians from vehicles. This will need an analysis 'on the ground' to define the route but given the extent of Warwick Castle's land ownership, there is confidence that a suitable path can be created, without any adverse effects on heritage assets in places the route may be formed using a timber broadwalk.



17. Overflow Car Parking

8.85 Warwick Castle has two permanent car parks. The Stables / Castle Lane and Stratford Road. It also, during busy days, uses land at Leafield Farm for overflow parking. This use has been undertaken for many years.

8.86 The overflow parking has a number of benefits including drawing traffic into the Castle before it reaches the town centre where car parking can be at a premium roads are busy and some parking is remote from the Castle. There are no other locations within the grounds of Warwick Castle that can accommodate this parking requirement. The castle requires the additional overflow car parking space.

8.87 It is known that the Council is reviewing Warwick Town Centre car parking and the managers of the Castle will be pleased to have an input to the Study, including how it may assist Castle parking requirements. From work undertaken to date, any additional town centre car parking is unlikely to meet the Castle's requirements in terms of capacity and location. However, this can be discussed as the study progresses.

8.88 In terms of Leafield, the location and landscaping can be discussed with the Council, although the Castle only leases that part of Leafield Farm from the landowner. The castle is exploring the opportunity to place the car parking further westwards, down to the woodland block along the edge of the field. An application will be submitted in the near future.



Heritage Restoration

8.89 A major and ongoing activity at the Castle. Unexpected projects can arise, that need to be dealt with at short notice. The planned works include:

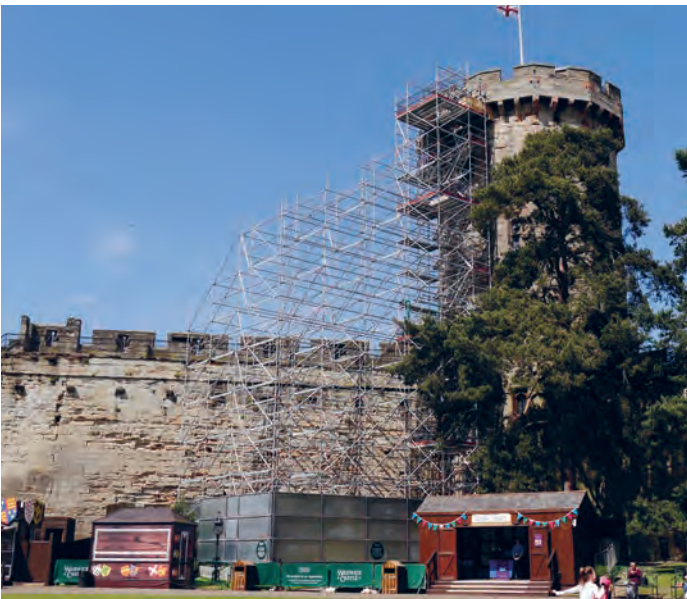
- 1. Domestic range masonry repairs east and west.
- 2. South front phase 6
- 3. Tower and ramparts
- 4. Mound curtain wall
- 5. Conservatory window frames
- 6. Perimeter walls
- 7. Tree planting.



The Conservatory



Mound Curtain Wall



Tower and Ramparts



The south front from the Island



Castle Lane



APPENDIX I: PLANNING POLICY

Local Plan (2011 – 2029)

The key policies within the Council's Local Plan which are generally relevant to Warwick Castle are:

1. Strategic Policy DS3 (Supporting Sustainable Communities)
2. DS5 (Presumption in Favour of Sustainable Development)
3. PCO (Prosperous Communities)
4. CT1 (Directing New Tourism, Leisure and Cultural Development)
5. CT2 (Directing New or Extended Visitor Accommodation)
6. CT4 (Extensions to Tourism, Cultural or Leisure Facilities in Rural Areas)
7. CT5 (Camping and Caravan Sites)
8. CT6 (Warwick Castle)
9. Overarching Policy: SCO (Sustainable Communities)
10. BE3 (Amenity)
11. TR1 (Access and Choice)
12. TR2 (Traffic Generation)
13. TR3 (Parking)
14. CC1 (Planning for Climate Change Adaption)
15. CC2 (Planning for Renewable Energy and Low Carbon Generation)
16. FW1 (Reducing flood risk)
17. FW2 (Sustainable Urban Drainage)
18. HE1 (Designated heritage assets and their setting)
19. HE2 (Conservation Areas)
20. HE4 (Archaeology)
21. NE2 (Protecting Designated Biodiversity and Geodiversity Assets)
22. NE3 (Biodiversity)
23. NE4 (Landscape)
24. NE5 (Protection of natural resources)

APPENDIX 2:WARWICK CASTLE REGISTERED PARK AND GARDEN LISTED DESCRIPTION

List Entry Summary

This garden or other land is registered under the Historic Buildings and Ancient Monuments Act 1953 within the Register of Historic Parks and Gardens by English Heritage for its special historic interest.

Name: WARWICK CASTLE

List entry Number: 1000386

Location

The garden or other land may lie within the boundary of more than one authority.

County: Warwickshire

District: Warwick

District Type: District Authority

Parish: Barford

County: Warwickshire

District: Warwick

District Type: District Authority

Parish: Bishop's Tachbrook

County: Warwickshire

District: Warwick

District Type: District Authority

Parish: Warwick

National Park: Not applicable to this List entry.

Grade: I

Date first registered: 01 – Feb – 1986

Date of most recent amendment: Not applicable to this List entry.

Legacy System Information

The contents of this record have been generated from a legacy data system.

Legacy System: Parks and Gardens

UID: 1348

Asset Groupings

This list entry does not comprise part of an Asset Grouping. Asset Groupings are not part of the official record but are added later for information.

List entry Description

Summary of Garden

Legacy Record — This information may be included in the List Entry Details.

Reasons for Designation

Legacy Record — This information may be included in the List Entry Details.

History

Legacy Record — This information may be included in the List Entry Details.

Details

Mid C18 park and pleasure grounds landscaped by Lancelot Brown, with late C18 picturesque additions, together with mid C19 gardens designed by Robert Marnock and an early C20 garden by Harold Peto, associated with a medieval fortress.

HISTORIC DEVELOPMENT

The town of Warwick was laid out as a fortified burgh in AD 914 by Ethelfleda, 'Lady of the Mercians', and in 1068 William I built a motte and bailey castle between the town and the north side of the River Avon. Henry de Beaumont (d 1119), also known as de Newburgh, was appointed Constable of the royal castle, and was succeeded by six members of his family until the death of Thomas de Newburgh, Earl of Warwick in 1242. In 1268 the Castle and earldom passed by inheritance to William de Beauchamp, ninth Earl (d 1298). The eleventh Earl, who came of age in 1329, began a programme of rebuilding which was continued by his son, also Thomas, who inherited in 1369. The thirteenth Earl, Richard, who inherited in 1401, served as Captain of Calais under Henry V, while his son Henry, who succeeded as fourteenth Earl in 1439, was created Duke of Warwick in 1445. The Duke died at the age of twenty in 1446 leaving a young daughter who died in 1449; the title and estates then passed to the late Duke's sister, Anne, wife of Richard Neville. Neville, known as 'The Kingmaker', played a prominent role in the Wars of the Roses, and was killed at the Battle of Barnet in 1471. Neville was succeeded by his son-in-law, George Plantagenet, Duke of Clarence, who was executed for treason in 1478; his son, although styled Earl of Warwick, spent most of his life in prison, until executed by Henry VII in 1499. Richard III, husband of Neville's second daughter, spent time at Warwick and made alterations to the buildings.

Under Henry VII and Henry VIII the Castle remained royal property. Edward VI granted the Castle to John Dudley, Earl of Warwick and subsequently Duke of Northumberland, in 1547; he was executed by Mary I in 1553, and was succeeded after the accession of Queen Elizabeth by his son, Ambrose, created Earl of Warwick in 1561. The Queen visited Warwick Castle on her progress to Kenilworth Castle (qv) in 1572. When Ambrose Dudley died without surviving issue in 1590, the Castle reverted to the Crown. James I separated the earldom from the Castle when in 1604 he granted the Castle to Sir Fulke Greville, and in 1618 created Robert Rich Earl of Warwick. Having seats at Holland House, London (qv) and Leighs Priory, Essex the Rich family did not maintain a residence at Warwick.

Sir Fulke Greville, Treasurer of the Navy (1599 – 1604) and Chancellor of the Exchequer (1614 – 21), spent some £20,000 restoring the Castle and laying out new gardens; it was visited by James I in 1617. Greville was created Baron Brooke in 1621, but in 1628 was murdered by one of his servants. The estate passed to his cousin, Robert Greville, second Lord Brooke, who supported Parliament in the Civil War and was killed at Lichfield in 1643, the same year that the Castle was besieged by Royalist forces for two weeks. The fourth Lord Brooke, who inherited in 1658, undertook a major programme of restoration and improvement between 1669 and 1678. Few changes were then made to the Castle until Francis, eighth Lord Brooke succeeded in 1727 (created Earl of Warwick in 1759). Lord Brooke made alterations to the Castle from the mid 1740s, and in 1749 called in Lancelot Brown (1716 – 83), then still gardener at Stowe, Buckinghamshire (qv) to complete the removal of the formal gardens; this process is shown in one of Canaletto's paintings of the Castle of c. 1749 (Paul Mellon Collection). Brown made further changes to the pleasure grounds in 1753, and from 1755 began to landscape Castle Park which was extended in 1760 by the enclosure of land in Barford parish. Warwick Castle is one of a group of sites in Warwickshire at which Brown advised in the mid and late C18; it includes Charlecote Park (qv), Combe Abbey (qv), Compton Verney (qv), Newnham Paddox (qv), Packington Hall (qv), and Ragley Hall (qv).

The first Earl died in 1773 and was succeeded as second Earl by his son, George (d 1816), who in 1786 extended Castle Park by diverting the Banbury Road. In 1802 the Earl was declared bankrupt, and while solvency was gradually restored few changes took place until the mid C19. The fourth Earl, who succeeded in 1853, employed Anthony Salvin (1799 – 1881) to make improvements to the private apartments, while in 1868 – 9 Robert Marnock (1800 – 89) was commissioned to design new formal gardens. The Castle was seriously damaged by fire in 1871, but was restored by Salvin. The fourth Earl died in 1893, when he was succeeded as fifth Earl by Francis Richard, who was married to the heiress Frances Maynard, owner in her own right of Easton Lodge, Essex (qv). Frances, known as Daisy, was an intimate of Edward VII, both as Prince of Wales and King; he was a frequent visitor to the Castle. Following the death of the fifth Earl in 1924 the Castle remained in the Greville family until November 1978 when the buildings, contents, and pleasure grounds were sold by the seventh Earl (d 1984) to Madame Tussaud's; Castle Park was sold to a separate commercial purchaser.

Plans for the development of the Park with two golf courses and an hotel were dismissed at public enquiry in 1991. Today, the site remains in divided commercial ownership.

DESCRIPTION

LOCATION, AREA, BOUNDARIES, LANDFORM, SETTING
Warwick Castle is situated c. 250m south-east of the centre of Warwick, to the north-west of the River Avon. The c. 280ha site comprises some 23ha of gardens and pleasure grounds, and c. 257ha of parkland. The site is bounded to the north-west by Castle Lane from which it is separated by a late C18 stone wall (listed grade II) c. 3m high, and by domestic premises in Castle Close. To the north-north-east the boundary is formed by a late C18 stone wall (listed grade II*) which separates the grounds from domestic properties on the west side of Mill Street, and by the river frontage of properties on the east side of Mill Street up to and including the late C18 Castle Bridge (listed grade II*). The north-east boundary is marked by Park House, Greville House, and other properties on the west side of Bridge End, while the east boundary is formed by the A425 Banbury Road, from which the park is separated by timber fences. To the south-east the site is bounded by the B4462 road which leads south-west to Barford, and to the south the boundary is formed by a late C20 cutting accommodating the A452 and M40 roads. The south-west boundary adjoins agricultural land, while to the west the site adjoins agricultural land, light industrial premises, and mid C20 domestic properties to the east of the A429 Stratford Road, Leyfields Crescent, and Temple Grove. The River Avon flows in a serpentine course through the site from north to south-west, while the Tach or Ram Brook enters the site from the east and flows to its confluence with the River Avon c. 1.2km south-south-east of the Castle; the Tach Brook is dammed to form a lake, the New Waters, which extends east to the Banbury Road. To the west and north-east of the River Avon the site is generally level and forms the flood plain of the river. To the north the ground rises steeply above the river to the Castle, while Temple Hill rises c. 530m south-east of the Castle and c. 400m east of the river. Temple Hill is separated from further rising ground at the south-east corner of the site by New Waters, while to the south of the river, c. 1.5km south of the Castle, the ground rises steeply to a level plateau which extends to the south and south-east boundary of the site. There is a complex system of vistas within the site with particularly significant reciprocal views of the Castle from Spiers Lodge and Temple Hill.

There are also important views of the town from Spiers Lodge; this view was painted by Paul Sandby in 1776 (WCRO). From Castle Bridge on Banbury Road there are significant designed views south-west down the river to the Castle and the ruins of the medieval bridge which are framed by gardens attached to properties in Mill Street and Bridge End; there is a reciprocal view of the river, gardens, and bridges from within the Castle. From the walls and towers of the Castle there are extensive views in all directions, and particularly across the Castle Park to surrounding agricultural land and late C20 commercial development at Heathcote.

ENTRANCES AND APPROACHES

Warwick Castle is approached from the A425 Banbury Road to the north-east, where the entrance is marked by a late C18 lodge (listed grade II). This structure comprises a crenellated, single-storey stone block with a central gothic carriage arch closed by a pair of timber doors; the lodge was built in 1796 (7 by Samuel Muddiman and John Williams as part of the second Earl's improvements. The lodge leads to a tarmac drive which sweeps west and south for c. 100m through a cutting in the sandstone bedrock. This picturesque approach was constructed by the second Earl in 1797 when existing properties in Back Hill were demolished. The drive emerges from the cutting and passes through C19 cast-iron gates to reveal a wide panorama of the north-east facade of the Castle. Sweeping south-east between areas of lawn for c. 100m the drive passes across a dry moat on a mid C17 stone bridge to reach the mid C15 barbican and gatehouse. The south-east section of the drive was constructed by the second Earl in the late C18 when the stables and forecourt constructed north-east of the Castle in 1664 were cleared away. The second Earl's picturesque drive was praised by Prince Puckler-Muskau in 1826 (Butler 1927), but was criticised as resembling a 'drift way to a mine' by JC Loudon in 1831 (Gardener's Mag).

Within the Castle the courtyard is laid out with a gravel carriage turn enclosing an elliptical-shaped lawn. To the south the courtyard adjoins the Mount which is planted with evergreen shrubbery and specimen trees, while to the west and north of the carriage turn there are further areas of lawn planted with mature specimen pines.

A gateway in the western curtain wall, flanked by two low late C15 towers, the Clarence and Bear Towers, leads to the pleasure grounds, while a further gateway at the south-west corner of the courtyard leads to a carriage drive which passes through the pleasure grounds to Castle Park. A further gateway in the C14 Watergate Tower at the south-east end of the courtyard leads to the river and pleasure grounds; in the late C16 this gate led to the formal gardens. The courtyard was laid out in its present form by Lancelot Brown for Lord Brooke in 1753; the porch and steps ascending from the courtyard to the Great Hall were also constructed to Brown's design in 1753 (Tyack 1994).

Visitors today approach the Castle from vehicular entrances on Stratford Road c. 590m south-west of the Castle, and Castle Lane c. 100m north-west of the Castle. A late C20 car park is situated in shrubbery parallel to the north-west boundary, with a further area of mid C20 car parking north of the stables. The mid C18 stables (listed grade II*) c. 100m north-north-west of the Castle have been converted in the late C20 to provide the visitors' entrance and facilities. The two-storey, stone and hipped-roof stable blocks are constructed around three sides of a courtyard with a pediment surmounting a carriage arch in the south-east range leading to the pleasure grounds. The stables were constructed c. 1768 – 71 by Job Collins, possibly to a design by Robert Mylne.

PRINCIPAL BUILDING

Warwick Castle (listed grade I; part scheduled ancient monument) stands on a bluff of high ground to the north-west of the River Avon, the steep bank of which is encased behind a high C16 retaining wall from which the walls of the state and private apartments rise. The Castle is constructed around an approximately rectangular courtyard, with the mid C11 motte, known as Ethelfleda's Mount, situated to the south-west and the domestic ranges to the south-east. The C14 Watergate Tower connects the domestic ranges to a curtain wall which ascends the east face of the Mount to reach a crenellated wall, gateway, and two turrets on the summit of the Mount. A further curtain wall descends the north face of the Mount to connect with the curtain wall which encloses the west side of the courtyard.

A pair of low, octagonal, late C15 towers, the Bear and Clarence Towers flank an entrance in the centre of the west wall; these towers were built by Richard III as part of a keep which remained incomplete in 1485 (guidebook). The north-east or entrance facade of the Castle is dominated by two massive late C14 towers which are connected to a central late C14 gatehouse and barbican by further crenellated curtain walls. The north-west tower, known as Guy's Tower, is twelve-sided on plan and rises some six storeys to a machicolated parapet. The south-east or Caesar's Tower, of slightly earlier construction, has a trilobed plan; the lower section rises some four storeys above a battered basement which is a prominent feature at the southern end of Mill Street. The two-storey upper section rises from a machicolated parapet and is surmounted by a crenellated parapet. A late C17 single-storey range known as the Armoury, but constructed as a laundry and brewhouse, abuts the outer face of the curtain wall between the barbican and Caesar's Tower. The domestic range to the east of the courtyard comprises two-storey private apartments to the north of the two-storey state apartments; a further three-storey range adjoins the state apartments to the south. The domestic ranges were constructed at various dates from the mid C14, with the buildings at the southern end having been rebuilt by Sir Fulke Greville in the early C17. The state apartments retain significant late C17 and mid C18 interiors. The private apartments, which had also been remodelled in the mid C18, were reconstructed by Salvin following a serious fire in 1871.

Immediately below and to the south-east of the Castle the single-storey Castle Mill (listed grade II*) adjoins a weir extending across the river. The Mill was rebuilt in Gothic style by Timothy Lightoler in 1767 – 8, possibly incorporating elements of an earlier mill which had stood on this site since the medieval period. In 1894 a water-driven electric generator was installed in the Mill. Stone walls connected with the water supply to the Mill extend north-east from the building through the garden of 55 Mill Street.

GARDENS AND PLEASURE GROUNDS

Informal pleasure grounds lie to the north, west, and south-west of the Castle, with formal gardens to the north and north-west.

To the north of the Castle the pleasure grounds comprise lawns, specimen trees, and evergreen shrubbery which slope down from the stables to the north-north-west to the moat. The moat is a dry ditch which extends west from Caesar's Tower below the north-east and west walls of the Castle to the Mount. A carriage drive sweeps south from the south-west gateway from the courtyard, passing to the west of the Mount before turning south-west to follow the north-west bank of the River Avon for c. 270m, then turning west to cross the south-west end of a lawn known as Pageant Field. This lawn is enclosed to east and west by mature specimen trees and mixed ornamental shrubbery, and descends from the late C19 formal garden to the river. To the south-west of the Pageant Field and to the south of a small stream, an area of mixed specimen trees and shrubbery known as Foxes Study extends c. 250m to the boundary between the pleasure grounds and Castle Park, which is marked by a late C20 fence. A footbridge crosses the stream from Pageant Field and leads to a C19 avenue of deodar cedars which passes south-west through Foxes Study to a gate leading to the park. The late C20 Estate Management building and compound is situated at the southern end of Foxes Study.

A further drive leads south-east below the Mount to reach a late C20 timber bridge which crosses the river c. 80m south-south-west of the Castle to an island which extends c. 650m north-east to south-west below the Castle. There are significant views up river from the bridge and island to the Castle Mill and the remains of the medieval bridge (listed grade I; scheduled ancient monument) c. 80m east of the Castle. Stone arches and cut-waters from this C15 bridge survive in three sections, including one section now (2000) in the garden of 55 Mill Street. The bridge, which was until 1788 the main route into Warwick from the south, was retained and deliberately enhanced as a picturesque feature (Dr Hodgetts pers comm, 2000) by the second Earl when he constructed a new bridge, Castle Bridge (listed grade II*), c. 350m east of the Castle to designs by David and Robert Saunders in 1788 – 93; the picturesquely ruined old bridge is shown in a late C18 or early C19 view in the Aylesford Collection (BRLA). Some 160m south-south-west of the Castle, a single-storey timber and thatch-roofed boathouse stands on the north-west bank of the island. This was constructed in 1896 for Lady Warwick, and from 1898 housed an electric launch used to reach Spiers Lodge in Castle Park by river (guidebook); the boathouse was restored in the late C20.

A stone bridge c. 130m south-east of the Castle leads from the south-east bank of the island across the river channel to Castle Park. In the late C19 and early C20 Lady Warwick used the island to house a menagerie. The trees at the north-east end of the island correspond to a plantation formed by Brown to frame the view of the river and old bridge c. 1750 (CL 1979).

A serpentine walk leads north-east from the drive c. 20m north-east of the barbican through a series of wrought-iron rose arches to reach a formal rose garden (restored 1984 – 6) which is situated on a level area of ground enclosed to the north, east, and west by banks planted with evergreen shrubbery and specimen trees. The rose garden comprises a series of box-edged geometric beds cut in panels of lawn separated by gravel walks. The garden is quatrefoil-shaped on plan, and is enclosed by shrub roses and regularly spaced cast-iron pillars supporting further roses. The rose garden was designed in 1868 by Robert Marnock and constructed in 1869 (plans, WCRO). To the west of the rose garden a rock garden incorporating a cascade and pool is set against the enclosing bank. This was constructed in 1900 by James Backhouse and Son of York, in part using artificial stone (guidebook; plan, WCRO). Some 10m south-west of the rose garden two brick-lined icehouses (constructed c. 1830, guidebook) are set into the enclosing bank.

A walk leading north-west from the Bear and Clarence Towers turns south-west for c. 130m to form a terrace walk backed by a high yew hedge which runs along the north-west side of the lawn; this walk leads to a formal flower garden c. 160m west of the Castle. Known as the Peacock or Italian Garden, the flower garden is hexagonal on plan with geometric yew and box-edged beds arranged on three panels of lawn divided by three gravel walks; the hedges are ornamented with topiary peacocks and the parterre radiates from a central circular stone-edged pool. To the north of the parterre a flight of stone steps ascends to a gravel terrace, above which a further flight of stone steps ascends to a stone-flagged terrace below the late C18 conservatory. The flower garden was laid out to designs by Robert Marnock in 1869 (plans, WCRO); plans for an Italian garden had been provided by William Broderick Thomas (1811 – 98) in 1865 (WCRO); Bateman's plan of 1845 (WCRO) shows lawns sweeping down to the river. The conservatory (listed grade II*) comprises a single-storey stone structure lit by five tall gothic-arched windows in the south facade under an early

C20 glazed roof (replaced late C20). The interior has a stone-flagged floor with inset stone-kerbed planting beds and an apsidal recess to the north. The conservatory was built in 1786 – 8 to designs by William Eborall to accommodate the Warwick Vase, a monumental C4 Greek marble urn from Hadrian's Villa, Tivoli, which was acquired by the second Earl from Sir William Hamilton in 1774; the Vase was first placed at the centre of the Castle courtyard and is shown in this position in a view in the Aylesford Collection (BRLA). The conservatory was restored in 1989 and today (2000) contains ornamental planting and a late C20 copy of the Warwick Vase, the original having been sold by the seventh Earl to the Burrell Collection, Glasgow in 1978. There is a vista from the conservatory and flower garden south across the Pageant Field to the River Avon.

The pleasure grounds achieved their present form under Francis, Lord Brooke in the mid C18 when Lancelot Brown completed the removal of the formal gardens south and south-east of the Castle, and a hamlet, High Ladsome, which occupied the site of the Pageant Field; the pleasure grounds are shown on a plan of 1776 – 80 (WCRO) and a plan of 1845 by James Bateman (WCRO). The walled formal gardens are shown on a plan of 1711 by James Fish and Charles Bridgman (WCRO), and comprised several parterres and a large greenhouse which was constructed in 1695. The medieval motte was adapted as a viewing mount with a spiral walk ascending to the summit from the Watergate Tower. The summit was planted in the late C17 with a single pine tree which was noted by Thomas Baskerville c. 1678 (VCH). The formal gardens south of the Castle probably originated as the 'Queen's Garden' mentioned in a survey of 1576 (VCH; guidebook) and were described by Leland c. 1534 as 'a second Eden ... adorn'd with all kinds of delightful and shady walkes, and Arbours, pleasant Groves, and wildernesses, fruitful Trees, delicious Bowers, oderiferous Herbes, and fragrant Flowers' (Toulmin-Smith 1907 – 10). In 1634 Dugdale commented that the gardens were 'a place ... [of] extraordinary delight, with most pleasant Gardens, walks and Thickets, such as this part of England can hardly parallel' (Dugdale 1730).

PARK

Castle Park extends south and south-east of the Castle, and lies principally to the east and south of the River Avon which flows through the park from north to south-west.

The park is today (2000) in mixed agricultural use with level pasture planted with some scattered specimen trees surviving to the south of the Castle, to both east and west of the river. The park is enclosed to the east by a predominantly deciduous plantation which screens the Banbury Road which was diverted to its present course by the second Earl in 1782 – 7. To the south-east Nursery Wood is a late C18 mixed plantation on high ground, while a further late C18 boundary plantation screens the B4462 Barford Road which was constructed in 1772 – 92. Barford Wood bounds the park to the south on land added to the park after the Barford enclosure in 1760, and further plantations known as Ashbeds Wood and The Lilacs screen the western boundary; these plantations are shown on a plan of 1791 (WCRO). There are further plantations within the park, including c. 450m south-east of the Castle Lord Brooke's Clump, and Leaffield Privet c. 1.3km south-south-west of the Castle. Temple Hill Plantation c. 900m south-east of the Castle is today (2000) a mid C20 commercial coniferous plantation, while scattered mature specimen trees survive on the west-facing slope of Temple Hill overlooking the river.

Some 1.5km south of the Castle, Spiers Lodge (listed grade II*), a mid C18 gothic hunting lodge stands above a steep north-facing slope above the River Avon. Lodge Wood, a late C18 plantation, extends c. 250m south and c. 500m from north-east to south-west along the crest of the escarpment, incorporating C17 avenues which were retained by Brown in his mid C18 improvements (plans, 1776 – 80; 1791, WCRO). Spiers Lodge was rebuilt in Gothic style c. 1748, perhaps with the advice of Sanderson Miller (1716 – 80) (CL 1979), on the site of a lodge which had been associated with a medieval warren. The warren existed by 1268, while a warrener was appointed to keep the warren of 'Whitlogge' in 1460 (VCH). In the mid C16 the lodge and associated land was let, and it gained its name from a subsequent, early C17 tenant; by 1745 the lodge was no longer let (ibid). In the early C20 the lodge was renovated as a private retreat for Lady Warwick and provided with formal gardens designed by Harold Peto (plans, c. 1905, WCRO). The gardens comprise topiary yew peacocks flanking a stone-flagged walk which leads from an early C20 wrought-iron gate to the entrance in the south facade of the house. To the east of the house a rose garden is divided into quarters by stone-flagged walks which pass under a timber pergola (reconstructed late C20); the centre of the garden is marked by a stone baluster sundial. A rectangular bowling green lies to the north and below the rose garden.

It is enclosed to the north by a yew hedge and terminates to the east in a semicircular flagged, stone-walled recess and seat. A Gothic-arched loggia attached to the north facade of the lodge is approached from a stone-flagged terrace by flights of steps to the east and west; there are extensive views across the park to the Castle and town. An early C20 wrought-iron gate leads from the terrace to a path which descends through shrubbery to a landing-stage on the river. To the west of the lodge there is an area of lawn planted with mature specimen trees including C18 cedars. Outside the formal gardens, some 50m east of the lodge, the tiled base and other fragments of an early C20 timber summerhouse (vandalised 1999) survive in the woodland; the summerhouse commands an extensive view across the park to the Castle. A flight of steps descends from the summerhouse to a landing-stage. These structures formed part of Peto's early C20 scheme for the Countess of Warwick.

Some 1.3km south-east of the Castle, New Waters forms a serpentine, approximately rectangular lake which extends c. 800m from the Banbury Road (east) boundary to a substantial stone and earth dam above the River Avon to the west; the park circuit carriage drive is carried across the dam. The eastern end of the lake is framed by Temple Hill Wood to the north, and Nursery Wood to the south. A tributary stream which flows into the lake from the south is dammed to form a chain of three ponds known as The Stews. New Waters was created in 1789 when a canal constructed by Brown in 1761 (plan, 1776 – 80, WCRO) was enlarged and extended to the east following the diversion of the Banbury Road (plan, 1791, WCRO). The late C18 earth dam failed in 1809, and was replaced by the present stone structure. From New Waters the mid C18 carriage drive survives, ascending c. 370m south-west through Lodge Wood before turning west for c. 270m and passing south of Spiers Lodge. The drive then descends the escarpment, sweeping south-west and north, to cross the river on the late C18 Leafield Bridge (listed grade II). This single-arched stone bridge, ornamented with Coade stone keystones and medallions, and with fluted balustrades (mostly removed, 2000), was constructed in 1772 – 6 to a design by Robert Mylne; it replaced a timber bridge constructed by Brown in 1758. From the bridge there are significant views up river across the park towards the Castle. The carriage drive continues for c. 930m north of Leafield Bridge to re-enter the pleasure grounds at the southern end of Foxes Study, c. 640m south-west of the Castle.

To the west of the carriage drive, c. 270m north of Leafield Bridge, Leafield Barn is a group of C19 and C20 agricultural buildings; a further group of early C19 brick cottages and barns, Barford Sheds, stand c. 480m south-south-east of Spiers Lodge; Barford Sheds were converted to domestic use in 1999.

Castle Park, originally known as Temple Park, was first enclosed by Francis, Lord Brooke (later first Earl) in 1743 from agricultural land to the south of the Castle which had been associated with the Castle since the C14. In the early C17 Fulke Greville had planted avenues across this land to Temple Hill, creating a vista from the Mount and Castle (James Fish, 1690); the principal north / south avenue was 'broken' by Brown c. 1755 as part of his improvements carried out for the first Earl (plans, 1743; 1776 – 80, WCRO). Other avenues were retained by Brown, but were subsequently removed or altered in the late C18 by the first or second Earls (CL 1979). The Leafield was incorporated into Temple Park c. 1745 (VCH), and land associated with houses in Bridge End demolished in 1755(60 was also added to the park. Further expansion to the south took place at the enclosure of Barford parish in 1760; the incorporation of this land was Brown's last work at Warwick. The final expansion of the park took place in 1782 – 7 when the Banbury Road was diverted c. 400m east of its previous course. The second Earl planted new boundary plantations along the road, replacing those planted along the former road boundary by Brown in the mid C18. The final form of the park is shown on a plan of 1791 (WCRO) and a survey by William James of 1806 (WCRO). In the late C18 parts of the park were used for agricultural purposes (estate accounts; VCH).

The medieval Earls of Warwick held an extensive deer park of C13 origin (VCH) at Wedgnock, c. 3km north-west of Warwick; this park included the manor of Goodrest. In 1597 Sir Fulke Greville was appointed Ranger of Wedgnock Park by the Crown. In 1743 many of the deer were transferred from Wedgnock to the new Temple Park, but as late as 1910 a small enclosure containing deer survived at Wedgnock. The farmland enclosed from the park in the mid C18 was sold by the Estate in 1959 (ibid). Wedgnock Park is not included in the site here registered.

KITCHEN GARDEN

The late C18 kitchen garden was situated c. 400m west-south-west of the Castle. The site was developed with domestic properties, Castle Close, in the mid and late C20.

The garden is shown on the 1st edition 1" OS map of 1834 and Bateman's plan of 1845.

The kitchen garden was constructed c. 1790 to replace the garden known as the Vineyard. The Vineyard was situated adjacent to Castle Lane, approximately on the site of the mid C18 stables, the construction of which truncated the garden in 1767. The remainder of the garden was taken into the pleasure grounds c. 1790 (VCH). A vineyard had been associated with the Castle estate since as early as 1268 and provided herbage in the medieval period (ibid). A house associated with the vineyard existed by the late C16 when the vineyard was described as comprising an orchard and garden of 4 1/2 acres (c. 1.8ha) within a stone wall (ibid). The garden is shown on Fish and Bridgman's plan of 1711 (WCRO), and a plan of 1788 by Matthias Baker (WCRO).

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Archival items The Warwick Castle and Greville family archive, which includes estate accounts, plans, private accounts, and correspondence, is held at the Warwickshire County Record Office (CRI886).

Description written: May 2000 Amended: September 2000, May 2001 Register Inspector: JML Edited: May 2001.

APPENDIX 3: LISTING DESCRIPTIONS FOR THE BUILDINGS

WARWICK CASTLE (GRADE I)

Early site, probably dating from pre-Norman times. Much mediaeval work remains. Good C18 and later additions. In 1871 a fire gutted the Great Hall and East Wing, these being restored by Anthony Salvin. This castle, (containing a fine collection of antiques and works of art) is considered of very great national interest. Main block with C14 walls and vaulted undercroft. Caesan's tower and Guy's tower, the Gatehouse and its Barbican also C14. The curtain walls may date from this period. Bear and Clarence towers C15, left incomplete 1485 and later given battlements; probably intended as a stronghold within the castle similar to that at Raglan. Late C17 internal features include exceptional plasterwork and wood carvings to the Cedar Room by Roger and William Hurlbut, completed 1678. Altered 1753 – 5 by Lancelot Brown, who rebuilt the porch and stairway to the Great Hall. Porch extended forward and additional rooms built beside it, 1763 – 9, by Timothy Lightoler. Watergate tower restored by A Salvin 1861 – 3. AM. VCH, viii, pp. 454 – 64.

Warwick Castle, with its Boundary Walls, Stables, Conservatory, Mill and Lodge form a group.

CONSERVATORY (GRADE II*)

Late C18, 1786 – 8. Ashlar conservatory of 1 tall room, rectangular with segmental apse at back, 5 large pointed arched sashes with stone chamfered mullions and transoms, pointed arched glazing bars, flush chamfered surrounds. Plinth, cavetto cornice, parapet with moulded coping. Hipped tiled roof. Architect: William Eborall. Contains the celebrated Warwick Vase, of white marble, probably C4 Greek by Lysippus of Sicyon. Discovered 1770 at Hadrian's Villa, bought by Sir William Hamilton who sold it to his nephew Grange Greville, 2nd Earl of Warwick of the 4th creation. Inscribed marble pedestal of 1774. VCH, viii, p. 463.

Warwick Castle, with its Boundary Walls, Stables, Conservatory Mill and Lodge form a group.

STABLES WARWICK CASTLE (GRADE II*)

Circa 1768 – 71, built by Job Collins, perhaps to designs by Robert Mylne. Ashlar, sandstone, courtyard plan built up round 3 sides. Hipped old tiled roof. 2 storeys, leaded casements under flat arches, cornice moulding. Central slightly projecting pediment over window and arched opening set in round headed reveal. VCH, viii, p. 462.

Warwick Castle, with its Boundary Walls, Stables, Conservatory, Mill and Lodge form a group.

MILL (GRADE II *)

On medieval site and perhaps incorporating early structure, largely rebuilt 1767 – 8 by Timothy Lightoler. Gutted by fire 1880. Ashlar, castellated with low turret. Welsh slate roof. Single storey. VCH, viii, pp. 473 – 4.

Warwick Castle, with its Boundary Walls, Stables, Conservatory, Mill and Lodge form a group.

REMAINS OF OLD CASTLE BRIDGE (GRADE II*)

II* Ruin of late medieval stone, ashlar, bridge over the River Avon by weir. Sections of: three complete arches in centre of river, one arch by north bank and arch on south bank remain. Simple chamfered moulding to 4-centred arches. Splayed piers have cutwaters, up stream and down. AM.

PORTION OF BOUNDARY WALL TO WARWICK CASTLE ABUTTING MILL STREET (GRADE II*)

Late C18. Probably by William Eborall. Ashlar, moulded coping. Warwick Castle, with its Boundary Walls, Stables, Conservatory, Mill and Lodge form a group.

PORTION OF BOUNDARY WALL TO WARWICK CASTLE ABUTTING WEST PART OF CASTLE LANE (GRADE II)

1789 by William Eborall. Ashlar. Part of the improvements to the grounds of Warwick Castle commissioned by George Greville, 2nd Earl. Sandstone, moulded coping.

Warwick Castle, with its Boundary Walls, Stables, Conservatory, Mill and Lodge form a group.

PORTION OF BOUNDARY WALL TO WARWICK CASTLE ABUTTING CASTLE HILL AND EAST PART OF CASTLE LANE (GRADE II)

Ashlar. 1789 by William Eborall. Part of the improvements to the grounds of Warwick Castle commissioned by George Greville, 2nd Earl. Sandstone, moulded coping.

Warwick Castle, with its Boundary Walls, Stables, conservatory, Mill and Lodge form a group.

WARWICK CASTLE LODGE (GRADE II)

1796 – 7 by Samuel Muddiman and John Williams. Rectangular ashlar block with Neo-Gothic details, including crenellated parapet. Large central 4-centred chamfered arch with 2 fold gate. VCH, viii, p. 464.

Warwick Castle, with its Boundary Walls, Stables, Conservatory, Mill and Lodge form a group.

APPENDIX 4: MASTERPLAN PUBLIC CONSULTATION

INTRODUCTION

This appendix explains the engagement undertaken by, Warwick Castle as part of the preparation of its Masterplan.

The Masterplan has been prepared to satisfy Warwick Local Plan Policy CT6 which requires proposals at Warwick Castle to be brought forward in line with an approved Masterplan.

The Masterplan sets out the projects that this leading UK attraction might pursue over the next five to ten years. They cover heritage maintenance, infrastructure and some development to ensure the Castle remains an attractive and relevant venue for both heritage and family visitors. Each project would require a separate planning and/or listed building application/scheduled monument consent and public consultation where relevant.

Following engagement with Warwick District Council (WDC) and other stakeholders, the Castle held a Public Exhibition over three days in September to engage the community and obtain feedback on the Masterplan. To ensure that attendees felt confident they could engage in the process they were given the opportunity to provide written comments on a feedback form prepared for the event.

STAKEHOLDER ENGAGEMENT

Warwick Castle has previously presented an early version of the Masterplan to Warwick Town Council, the Conservation Area Forum and their Neighbours Forum group. It has also been discussed with Council Officers. We set out the key dates below:

- Conservation Area Forum (10 August 2017 and 31 October 2019).
- Warwick Town Council (6 December 2018).
- Neighbours Forum- a full presentation was given by Warwick Castle on 20 June 2017. Updates were presented at each subsequent meeting (10 November 2017, 27 March 2018, 20 June 2018, 8 October 2018, 8 April 2019, 11 July 2019 and 15 October 2019).
- Annual planning meeting with WDC and Historic England (4 May 2017 and 18 May 2018).
- Chamber of Trade- a full presentation was given by the Castle on 19 December 2017 and a verbal update was

- provided 13 November 2018.
- Bridge End Residents Association (11 Oct 2019).

PUBLIC CONSULTATION

The public consultation events on the proposed Masterplan consisted of a Public Exhibitions held over three days (Saturday 7th, Sunday 8th and Monday 9th September) and at different times to give a variety of opportunities for people to attend.

A Press Release was published (3rd September 2019) in the Warwick Courier which detailed the forthcoming public consultation.

Public Consultation Format

The Public Consultation was held over three days at Warwick Castle, Warwick, CV34 4QU. The event was held at the following times and locations:

1. Saturday 7th and Sunday 8th September (9am to 12pm) in the upstairs of the Coach House Restaurant;
2. Monday 9th September (5pm to 7pm) in the State Dining Room.

The Consultation took the form of a presentation of the Masterplan via images on boards with accompanying written explanations and was run as a 'drop in'. The boards displayed the key projects and ideas the Castle may develop over the coming years; providing an overview of the background and design principles. At least one management team member from the Castle was available to explain the proposals and answer queries throughout the events.

Feedback Format

Local residents, businesses and visitors attending the public exhibitions were able to provide verbal feedback and comments to the team. A written comments form was available to fill out at the exhibition.

PUBLIC CONSULTATION FEEDBACK

The public exhibition was attended by a total of around 100 attendees overall. And a total of 32 feedback forms were completed.

The responses received to the survey are summarised below.

Question 1:

Warwick Castle is a major visitor attraction and local employer. Do you agree that we should continue to improve facilities at the attraction?

87.5% of respondents agreed that Warwick Castle should continue to improve facilities at the attraction. The remaining 12.5% were unsure. There were a number of additional points raised in the 'further comments' section. These have been reviewed and grouped into the key themes set out below:

Impact on Heritage Assets: Improvement works were generally welcomed; however future projects need to be sensitive to the Castle's heritage setting and not impact on heritage assets or green open areas.

Education: A number of respondents made reference to the educational benefits of Warwick Castle. It is important that the Castle continues to provide attractions and events that teach people about history in an interactive way. It is important that attractions are 'historically' correct.

Design: New facilities should be sympathetic in height and constructed with appropriate materials.

Noise: Respondents (in particular local residents) raised concerns in relation to noise levels from new developments.

Local Economy: Respondents would like new developments to encourage use of the town centre, local businesses and other local attractions.

Projects: A number of comments related to specific projects e.g. support for the refurbishment of Porter's Lodge as a guest lodge and for the refurbishment of the playground. It was noted that the maze is currently in a poor condition.

Question 2

Warwick Castle has considered the impact of future developments on transport, ecology, landscape, noise, neighbours proximity, heritage impact etc. Are there any other specific issues that you consider the long-term plan should address?

A number of respondents stated that the plans look positive for the Castle with the town centre benefiting from an enhanced visitor destination. A number of specific points were raised. These covered the key themes set out below.

Transport: Consideration needs to be given to the traffic impacts resulting from new development, particularly along Castle Lane. The accident potential of Castle Street/Castle Lane/Pedestrian crossing from town entrance to Castle Street was also raised.

Access: Respondents would like to see improvements to pedestrian access. Plans for footpath alongside vehicle access from Stratford Road are welcomed.

Noise: Noise was raised as a concern. Respondents would like to see a reduction in noise pollution from events at the Castle; especially with future proposals coming forward.

Heritage Conservation: Respondents consider that future developments will need to protect the heritage assets and character of the Grade I Registered Park and Garden.

Tourism/Community Integration: Future developments should consider the social, cultural and economic impacts on the local area. It is important that the Castle is not developed in isolation from the town. Clear signage would be welcomed directing visitors to the town centre.

Infrastructure: Existing infrastructure will need to be able to cope with any increased traffic and visitor footfall in the town centre.

Sustainability: The Castle need to consider the sustainability of any new buildings proposed.

Question 3

Do you support the development of these other facilities at Warwick Castle?

Figure 2 identifies the level of support for each of the Masterplan proposals. It was noted that it was difficult to give to comprehensive view without seeing a full planning application. Notwithstanding, the proposed pedestrian access from Stratford Road has generated the most support from respondents (63%). This is followed by proposals for a circular walk at Pageant Field (53%) and the Riverside covered seating (53%).

The project with the least support is the additional on-site accommodation (28%). However, at this stage the Castle are only exploring the potential for additional accommodation and are not pursuing any specific plans.

In addition to the above there were a number of additional

points raised in the ‘further comments’ section. These have been reviewed and grouped into the key themes set out below:

Accommodation: Respondents raised a number of concerns. Concerns were raised in respect of negative impacts on the local businesses (existing B&B’s, restaurants etc.) who rely heavily on Castle visitors for their income. Given the recognised sensitivities, the Stables were considered unsuitable for future accommodation. Traffic impact and overcrowding at the Castle was a further concern.

Noise: Noise associated with the Jousting Arena was raised. Consideration should be given to reducing the volume/base sounds.

Question 4

Are there any other aspects of Warwick Castle that you think could be improved?

39% of attendees consider that there are other aspects of Warwick Castle that could be improved. A further 39% remained unsure. The following points were raised in the ‘further comments’ section of the survey.

Promotion of Heritage: It was suggested that the Castle should continue on the path of the ‘de-Disneyfication’ to promote the historic aspects and importance of the heritage asset.

Improve links to Town Centre: A park and ride and mini bus into town centre was suggested.

Pedestrian Access: Improvements encouraged. Pedestrian access would be welcomed into Castle Park.

Food and Drink: Respondents suggested that upgrades would be welcomed.

Community: Good relations and links to local community should also be encouraged.

Question 5

Overall so you support the plans for the future development at Warwick Castle?

Overall, 52% of attendees supported the plans for future development at Warwick Castle. Only 7% did not support the plans (with 41% remaining unsure). Very few respondents did not support the overall proposals.

The following points were raised in the ‘further comments’ section of the survey: Hotel development, height of any new development in Stone Yard or Gardeners Yard, noise levels and ownership concerns.

RESPONSE TO FEEDBACK

Overall, the potential future proposals were positively received at the consultation event. The Castle have sought to address concerns as far as possible within an updated Masterplan document. A number of changes have been incorporated into the document these are as follows:

- 1. Greater clarity has been given on the status of the accommodation proposals. The Castle management are not pursuing any specific plans.
- 2. Proposals within the area of the playground are likely to comprise renewal of equipment or similar alternative use.
- 3. Changes to the food and drink offer will focus on improving existing facilities and will not include a restaurant on Long Walk.
- 4. The following proposals have been removed ‘Royal Weekend Party’ and Maintenance Workshop.
- 5. Addition of statement to confirm that the potential for effects on residential amenity, traffic, ecology, trees and any other relevant matters will be considered, where relevant on a project by project basis.

CONCLUSION

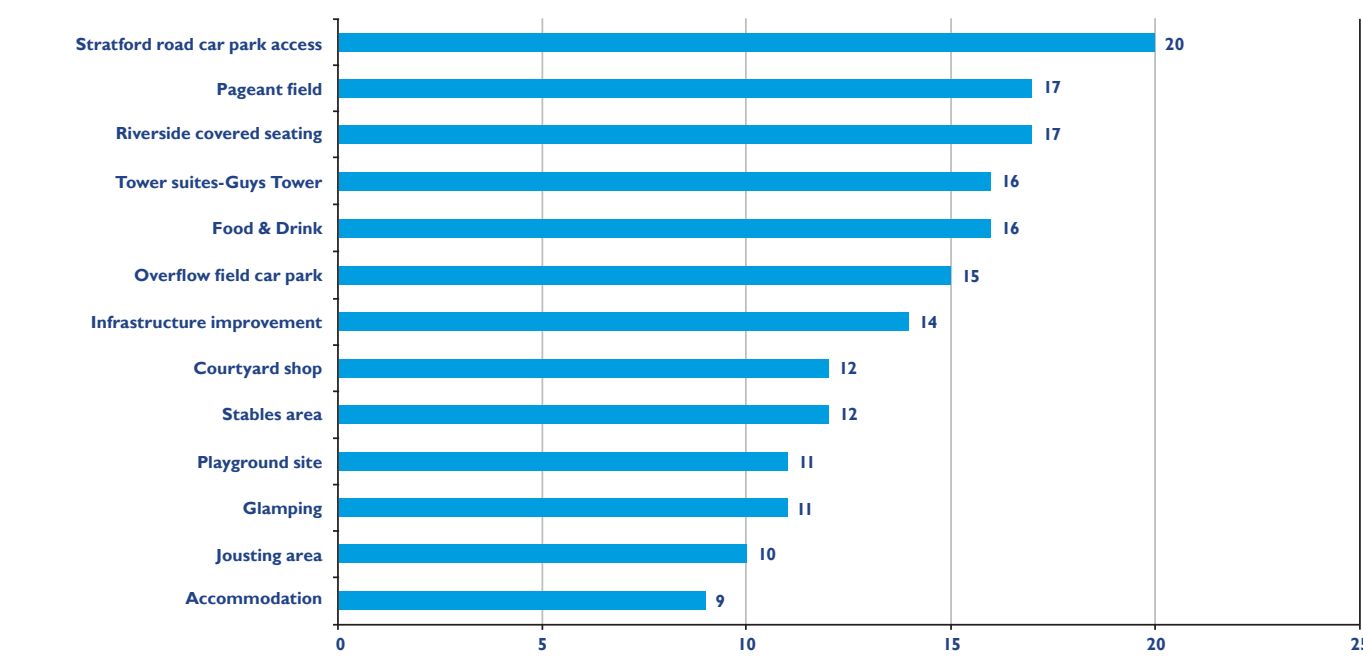
Warwick Castle has engaged with the Council, local residents, businesses and visitors and responded to comments as a result of the Public Consultation. The Public Consultation was well attended, and it enabled the local community to view the potential future proposals set out in the Masterplan and engage with the team at the Castle.

Respondent viewpoints have largely focused on:

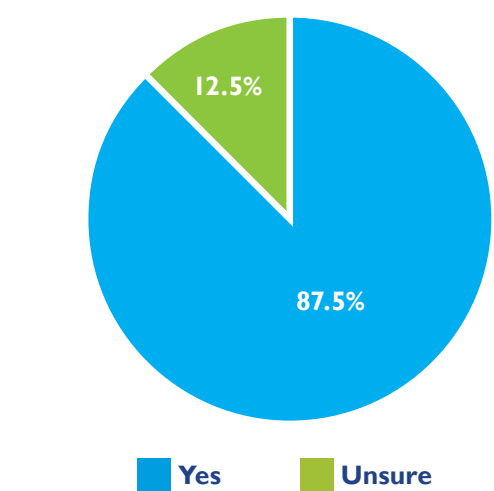
- Heritage Conservation; Noise; Traffic and Car Parking; Access; Design and Materials; Accommodation; and Local Economy (links to Town Centre).

Feedback on the Masterplan has been largely positive. The concerns raised are acknowledged and will be addressed as far as possible through the proposals as they come forward.

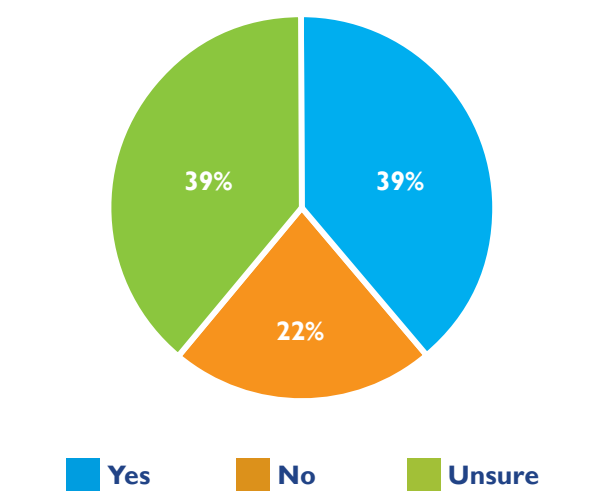
DO YOU SUPPORT THE DEVELOPMENT OF THESE OTHER FACILITIES AT WARWICK CASTLE?
Figure 2 Responses to survey question 3



WARWICK CASTLE IS A MAJOR VISITOR ATTRACTION AND LOCAL EMPLOYER. DO YOU AGREE THAT WE SHOULD CONTINUE TO IMPROVE FACILITIES AT THE ATTRACTION?
Figure 1 Responses to survey question 1



ARE THERE ANY OTHER ASPECTS OF WARWICK CASTLE THAT YOU THINK COULD BE IMPROVED?
Figure 3 Responses to survey question 4



7.THE CONCEPT AND GUIDING PRINCIPLES

Visitor Attractions — Investment is Essential

7.1 As evident from the economic context, Warwick Castle, as a visitor attraction, operates within a highly competitive sector of the economy and just retaining visitor numbers is a challenge, especially for those businesses where there is a degree of repeat business. Essential factors in retaining visitor numbers include meeting rising customer expectations and standards, and providing a range of experiences that can attract people of all ages and interest. Warwick Castle has been innovative in terms of developing its offer, within the context and requirements of a historic site. Since TTG acquired the Castle in 1978 a number of sensitive ‘attractions’, of a limited development nature, have been added to the Castle and within the grounds. This limited level of development has enhanced the existing assets whilst providing new opportunities for visitors:



Opening of the ‘Castle Dungeon’ experience



Use of land for ‘glamping’ site (seasonal to 2022)



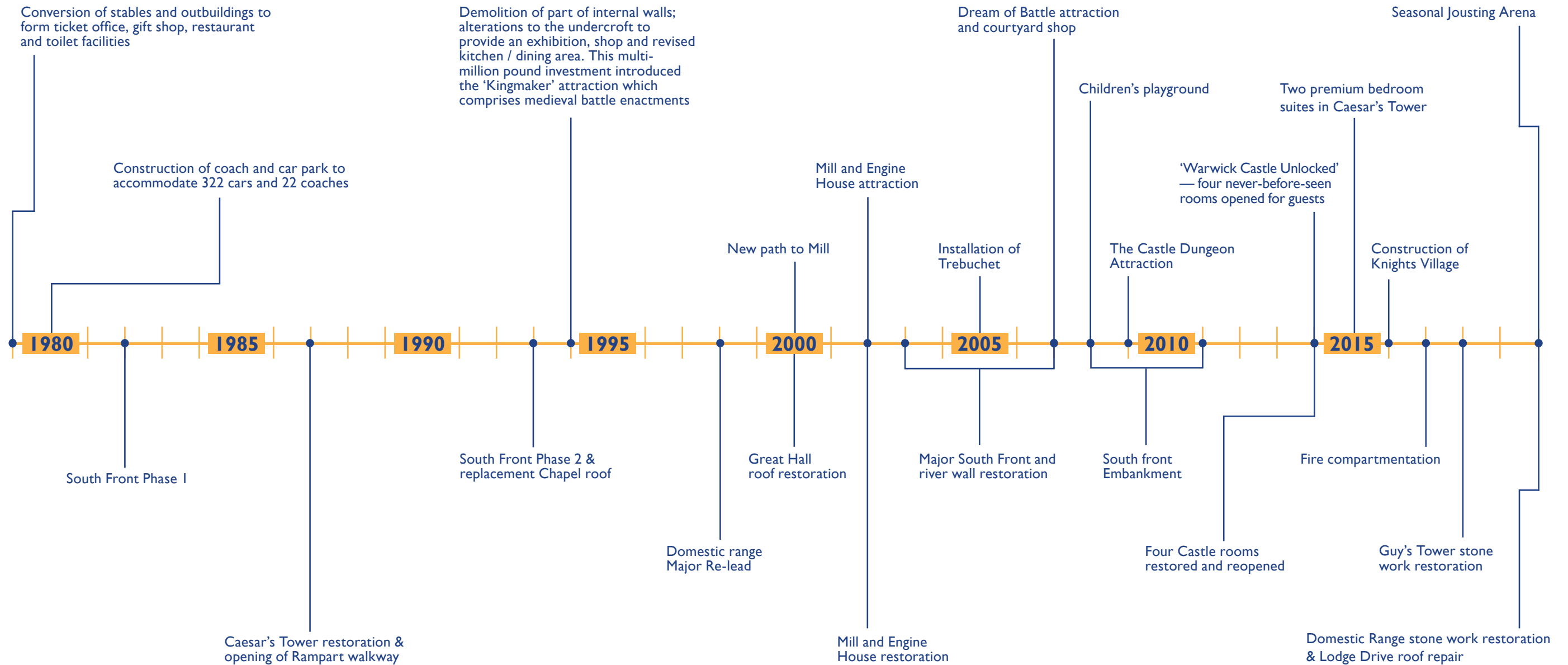
Construction of base for trebuchet (siege machine) on river island



Erection of 14 permanent semi-detached lodges (28 units) for visitor accommodation

Major Investments Since 1978

Development



Restoration (£25 million)

7.2 The managers of the Warwick Castle undertake visitor surveys and assess the feedback against key performance indicators (KPIs). These help inform decision about projects that should be progressed.

7.3 The feedback identifies dissatisfaction with:

- Catering facilities
- Toilet provision
- Disabled access
- Covered / sheltered areas (especially on hot or wet days).

7.4 The dissatisfaction with these aspects is magnified on busy days.

7.5 In addition, from a management perspective, office space is very limited and in some cases occupies rooms in the Castle that could be opened to guests. Whilst this would help provide more space for guests, it would present challenges for the operational side of the Castle. The Castle also needs adequate space for other operational facilities. The increased success of the Castle and demand for better and a more varied food and beverage offer, means that there is a need for accessible on-site storage space. At the moment some supplies are stored off-site which adds complexity to the operation of the Castle. This is often exacerbated by traffic in Warwick.

7.6 With the shift to more of our guests who visit the Castle travelling by car (versus a greater percentage who arrived by coach in the 1990s) we are reviewing how we manage the increased car volumes. The overflow car park in Leafield Farm is being used more regularly than originally expected (on neighbouring land). We will work with WDC on this, as their plans are also to develop town centre car parking to see if this can help our situation.

7.7 The visitor is the focus of the Castle's operation: they are essential to ensure the Castle is maintained, that it is able to employ staff and suppliers which, in turn, have many spin off benefits. However, as set out above there are challenges, especially from competitors both in the UK and overseas.

7.8 Accordingly Warwick Castle has to provide a range of facilities and features that draw visitors. In addition, a

visitor attraction requires significant 'infrastructure' to ensure it is managed efficiently, some infrastructure is related to the visitor, other infrastructure is required for the management of the estate. Due to the significance of the site there is the need for both buildings / structures and the landscape to be carefully maintained.

7.9 The facets of the overall operation of the Castle are, therefore:

- Visitor facing 'attractions'
- Visitor infrastructure
- Management infrastructure
- Building maintenance
- Landscape management.

7.10 All need to be addressed over the next 10 years or so. This section of the Masterplan outlines a number of concepts and guiding principles to enable the continued successful running of the Castle as a visitor attraction alongside ongoing maintenance and restoration of the heritage assets.

The Concepts

- 1. Visitor Facing 'Attractions':
 - i. Upgraded existing 'attractions' — refreshing facilities that may have become dated or no longer meet visitor demands / expectations;
 - ii. New 'attractions' to complement the existing offer of the Castle — a mix of permanent and seasonal facilities, shows, displays, access to the heritage asset.
- 2. Visitor Infrastructure:
 - i. Rationalised food and drink offer to provide more high quality permanent facilities including opportunities across the site to help distribute visitors
 - ii. Enhanced facilities for visitors to eat and drink, e.g. covered seating areas
 - iii. Additional visitor accommodation on-site
 - iv. Improved retail facilities
 - v. Wheelchair access to more areas of the castle

- vi. Improved / more integrated pedestrian access
- vii. Provision of adequate overflow car parking.

- 3. Management Infrastructure:
 - i. Office space for Castle staff
 - ii. 'Back of house' improvements to provide better storage and maintenance areas.
- 4. Building Maintenance and Heritage Restoration:
 - i. Domestic range masonry repairs east and west;
 - ii. South Front repairs Phase 6
 - iii. Tower's and ramparts
 - iv. Mound curtain wall
 - v. Conservatory window frames
 - vi. Boundary walls.
- 5. Landscape Management:
 - i. Ongoing management of the existing grounds
 - ii. Opportunities for new tree planting.

Guiding Principles


- | | |
|--|--|
| 1. Consideration of the significance of the RP&G and preserving its values and significance; | 4. Any new build structures to remain subservient to the heritage asset(s) and respect their setting; |
| 2. Assessment of the significance of the Conservation Area and continued commitment to preserving or enhancing its character and appearance; | 5. Archaeological investigations to be carried out if foundations or below ground physical works are required; |
| 3. Careful consideration of any proposed physical alterations to the heritage assets: <ul style="list-style-type: none">i. loss of historic fabric should be minimised;ii. consideration of the reversibility of proposals in the future; and,iii. selection of historically sympathetic and high quality materials; | 6. Planting to be used, where historically appropriate, to reduce visibility of any new build structures; |
| | 7. Consider opportunities to enhance the aesthetic of an area, where appropriate. |
- Projects which are developed in accordance with the above concepts and which follow the outlined guiding principles will be capable of preserving the significance of the heritage assets, the RP&G and the CA.

Case Study

The opening up of the undercroft is a good example of how Warwick Castle resolved a problem over 20 years ago (1993 – 4) that achieved management, heritage and guest benefits. Feedback from guests identified that the Castle's medieval history was underrepresented. The undercroft was an ideal space to explain that aspect of the Castle's history but it was occupied by maintenance workshops and, in part, an apartment created in the late 19th Century.

The solution was to build a specific building, the Estate Management Building in Foxes Study, on a cleared area surrounded by woodland. This meant the workshops could be cleared out of the core of the Castle. This enabled the undercroft to be made accessible to visitors and became the location for the Kingmaker attraction. It was concluded that this overall scheme, including removal of the apartment, created benefits, including restoration and revealing another part of the heritage significance of the Castle.



 Executive - 12th February 2020		Agenda Item No. 16
Title	Racing Club Warwick- Lease Extension	
For further information about this report please contact	Del Hopgood 01926 456078 Derek.hopgood@warwickdc.gov.uk Stuart Winslow Stuart.Winslow@warwickdc.gov.uk	
Wards of the District directly affected	Warwick Aylesford	
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?	Yes
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	No
This is an extension to an existing lease and therefore an equality impact assessment has not been carried out.	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive		Andrew Jones, Bill Hunt
Head of Cultural Services		Rose Winship
Section 151 Officer		Mike Snow
Monitoring Officer		Andrew Jones
Finance		Mike Snow
Portfolio Holder(s)		Cllr Moira Ann Grainger
Consultation & Community Engagement		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **Summary**

- 1.1 Members will be aware that the Council are currently working in partnership with Racing Club Warwick (RCW) to secure funding from the Football Foundation to improve the facilities at the club at Townsend Meadow. Racing Club Warwick have a lease with the Council for the site which expires in 2034.
- 1.2 One of the criteria for organisations to apply to the Football Foundation for funding is that an applicant must either own the land or have a lease for a minimum of 21 years. Whilst Warwick District Council (WDC) are the lead applicant in the construction phase, once the construction has been completed, the lead applicant will change from WDC to RCW for the delivery of the Development Plan. Currently RCW has only 14 years remaining on their lease and not the 21 years required. Therefore, this report seeks to approve an extension to the lease.

2. **Recommendation**

- 2.1 Members are asked to approve an extension of the **Club's Lease of** Land and Premises at Townsends Meadow, Hampton Road (Racing Club Warwick) so that they will be entitled to remain until 2041.

3. **Reasons for the Recommendation**

- 3.1 WDC will be the lead applicant for the construction phase of the project. This allows the cost of the project to be reduced due to the Council being able to recover the VAT. Without this advantage the project would not have been financially viable. Once the construction phase has been completed the lead applicant role will change to RCW as they are better placed and have the expertise to deliver the Football Development Plan for the next 10 years as required by the Football Foundation. At this point RCW will need to have a lease for a minimum of 21 years to meet the Football Foundation criteria. Note that the extension year will need to coincide with the completion of the artificial pitch, which is expected to be 2020, but could be subject to delay, therefore maybe the following year.
- 3.2 The Football Development Plan is a detailed agreement between the Football Foundation and the football club, which details how the club will use the 3G pitch over the next 20 years to support the club's progression and also improve the football experience available for the wider community by providing access to the new artificial pitch for community use, including **women's** football, disabled football and youth football. RCW are best placed to deliver this element of the agreement and therefore will assume the lead role once the new facilities are completed and ready to be used.
- 3.3 **This report describes the proposed arrangement as a lease 'extension' which is** a term used for reasons of simplicity. However, strictly speaking, extending the term of an existing lease such as this would create a number of legal difficulties which are best avoided. Therefore, it is proposed that the same end result be achieved by granting the club what is known by lawyers as a 'reversionary' lease for seven years so they have the required 21 years in total. A reversionary lease is one which is completed now, but will not come into force until a specified date in the future (in this case, the date on which the **club's** current lease expires). References in this Report to a lease extension should be interpreted as referring to the grant of the reversionary lease. Granting a 7-

year lease is compliant with the requirements of the Warwick District Council Act 1984 which imposes restrictions on the term of leases which can be granted in this case. The proposal is also in accordance with the Master Plan developed for the future use of St. Marys Lands.

4.0 Fit for the Future (FFF)

"The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things, the FFF Strategy contains several Key projects."

"The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal, if any in relation to the Council's FFF Strategy."

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all. Housing needs for all Met. Impressive cultural and sports activities. Cohesive and active communities.	<u>Intended outcomes:</u> Area has well looked after public spaces. All communities have access to decent open space. Improved air quality. Low levels of crime and ASB.	<u>Intended outcomes:</u> Dynamic and diverse local economy. Vibrant town centres. Improved performance/ productivity of local economy. Increased employment and income levels.
Impacts of Proposal		
The Project will significantly improve the facilities at RCW and the opportunities for the community.	Environmentally sensitive design to be used where viable.	Modernisation of the assets managed by Racing Club Warwick and owned by the Council, extending the life of the assets and reducing the ongoing maintenance liabilities.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained. All staff have the appropriate tools. All staff are engaged, empowered and supported. The right people are in the right job with the	<u>Intended outcomes:</u> Focusing on our customers' needs . Continuously improve our processes. Increase the digital provision of services.	<u>Intended outcomes:</u> Better return/use of our assets. Creates long term sustainability for the club and financial surety for the Council.

right skills and right behaviours.		
Impacts of Proposal		
Staff are clear about objectives and priorities for outdoor sports provision.	Services are designed and managed in a way that meets the needs of the community.	Opportunity to maximize income through improved outdoor sports facilities.

4.1 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained here:

Local Plan

- 4.1.1 The Vision for the District (as supported by the Local Plan) is to make Warwick District a Great Place to Live, Work and Visit. Specifically, the Plan requires a **masterplan for St Mary's Lands**, of which RCW forms part. The improvement of **the club's facilities is part of the masterplan that was agreed in 2017.**

The Playing Pitch Strategy

- 4.1.2 The Playing Pitch Strategy states in respect of the facilities at RCW the following:

"....that many of the key football clubs in the district are at capacity and the facilities that they use are starting to restrict club growth. Spare capacity is not necessarily available in the right places for the clubs that need it. Racing Club Warwick cannot meet their aspirations to grow with the current facilities they have at their disposal. The PPS acknowledges that RCW has heavy usage and the grass pitches show signs of over play. A 3G artificial pitch would potentially address this issue and permit more teams to practice and play at peak times. The current changing provision will be unable to cope with the increase in usage if a 3G was introduced at the club, therefore new changing rooms have been recommended to be built in tandem with the 3G. The PPS takes a broader perspective of the districts requirements for sport and with reference to football it states that in order to meet current training needs, 5 additional AGPs are required. We can therefore be confident that a built 3G at RCW will be well utilised by the community knowing from the PPs that there is significant latent demand for football now and in the future".

5. Budgetary Framework

- 5.1 Legal Services would need to be used to draw up an amendment to the lease or a letter of agreement that would be used in conjunction with the lease. It is anticipated that the legal costs for this would be in the region of £500. The funding for this has already been allocated from Central Legal code 471-5751.
- 5.2 The provision for determining the yearly rent within the lease will remain unchanged, in that the figure charged will be subject to a rolling 5-year review. The timing of the first review will be 2023 which will coincide with the completion of the artificial pitch, should the project go ahead. The rent in this current 5-year period is £5750 per annum.


- 5.3 It is anticipated that the total cost of the project will be around £750,000. RCW are actively engaged in fund raising to find £150,000 to contribute to the total sum. The council has pledged £150,000 towards the project and it is anticipated that the Football Foundation will fund the remaining amount.
- 5.4 The Council is committed to continuing its investment in its outdoor sports and leisure stock. In order to do so, section 106 developer contributions are an essential source of funding in order to finance the projects featured in the LFFP and PPS. In the case of the proposed grant from the Council to Racing Club Warwick, Section 106 monies will make up £55,500 of the requested £150,000. The remaining balance of £94,500 will be funded from the Community Project Reserve. It has not yet been fully established when the money will be required, however RCW are keen to commence the project as soon as possible with a view to the new facilities being in use for the 2020/21 football season.

6. Alternative Option(s) considered

- 6.1 If RCW are not granted the lease extension then the alternative would be for WDC to remain the lead applicant for the project meaning that they are responsible for delivering the Development Plan. This arrangement is not recommended as it would require the Council to work in parallel with RCW on such operational matters as pitch bookings, marketing, and with local football teams wishing to use the new pitch. RCW are far better placed to take on this role, and have the appropriate people to undertake this role. The Sports Team in Cultural Services do not currently have the staff resources to undertake this role in the future.

7. Background

- 7.1 The Local Football Facilities Plan for Warwick District identifies opportunities to accurately target investment in football across the local area. This plan proposes projects for potential investment that will transform local football facilities, including 3G pitches. Racing Club Warwick was identified as one of the priority projects in this district. The 3G pitch will provide a high quality surface that can be used all year round with no decline in quality. High capacity levels offer a great opportunity to embrace all formats and engage participants from all sections of the community with a particular focus on underrepresented groups such as women and girls, people with disability, BAME communities and people from lower socioeconomic groups.
- 7.2 Racing Club Warwick were formed in 1919 as Saltisford Rovers, changing their name to the current name in 1969. After many years in the Midland League Division 1 they gained promotion to the Midland League Premier Division in the 2018/19 season. A new Board in 2015 and a new chairman in 2016 has led to several years of continuous improvements to their facilities which has in turn established the club's status within the current league.

 Executive – 12th February 2020		Agenda Item No. 17a
Title	Rural/Urban Capital Improvement Scheme (RUCIS) Application	
For further information about this report please contact	Jon Dawson Finance Administration Manager 01926 456204 email: jon.dawson@warwickdc.gov.uk	
Wards of the District directly affected	Old Milverton & Blackdown, Milverton, Shrewley	
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	RUCIS Scheme details. RUCIS Application file no. 249 to 251 correspondence with applicants.	

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	27.1.20	Chris Elliott
Head of Service	27.1.20	Mike Snow
CMT	27.1.20	Chris Elliot, Bill Hunt and Andy Jones
Section 151 Officer	27.1.20	Mike Snow
Monitoring Officer	27.1.20	Andy Jones
Finance	27.1.20	Mike Snow
Portfolio Holder(s)	27.1.20	Cllr Hales
Consultation & Community Engagement		
Community Partnership Team, Manoj Sonecha (Active Communities Officer), Stuart Winslow (Sports and Leisure Contract Manager), David Guilding (Arts Manager) and Chloe Johnson (Arts Collections and Engagement Manager), Carol Sleight (Arts Officer); Copy of report forwarded 9 th January 2020.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. Summary

1.1 This report provides details of three Rural/Urban Capital Improvement Scheme grant applications:

- o Leamington Cricket Club to **refurbish both the gents and ladies' toilets, to include;** remove existing toilets and replace with new water saving toilets, replace taps on existing sinks with new eco models, replace the existing hand dryers with new energy saving eco models, remove existing vinyl flooring and replace with new non-slip flooring and paint throughout.
- o Leamington RFC to install two new pitch shelters and septic tank and carry out lounge improvements to include; install an internal sliding partition into the lounge area, extend the existing outside seating space linking this with the use of double glazed opening conservatory style doors, replace rotten windows throughout the clubhouse and install adequate alarm security.
- o Shrewley Parish Parents to install a new playground in the grounds of Shrewley Village Hall.

2. Recommendation

2.1 It is recommended that the Executive approves a Rural/Urban Capital Improvement Grant for:

Leamington Cricket Club

Leamington Cricket Club of 80% of the total project costs to refurbish both the **gents and ladies' toilets, to include; remove existing toilets and replace with** new water saving toilets, replace taps on existing sinks with new eco models, replace the existing hand dryers with new energy saving eco models, remove existing vinyl flooring and replace with new non-slip flooring and paint throughout, as detailed within paragraphs 1.1, 3.2 and 8.1, up to a maximum of £4,496 including vat subject to receipt of the following:

- o Written confirmation from Leamington Town Council to approve a capital grant of £500 (if the application is declined or a reduced amount is offered the budget shortfall will be covered by Leamington Cricket Club's cash reserves which have been evidenced through their annual accounts and the provision of recent bank statements)

As supported by appendix 1.

Leamington RFC

Leamington RFC of 39% of the total project costs to install two new pitch shelters and septic tank and carry out lounge improvements to include; install an internal sliding partition into the lounge area, extend the existing outside seating space linking this with the use of double glazed opening conservatory style doors, replace rotten windows throughout the clubhouse and install adequate alarm security, as detailed within paragraphs 1.1, 3.2 and 8.2, up to a maximum of £28,000 including vat subject to receipt of the following:

- o Written confirmation from Old Milverton & Blackdown Parish Council to approve a capital grant of £100 (if the application is declined or a reduced amount is offered the budget shortfall will be covered by Leamington RFC's **cash reserves which have been evidenced through** their annual accounts and the provision of recent bank statements)

As supported by appendix 2.

Shrewley Parish Parents

Shrewley Parish Parents of 50% of the total project costs to install a new playground in the grounds of Shrewley Village Hall, as detailed within paragraphs 1.1, 3.2 and 8.3, up to a maximum of £16,283 including vat subject to receipt of the following:

- o Written confirmation from Garfield Weston Foundation to approve a capital grant of £8,782 (or an alternative grant provider if the application is declined or a reduced amount is offered)
- o Written confirmation that insurance cover has been taken out to cover the new facility

As supported by appendix 3.

3. Reasons for the Recommendation

- 3.1 The Council operates a scheme to award Capital Improvement Grants to organisations in rural and urban areas. The grants recommended are in **accordance with the Council's agreed scheme and will provide funding to help** the projects progress.
- 3.2 All three projects **contribute to the Council's** Fit for the Future Strategy;

Leamington Cricket Club

Without the cricket club there would be fewer opportunities for the community to enjoy and participate in sports activities which could potentially result in disengaging and weakening the community and an increase in anti-social behaviour and obesity. The project work will up-**date and modernise the club's** toilet facilities which will allay any health & safety concerns and will save on current drainage and plumbing maintenance costs which in turn will enable the club to keep membership and hire fees as low as possible. The project is also an opportunity to help the environment/climate change through installing water saving toilets and taps and eco-friendly hand dryers.

Leamington RFC

Without the club there would be fewer opportunities for the community to enjoy and participate in sports activities which could potentially result in disengaging and weakening the community and an increase in anti-social behaviour and obesity (including in children). The project will increase opportunities to participate in social and community activities/events which will further strengthen and engage the community. Without the project the septic tank **won't be replaced and besides not conforming to government regulations** it will also mean a reduction in opportunities to participate and enjoy sporting and social activities as there will be occasions where the clubhouse will have to

close to maintain the current tank which is basically now at the end-of-life. Replacing the septic tank will also reduce maintenance costs which in turn will enable the club to keep membership and hire fees as low as possible.

Shrewley Parish Parents

Currently there **is no children's playground facility in Shrewley**; the project will deliver this facility which will help to reduce disadvantage in a rural area, anti-social behaviour and obesity in children. The project will also increase opportunity for physical activity and will help to further strengthen and engage the community by providing a focal point in the village for families to gather, meet each other and strengthen their support networks. There are also opportunities for more local people to get involved in volunteering to support the project and, once the playground is in place, through joining the maintenance rota to help take care of the site and equipment in the years to come.

4. Policy Framework

4.1 Fit for the Future (FFF):

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands; People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal, if any, in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
All RUCIS applications are designed to encourage and support local communities and local not-for-profit organisations in developing cohesive and active communities.	Through the delivery of RUCIS grants the aim is to deliver cohesive and active communities which in turn help to support and maintain lower levels of crime and ASB.	N/A

The details behind this are set out in appendices 1, 2 and 3.	The details behind this are set out in appendices 1, 2 and 3.	
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
N/A	N/A	N/A

- 4.2 Supporting Strategies; each strand of the FFF Strategy has several supporting strategies and but none are directly relevant in this case.
- 4.3 Changes to Existing Policies; there are no changes to existing policies.
- 4.4 Impact Assessments; there are no new or significant policy changes proposed in respect of Equalities.

5. Budgetary Framework

- 5.1 The budget for Rural/Urban Capital Improvement Scheme applications for 2019/20 is £150,000.
- 5.2 There is £105,406 remaining budget available to be allocated, if the applications from
- o Leamington Cricket Club of 80% of the total project costs up to a maximum of £4,496 (including vat)
 - o Leamington RFC of 39% of the total project costs up to a maximum of £28,000 (including vat)
 - o Shrewley Parish Parents of 50% of the total project costs up to a maximum of £16,283 (including vat)

are agreed, £56,627 will remain in the RUCIS budget.

- 5.3 There is £4,296 available to be allocated for Rural/Urban Capital Improvement Scheme Grants from project underspends which have occurred within this financial year.

As per appendix 4.

6. Risks

- 6.1 There are no main risks for this proposal.

7. Alternative Option(s) considered

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

8. Background

- 8.1 Leamington Cricket Club has submitted a RUCIS application to refurbish both **the gents and ladies' toilets, to include; remove existing toilets and replace** with new water saving toilets, replace taps on existing sinks with new eco models, replace the existing hand dryers with new energy saving eco models, remove existing vinyl flooring and replace with new non-slip flooring and paint throughout.

Projects of less than £10,000 overall costs fall within the Small Grants category of the RUCIS scheme which has a maximum contribution of up to 80% of the overall project costs; the project cost is £5,620 (including vat) and therefore qualifies to apply for a grant of up to 80%.

The application is therefore for 80% of the total project costs up to a maximum of £4,496 including vat.

Leamington Cricket Club has committed £624 to the project costs from their cash reserves; these funds have been evidenced through their annual accounts and the provision of recent bank statements.

Leamington Cricket Club **isn't registered for vat and therefore will not be** reclaiming vat in connection to this project; the award will therefore be inclusive of vat.

An application has been made to Leamington Town Council for a contribution of £500 towards this project and is now awaiting a decision; if the application is declined the budget **shortfall will be covered by Leamington Cricket Club's cash** reserves which have been evidenced through their annual accounts and the provision of recent bank statements.

Leamington Cricket Club has previously had the following successful RUCIS grant:

- o November 2016 - 80% grant awarded which equated to £7,977 to level the outfield on the junior / 3rd team pitch as this was not up to the required standard

The application therefore meets the scheme criteria whereby after a successful grant award an organisation must wait for a minimum of 2 years before re-applying for a new grant.

It is therefore recommended that the Executive approves an award of a Rural/Urban Capital Improvement grant to Leamington Cricket Club of 80% of the total cost of the project including vat subject to a maximum of £4,496.

- 8.2 Leamington RFC has submitted a RUCIS application to install two new pitch shelters and septic tank and carry out lounge improvements to include; install an internal sliding partition into the lounge area, extend the existing outside seating space linking this with the use of double glazed opening conservatory style doors, replace rotten windows throughout the clubhouse and install adequate alarm security.

The application is for 39% of the total project costs up to a maximum of £28,000 including vat.

Leamington RFC has committed £500 to the project costs from their cash reserves; these funds have been evidenced through their annual accounts and the provision of recent bank statements.

An application has been made to Old Milverton & Blackdown Parish Council for a contribution of £100 towards this project and is now awaiting a decision; if the application is declined the budget shortfall will be covered by Leamington **RFC's cash reserves which have been** evidenced through their annual accounts and the provision of recent bank statements.

Leamington RFC have already successfully applied for financial contributions from two other grant providers; Viola Environmental Grant (£32,752) and Sports England (£10,000).

Leamington RFC is registered for vat (registration number 272935339) but will not be reclaiming vat in connection to this project; the award will therefore be inclusive of vat. We have received written confirmation of this from the club dated 15th December 2019 in the names of Chris Davis (Treasurer), John Lyons (Secretary) and John Hodgetts (House Chairman) as follows:

"Our understanding is that we are unable to recover the VAT and there are two factors at play: -

- o The working presumption of the Revenue is that grants actually have an element of VAT embedded in them and it is therefore inappropriate to try and claim it back on the expenditure. Paragraph 2.4 of their guidance to **sports clubs specifically states that "We strongly suggest that you budget for irrecoverable VAT when considering your future expenditure particularly when undertaking major projects. Applications for grants should take account of irrecoverable VAT"**
- o Paragraph 2.5 goes on to say – **"You may incur VAT on goods or services you will use wholly for the purpose of a non-business activity. This VAT is not input tax and you cannot reclaim it."** Non-business activity as explained to me is non-revenue generating activity and while some of **what is proposed will arguably (although it's a tenuous argument) generate income some won't and trying to differentiate between the two** and get the Revenue to agree that differentiation is beyond a relatively small Rugby Club.

If you look at the above two points together you will I think appreciate why the VAT is regarded as irrecoverable. We have a good relationship with HMRC (clean VAT spot check 4 years ago which means another is probably imminent) and if there is doubt about recoverability of VAT we err on the side of caution. An application has been made to Leamington Town Council for a contribution of £500 towards this project and is now awaiting a decision."

This issue has been considered by Council officers who agree it is best for the Club to err on the side of caution. However, if for some reason any of the VAT is recovered, so reducing the scheme costs, the grant will be reduced in line with normal grant conditions.

Leamington RFC has previously had the following successful RUCIS grants:

- £1,914 (50% of the total project costs) for replacing the drainage / sewage system in December 2010
- £3,013 (50% of the total project costs) for energy saving alterations to the cellar coolers in November 2011
- £36,000 (41% of the total project costs) for refurbishing toilets and changing rooms, building disabled toilets and creating disabled access to the main entrance in February 2014
- £21,525 (50% of the total project costs) for;
 - Project 1; Install additional floodlighting for third team training pitch to support rugby training/matches, football training and community events throughout the year.
 - Project 2: Green Plan to a) install new LED lighting, b) re-location of bar storage cellar to outside the building, c) new heating system to reduce costs for the club overall as part of a RFU green plan.
 - Project 3: Replacement of tractor powered mower to be able to maintain playing pitches.

Leamington RFC and Leamington Netball Club are one legal entity; for transparency, Leamington Netball Club has also previously had a successful RUCIS grant as follows:

- £30,000 (42% of the total project costs) to build a new courtside facility and raise the height of perimeter fencing in February 2016

The application therefore meets the scheme criteria whereby after a successful grant award an organisation must wait for a minimum of 2 years before re-applying for a new grant.

It is therefore recommended that the Executive approves an award of a Rural/Urban Capital Improvement grant to Leamington RFC of 39% of the total cost of the project including vat subject to a maximum of £28,000.

- 8.3 Shrewley Parish Parents has submitted a RUCIS application to install a new playground in the grounds of Shrewley Village Hall.

The application is for 50% of the total project costs up to a maximum of £16,283 including vat.

Shrewley Parish Parents aren't **registered for vat and therefore will not be** reclaiming vat in connection to this project; the award will therefore be inclusive of vat.

Shrewley Parish Parents has committed £2,000 to the project costs from their cash reserves; these funds have been evidenced through their annual accounts and the provision of a recent bank statement.

Shrewley Parish Parents have already successfully applied for financial contributions from Shrewley Parish Council (£2,000) and two other grant providers; 29th May 1961 Charitable Trust (£3,000) and Lillie Johnson Trust (£500).

An application for a financial contribution has also been made to Garfield Weston Foundation towards this project and is now awaiting a decision; if the application is declined or a reduced amount offered the budget shortfall will need to be covered by an alternative grant provider before a successful award can be drawn down on.

Shrewley Parish Parents have not previously received a RUCIS grant, however, for transparency, Shrewley Village Hall who are providing the grounds for the playground to be installed onto have previously received the following RUCIS grants:

- o June 2008 - 50% grant awarded which equated to £14,500 for a new ceiling and an extension.
- o April 2010 – To enable the ceiling and extension project to be completed a further award of £8,915 was approved. This was to pay for additional electrical work required due to the new ceiling and to cover an increase in labour and material costs for the extension.
- o January 2011 – During the final stages of the extension a major issue was discovered with regards to the existing sewer drains; they were found to be broken and had been leaking into the soil for a number of years. An additional grant was required to stop the closure of the Hall on health and safety grounds; an award of £5,573 was approved.
- o March 2013 – 48% grant awarded which equated to £1,100 to reinforce the driveway at the side of the hall to improve access to the rear field for outdoor summer events and provide an additional parking area for all-year round indoor events.
- o September 2015 - 50% grant awarded which equated to £8,154 to refurbish the kitchen.
- o November 2017 – 80% grant awarded which equated to £2,947 to purchase 100 chairs to replace existing stock which was nearing the end of its life span.

It is therefore recommended that the Executive approves an award of a Rural/Urban Capital Improvement grant to Shrewley Parish Parents of 50% of the total cost of the project including vat subject to a maximum of £16,283.

RURAL/URBAN CAPITAL IMPROVEMENT GRANTS APPLICATION FOR 12th FEBRUARY 2020 EXECUTIVE :

Applicant :	Leamington Cricket Club											
Description of scheme:	<p>The existing toilets were installed in 1983 making them 36 years old and have had no real remedial work for over 20 years; the project is to refurbish both the gents and ladies’ toilets with modern up-to-date facilities which will be more appealing and functional for all users such as club members, guests and anyone in the community wishing to hire the ground for community/social functions. The work will involve:</p> <p>Men’s Toilets</p> <ul style="list-style-type: none">• Remove existing toilet and replace with new water saving toilet• Removal of existing porcelain urinal• New water saving urinals x 3 to be installed• Replace taps on the 2 existing sinks with new eco models• Replace existing mirror• Replace the existing hand dryer with new energy saving eco model• Remove existing vinyl flooring and replace with new non-slip flooring• Paint throughout <p>Ladies Toilets</p> <ul style="list-style-type: none">• Remove two existing toilets and replace with new water saving toilets• Replace the hand dryer with new energy saving eco model• Paint throughout											
Evidence of need:	<p>It is visually obvious; the existing toilets are 36 years old and have had no real remedial work for over 20 years. Due to the age of the toilet facilities the club also has problems with drainage and plumbing on a regular basis which is expensive and something that the club cannot afford. Additionally, discussions with club members have unsurprisingly highlighted that there is a need to improve the standard of toilet facilities at the club. The Club Chairman has provided a written note; "with over 44 adult players using the toilet facilities every Saturday with many others during the week and 200+ children attending evening coaching sessions the facilities are not a pleasant place."</p>											
3 years accounts received?	<p>2016 - 2018 accounts have been received along with a recent bank statement for all accounts held (current account 9th October 2019); this evidences sufficient cash reserves to meet the contribution stated on the application form.</p>											
Financial Performance; minus figure = deficit	<table><tr><th>Year ended</th><th>Year ended</th><th>Year ended</th></tr><tr><td>31/12/18</td><td>31/12/17</td><td>31/12/16</td></tr><tr><td>-£1,415</td><td>£102,745</td><td>£25,239</td></tr></table>	Year ended	Year ended	Year ended	31/12/18	31/12/17	31/12/16	-£1,415	£102,745	£25,239		
Year ended	Year ended	Year ended										
31/12/18	31/12/17	31/12/16										
-£1,415	£102,745	£25,239										
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Year ended	Year ended	Year ended										
31/12/18	31/12/17	31/12/16										
£19,318	£21,804	£24,030										
Details of membership, fees etc:	<p>The club has a membership scheme broken down into three groups:</p> <ul style="list-style-type: none">• Senior members = £90.00 per season• Junior members = £40.00 per season• Social members = £25.00 per season <p>The ground can also be hired for cricket games at a reduced rate of £50.00 per match.</p>											
Details of usage:	<p>Leamington Cricket Club plays a big part in the local community and allows the ground to be used by a vast array of teams, community groups and schools. The club also host disability festivals and allow use of the ground for Warwickshire coaching camps and Warwickshire age group matches; the club doesn’t charge any money for the use of the ground for the school’s festival, or the visually impaired or disabled games, and offer reduced rates for Warwickshire and university games. For example;</p> <ul style="list-style-type: none">• 9 junior teams during the cricket season April to September, playing 4-5 games a week with each game involving approximately 22 children• 4 adult club teams during the same period, playing 3-4 games a week with each game involving 22 adults• International games for the England Blind and visually impaired which involve 22 players are bid for; the club has been successful in being chosen over the last two years for the Australia and India games and will be again asking for games next season• Warwick and Coventry University play on average every couple of weeks in the season involving 22 students in each game• Two local pub teams, the Oak and the Railway, use the ground on a weekday night where 22 non-members can play cricket who otherwise would not be able to as they have no pitch themselves• The club host coaching nights on a Tues, Wed, Thurs, and Friday where over the course of the week over 250 children attend• Indoor training in the winter runs from October through to March and involves around 70 children each week• A schools’ festival is held in July each year involving 6-7 schools where 70 children who are not members use the ground for free• Coaching camps are held at the ground for three weeks in July and August each season, involving approximately 50 local children some of which will be members and some not• The club hold community days; this season we held one for a local company, Building and Plumbing Supplies• The club have a skittles team that play in the local league in the winter ensuring club facilities are used all year round• For the first time the club are linking in with the new Austin Heath retirement homes with a view to putting on some mixed age cricket/sport activities											
Details of Organisations equalities policies:	<p>The club has an equality policy which is accessible through the club website and it is forwarded to all members at the start of each season; we are a fully inclusive club offering facilities to all and have been awarded Clubmark status by Warwickshire Cricket Club for the way the club is run. A copy of the policy has been provided, highlights include:</p> <ul style="list-style-type: none">• The club respects the rights, dignity and worth of every person and will treat everyone equally within the context of their sport regardless of age. Ability, gender, race, ethnicity, religious belief, sexuality or social/economic status• All club members have a responsibility to oppose discriminatory behaviour and promote equality of opportunity											
3 quotes provided:	Yes											
Which of the Council's Corporate Priorities are met?	Evidence											

Reduce anti-social behaviour

Whilst the project doesn't directly impact on this:

- 9 junior teams and 4 adult teams currently use the facilities
- The club host coaching nights on a Tues, Wed, Thurs, and Friday where over the course of the week over 250 children attend
- Indoor training in the winter runs from October through to March and involves around 70 children each week
- The facilities are used by other teams for matches, for example; schools, universities, disabled, blind, and local teams
- Improved facilities will potentially encourage more members to join to take part in sport and live a healthy lifestyle and also more usage/hire by community groups and individual members of the community

There are a number of different groups/organisations that use the ground and by having more children and young adults able to play cricket and attend events/activities regardless of their social standing, it will further help to reduce anti-social behaviour.

Reducing obesity, particularly in children

Whilst the project doesn't directly impact on this:

- 9 junior cricket teams and 4 adult teams use the facilities
- The club host coaching nights on a Tues, Wed, Thurs, and Friday where over the course of the week over 250 children attend
- Indoor training in the winter runs from October through to March and involves around 70 children each week
- Coaching camps are held at the ground for three weeks in July and August each season, involving approximately 50 local children some of which will be members and some not
- The ground is used by other teams for matches, for example; schools, universities, disabled, blind, and local teams
- An annual schools' festival is held with approximately 70 children involved

Playing cricket is an energetic sport that will help people, including children, to get fitter, lose weight and keep healthy in the best condition possible. This all helps to reduce obesity including in children.

Increase opportunities for everyone to enjoy and participate in sports, arts and cultural activities

The project will deliver clean, modern toilet facilities enabling access to all members of the community which will potentially encourage further usage of the clubhouse and increased membership.

Engaging and strengthening communities

- The club holds a yearly schools' festival so that all local children can experience the game and hopefully then join the club
- The club is involved with all groups in the community and has strong links that continue to expand each year with the different initiatives that the club does, the latest one being the setting up of a junior committee to run extra games for all age groups and also organise the schools' festival
- The club allows all groups regardless of race, disability, age or gender to play at the club, for example; universities, schools, disabled groups and children from 5-16 years playing the game
- The club also have over 70 volunteers who are from all aspects of the local community ranging from 15 to 70 years and is run by a committee of volunteers
- Families come and watch their children play which encourages other members of the family to get involved and by holding community events, the schools' festival etc, this encourages more community involvement and helps strengthen the links
- The project will deliver clean, modern toilet facilities enabling access to all members of the community which will potentially encourage further usage of the clubhouse and increased membership

This all helps to engage and strengthen the community.

Targetting disadvantage in rural / urban areas:

Whilst the project doesn't directly impact on this:

- The club do not turn anyone away offering discounts and free places to under privileged children so they can be involved in sport.
- The schools' festival is free to everyone and the club offer reduced membership costs along with free or reduced cost places for coaching camps in the summer and indoor training in the winter.
- For example; a family which has three children only have to pay for two children for winter and summer coaching, and the same for families with two children involved where prices are reduced.

Total cost of scheme (including VAT where appropriate)

£5,620

Funded by:

Status

Organisations Own Funds

£624 Approved

Leamington Town Council

£500 Awaiting a decision

Total RUCIS

£4,496

equates to

80.0%

RURAL/URBAN CAPITAL IMPROVEMENT GRANTS APPLICATION FOR 12th FEBRUARY 2020 EXECUTIVE :

Applicant :	Leamington RFC									
Description of scheme:	<p>The project is to further open up the main club room to make it more welcoming to all community groups who use it, expand the outside seated space, install two new pitch shelters and a new septic tank system to meet 2019 government regulations. Due to the design of the clubhouse and the lack of outside extended space it means it is very difficult to run combined group events between the rugby, netball and hockey sections of the club as the entrance and lounge areas are not attractive nor big enough to hold these events. Therefore:</p> <ul style="list-style-type: none">• Part one of our project; install an internal sliding partition into the lounge area and extend the existing outside seating space linking this with the use of double glazed opening conservatory style doors so that all groups can have easier and open access to the bar and club room which will create a more welcoming and light club environment. Additionally, some windows need replacing throughout the clubhouse due to their age and rotten condition (circa 1970) and there is a need to ensure the club has adequate alarm security post doing all these improvements.• Part two of the project is to help with pitch facilities by providing two new pitch shelters for players when the weather is inclement• Part three of the project and to comply with Oct 2019 septic tank regulations the club need to install a new septic tank system to ensure the clubhouse is operational due to its high people usage on a week on week basis. Essentially the current septic tank was installed when the clubhouse was built (circa.1970) and is regularly causing financial problems (about £2,500 per year) due to it not being able to cope with the increased numbers using the clubhouse.									
Evidence of need:	<p>Recently the club has had to close the clubhouse for short periods while sewage works are carried out which has meant suspension of all group activities whilst this was being done; the completion of the project will therefore mean the club can continue to support sport in the area. It is also visually obvious; due to the design of the clubhouse and the lack of outside extended space it means it is very difficult to run combined group events between the rugby, netball and hockey sections of the club as the entrance and lounge areas are not attractive nor big enough to hold these events. Having a more attractive clubhouse will help with retaining more of the existing playing membership, especially in the transition from Youth to Adult and help to develop the club; they are working hard to reduce drop out levels and recruit more participants. It is expected that the enhanced facilities will enable the club to attract both new players to rugby, netball and hockey as well as enable other community organisations to make use of their valuable facilities.</p> <p>For many years the club has developed and sustained a close and strong working relationship with other community organisations within the area and the proposed project will benefit many people for the next 30 years; the clubhouse will be usable and open due to the new septic tank and will help the club financially by reducing maintenance costs along with aiding and attracting participation from female members due to the more open environment and the rugby, netball and hockey members interacting and using the facilities more. An email of support has been received from Cllr Kohler dated 2nd January 2020.</p>									
3 years accounts received?	2017 - 2019 accounts have been received along with a recent bank statement for all accounts held (dated 29th November 2019); this evidences sufficient cash reserves to meet the contribution stated on the application form.									
Financial Performance; minus figure = deficit	<table><tr><th>Year ended</th><th>Year ended</th><th>Year ended</th></tr><tr><td>30/04/19</td><td>30/04/18</td><td>30/04/17</td></tr><tr><td>£9,319</td><td>£10,396</td><td>-£2,001</td></tr></table>	Year ended	Year ended	Year ended	30/04/19	30/04/18	30/04/17	£9,319	£10,396	-£2,001
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Year ended	Year ended	Year ended								
30/04/19	30/04/18	30/04/17								
£43,768	£41,936	£17,000								
Details of membership, fees etc:	<p>The membership structure for the club is as follows:</p> <ul style="list-style-type: none">• Costs for hiring the club for an ad-hoc event, for example birthday parties = £150 per night• The hire for the jazz club is £70 per night• Players subs = £200 a year for seniors and £100 per year for juniors• Gym membership = £50 per year									
Details of usage:	<p>The rugby club currently has 400 playing members and runs 3 adult male teams (80 members) that play on a Saturday and train on Tuesday and Thursday each week. It has a vibrant u16s (20 members) along with growing mini and junior sections for girls and boys from Under 7 to Under 16 (300 members) who play on a Sunday.The mini and junior festival hosts teams from around the country annually with approx. 200 people attending.This is incorporated with the ground and clubhouse being used by other rugby clubs such as South Warwickshire RFC and by representative sides twice a season and approx. 50 people from the community.</p> <p>Leamington Hockey and netball clubs also use the clubhouse as a social base whilst playing their matches elsewhere and are now an integral part of Leamington RFC with 150 members using the clubhouse. Leicester Tigers use the ground and clubhouse every year for a week long coaching course for junior players from the area with approx. 300 people taking part.There is a gym on-site which besides being used by players also has its own members (approx. 20 members). Car boot sales are held at the club every week during the summer and an annual bonfire and firework display is held which attracts up to 400 people from the local community and beyond. The clubhouse is also used on an ad-hoc basis for Leamington Jazz Club who hold twice monthly evenings for the local community to enjoy. The clubhouse is available for hire from members of the community for events such as birthdays and funerals with varying amounts of people using the facility.</p>									
Details of Organisations equalities policies:	<p>The club encourages all members of the community to take part in all activities at the rugby club, they have an equity policy which is based on the RFU policy which has helped the club gain it’s RFU Club Accreditation. Highlights of the equity policy include:</p> <ul style="list-style-type: none">• The club respects the rights, dignity and worth of every person and will treat everyone equally within the context of their sport regardless of age, ability, gender, race, ethnicity, religious belief, sexuality or social/economic status• The club is committed to everyone having the right to enjoy their sport in an environment free from threat of intimidation, harassment and abuse									
3 quotes provided:	Yes - 15 quotes in total to cover all aspects of the project works									
Which of the Council's Corporate Priorities are met?	Evidence									

Reduce anti-social behaviour

The club provides a contribution to reducing anti-social behaviour by involving all areas of the community and giving young people a place to meet new people and gain friendship for life. The club currently has 400 playing members and runs 3 adult male teams (80 members), a vibrant u16s (20 members), along with growing mini and junior sections for girls and boys from Under 7 to Under 16 (300 members). In addition to this there are regular group activities and events that are held in the clubhouse, an annual bonfire & fireworks display, an annual rugby festival, regular car boot sales throughout the summer and ad-hoc hire for parties. The project will deliver entrance and lounge areas that are attractive and big enough to hold combined group events between the rugby, netball and hockey sections. It will also ensure that the clubhouse stays usable for all the people and community groups for the next 30 years. By providing things to do for the community and opportunity to be involved within teams and groups all helps to reduce anti-social behaviour.

Reducing obesity, particularly in children

Whilst the project doesn't directly impact on this; the sporting activity (regular rugby matches and training sessions, netball and hockey teams) provided by the club for both adults and children helps to keep people fit and healthy. In addition to this there is a small gym which has its own small membership as well as regularly being used by the players. This all help to reduce obesity including in children.

Increase opportunities for everyone to enjoy and participate in sports, arts and cultural activities

The project will improve lounge facilities which will increase opportunities for social/cultural activities and events across all sections of the club (rugby, netball, hockey) and also create opportunities for the community generally as the club will be able to hold night time events throughout the year. Additionally, the project will replace the current septic tank which is at the end of its life; failure to do this will lead to further closures of the clubhouse which in turn reduces the opportunity for the community to enjoy and participate in sports and social/cultural activities.

Engaging and strengthening communities

The club is run by a wide range of volunteers from across the community and the members of teams that are based at the club across a range of sports (rugby, hockey, netball) who use the clubhouse facilities are also made up from a wide range of members of the community, across a wide range of ages. Appropriate and well-maintained facilities also enable members of the community to come together for events and activities; the project will improve lounge facilities which will increase opportunities for social/cultural activities and events. This all helps to strengthen and engage the community.

Total cost of scheme (including VAT where appropriate) £71,352

Funded by:

Status

Organisations Own Funds £500 Approved

Old Milverton & Blackdown Parish Council £100 Awaiting a decision

Viola Environmental Grant £32,752 Approved

Sports England Community Grant Fund £10,000 Approved

Total RUCIS £28,000

equates to 39.2%


RURAL/URBAN CAPITAL IMPROVEMENT GRANTS APPLICATION FOR 12th FEBRUARY 2020 EXECUTIVE :

Applicant :	Shrewley Parish Parents (SPP)											
Description of scheme:	<p>Shrewley is a village in Warwickshire with a population of about 850, 20% of whom are aged under 18; it has a local shop, pub and village hall but no facilities for children to meet and play. A busy main road dissects the village, meaning children have no safe place to cycle, scoot or run about. SPP is collaborating with Shrewley Village Hall (SVH) to install a children's playground; SVH owns the land that has been set aside for the playground. SPP has taken over project management responsibility for the playground development, including raising the funds needed, and future ongoing maintenance of the facility. The equipment chosen for the playground fits seamlessly into its natural surroundings and is made of 100% Robinia timber; the material is rot proof, durable and resistance to insects, fungus, and inclement weather. Also environmentally-friendly, it can be installed in the ground without the need for chemical treatments and is Forest Stewardship Council (FSC) certified, meaning it comes from sustainably managed European forests. The playground will include:</p> <ul style="list-style-type: none">• A Combi-climber multi-play unit; the playground’s ‘star feature’, it allows up to 13 users at the same time to challenge their physical capabilities in ten different ways. Children can slide, climb, traverse, balance and problem solve as they play.• A 1.25m Pod Swing; also allows several users to play at the same time encouraging socialising and interaction. The height of the pod allows for easy transfer from a wheelchair, making the playground accessible to children of different abilities.• A traditional style see-saw and two tactile play panels complete the play area.• Timber fencing and safety matting keep children safe and timber bins and benches are in keeping with the natural theme. <p>The project aim is to give children living in Shrewley and surrounding villages a safe, durable playground where they can challenge themselves physically, enjoy some fresh air and exercise and socialise with other children. SPP also hope that by providing a new focal place for families to congregate, it will help to encourage parents to build and strengthen their own support network, tackling issues of loneliness and isolation that can be so prevalent in a rural location.</p>											
Evidence of need:	<p>In 2014 the local community put together a Parish Plan for Shrewley, a community-led document which sets out the vision for how local residents would like to see their area develop in coming years; amongst other things it listed the development of a children's playground. As the idea for the playground came from the local community in the first instance, SPP have taken care to keep local people involved in every stage of the planning and development of the playground: SPP held a consultation meeting during 2017 where draft plans were displayed, the local community were invited to comment on them and feedback was captured on forms during the meeting. SPP used the feedback from the meeting to influence the initial design of the playground, and now have planning permission in place, architect plans drawn up and a playground provider secured. SPP have sought advice from Norton Lindsey and Leek Wootton playground committees, who have developed similar playgrounds, to take advice on how to maintain the playground in the future and one of the SPP committee members attended a playground maintenance training course. SPP therefore have an understanding of what needs to be in place for the on-going maintenance of the playground once it has been installed and already have a volunteer maintenance rota in place and a pool of local community members who have agreed to help keep the playground safe and in good order for children now and in the future to enjoy. Shrewley Parish Council have already committed to contribute £2,000 to the project indicating their support of the project.</p>											
3 years accounts received?	<p>2017 - 2019 accounts have been received along with a recent bank statement for all accounts held (13th September 2019); this evidences sufficient cash reserves to meet the contribution stated on the application form.</p>											
Financial Performance; minus figure = deficit	<table><tr><th>Year ended</th><th>Year ended</th><th>Year ended</th></tr><tr><td>30/06/19</td><td>30/06/18</td><td>30/06/17</td></tr><tr><td>£88</td><td>£1,875</td><td>£1,501</td></tr></table>	Year ended	Year ended	Year ended	30/06/19	30/06/18	30/06/17	£88	£1,875	£1,501		
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Year ended	Year ended	Year ended										
30/06/19	30/06/18	30/06/17										
£X	£X	£X										
	<p>NOTE: the accounts provided don't show a cash at bank figure, this has been discussed with the applicant, as a small community group they don't need to have their accounts audited and unfortunately the treasurer hasn't recorded this information anywhere. However, a bank statement dated 13th September 2019 has been provided which shows a cash at bank amount of £2,616 which evidences that SPP have sufficient cash reserves to cover their contribution to the project.</p>											
Details of membership, fees etc:	<p>There is no membership scheme in place, “stay and play” session charges are £4 per family; this is to cover the cost of hiring the village hall, purchasing refreshments and any items used in the session (i.e. craft materials). The project will deliver a free-to-use community playground.</p>											
Details of usage:	<p>In 2016 a local mum with two young children moved to Shrewley, was disappointed by the lack of community activities for families with young children and set up Shrewley Parish Parents (SPP). Today, SPP are a constituted community group of volunteers; all parents with young families living in the Parish. SPP run regular ‘stay & play’ sessions in the local village hall every 1 – 2 months with the aim of encouraging young families within the local community to meet each other, socialise together and form bonds, new friendships and a mutual support network; they attract around 20 families per session. Currently there is no local playground for children to use.</p>											
Details of Organisations equalities policies:	<p>SPP have an equality and diversity policy in place and a copy has been provided. Highlights of the policy include:</p> <p>SPP is committed to meeting the needs and aspirations of service users and communities in a fair, respectful and proportionate manner. Our approach to diversity and equality is to provide inclusiveness by recognising that anyone can make a positive difference in the achievement of the organisations vision and the wider society.</p> <ul style="list-style-type: none">• SPP will not discriminate against, bully or victimise any person or organisation on grounds of race, ethnic origin, disability, age, class, appearance, responsibility for dependents or any other protected characteristics under the 2010 Equality Act or any other matter which causes a person to be treated with injustice.• To have committee members and volunteers that reflect the make-up of the communities we serve.• The committee’s leadership role will ensure the policy is successful. All volunteers will have professional, individual and collective responsibility to implement this policy. Contractors, consultants and partner organisations are required to demonstrate their commitment and action to share our policy on diversity.											

3 quotes provided:	Yes	
Which of the Council's Corporate Priorities are met?	Evidence	
Reduce anti-social behaviour	The project will deliver a children’s playground; having somewhere to meet, play and socialise with friends will help give young people in the village something to do which will reduce levels of boredom and in turn will help to reduce anti-social behaviour.	
Reducing obesity, particularly in children	The project will deliver a children’s playground which will provide a new space for children to run around, get some fresh air and exercise. The different equipment will allow children to use different parts of their bodies in a variety of ways as they learn physical skills of balancing, climbing and traversing. This will help to reduce obesity in children.	
Increase opportunities for everyone to enjoy and participate in sports, arts and cultural activities	Currently there is no playground within Shrewley; the project will deliver a playground facility which will increase opportunity for young people to enjoy and participate in physical and social activity.	
Engaging and strengthening communities	SPP are a community group made up of volunteers from within the local community. The project will deliver a playground which will provide a new focal point in the village for families to gather, meet each other and strengthen their support networks. There are also opportunities for more local people to get involved in volunteering to support the project and once the playground is in place through joining the maintenance rota to help take care of the site and equipment in the years to come. This all helps to engage and strengthen the community.	
Targetting disadvantage in rural / urban areas:	The project will help people who are disadvantaged by feelings of loneliness, isolation or being cut off from their local community, for example; having a new baby or young family can be very isolating particularly in a rural location with poor public transport links. A playground will create a place to visit to meet other families which will help to break down barriers and reduce these feelings of isolation. The nearest playgrounds are in Rowington (2 miles away) or Norton Lindsey (5 miles away); both routes involve a significant proportion of journey on high speed roads with no pavement so walking with young children isn’t really an option and, for members of the community who don’t have their own transport, although there is a bus that connects Shrewley & Rowington the service is infrequent, for example; you could arrive at 9:30am but the first bus back is not until 12:50pm. There isn’t a direct service running between Shrewley & Norton Lindsey; you have to go via Stratford making it a 2 hr 9 min trip one-way which naturally is too excessive for a trip to a playground.	
Total cost of scheme (including VAT where appropriate)	£32,565	
Funded by:	Status	
Organisations Own Funds	£2,000	Approved
Shrewley Parish Council	£2,000	Approved
29th May 1961 Charity	£3,000	Approved
Lillie Johnston Trust	£500	Approved
Garfield Weston Foundation	£8,782	Requested awaiting a decision
Total RUCIS	£16,283	
equates to	50.0%	

RURAL/URBAN CAPITAL IMPROVEMENT SCHEME - 12th FEBRUARY 2020 EXECUTIVE**APPENDIX 4****Summary of Financial Impact of Approving Scheme**

Scheme Description	TOTAL
<u>Original 2019/20 Budget</u>	£150,000
<u>3rd April 2019 Executive</u> Kenilworth Wardens Cricket Club	-£3,080
<u>21st August 2019 Executive</u> Lowsonford Village Hall	-£30,000
<u>3rd October 2019 Executive</u> Whitnash Sports & Social Club Lawn Bowls Section	-£6,320
<u>13th November 2019 Executive</u> Old Milverton Parish Room	-£5,194
Remaining Budget Sub-Total	<u>£105,406</u>
<u>12th February 2020 Executive</u> Leamington Cricket Club (proposed)	-£4,496
Leamington Rugby Club (proposed)	-£28,000
Shrewley Parish Parents (proposed)	-£16,283
Total Remaining 2019/20 Budget	<u>£56,627</u>
<u>Underspends within 2019/20 Financial Year</u> Canal and River Trust (RUCIS 218)	£1,500
Avenue Bowls (RUCIS 242)	£158
Brunswick Healthy Living Centre (RUCIS 236)	£2,638
	<u>£4,296</u>

 EXECUTIVE 12 FEBRUARY 2020		Agenda Item No. 17b
Title	Significant Business Risk Register	
For further information about this report please contact	Richard Barr Audit & Risk Manager Tel: 01926 456815 email: 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	3 October 2019 – 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 Impact Assessment Undertaken	No (N/A: no direct service implications)	

Officer/Councillor Approval		
With regard to report approval all reports <u>must</u> be approved as follows		
Title	Date	Name
Chief Executive/Deputy Chief Executive	27 Nov 2019	Chris Elliott
Head of Service	27 Nov 2019	Mike Snow
CMT	27 Nov 2019	CMT
Section 151 Officer	27 Nov 2019	Mike Snow
Monitoring Officer	27 Nov 2019	Andrew Jones
Finance	27 Nov 2019	As S151 Officer
Portfolio Holder(s)	27 Jan 2020	Councillor Andrew Day
Consultation & Community Engagement		
None other than consultation with members and officers listed above.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below) N/A		

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 Executive should note the emerging risks identified in section 10 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**. A very useful source of guidance on the responsibilities of members and officers with regard to risk management came from the Audit Commission in **its management paper**, "Worth the risk: improving risk management in local government":

"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 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities.	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB.	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels.
Impacts of Proposal		
<p>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 need 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.</p> <p>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.</p>		
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained	<u>Intended outcomes:</u> Focusing on our customers' needs	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting

All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours.	Continuously improve our processes Increase the digital provision of services.	Continued cost management Maximise income earning opportunities Seek best value for money.
Impacts of Proposal		
Although there are no direct policy implications, risk management is an essential part of corporate governance and will be a major factor in helping to achieve the above outcomes.		

4.2 **Supporting Strategies**

Each strand of the FFF Strategy has several supporting strategies but description of these is not relevant for the purposes of this report.

4.3 **Changes to Existing Policies**

This section is not applicable but it should be noted that if the report on a Strategic Business Plan elsewhere on this Executive agenda is agreed then the SBRR may need to be amended to reflect the contents of that eventual Plan.

4.4 **Impact Assessments**

This section is not applicable.

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 assessments of risk are judgemental, being 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.

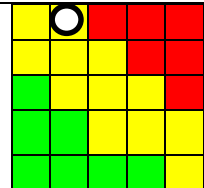
9 **Recent Movements in Risk**

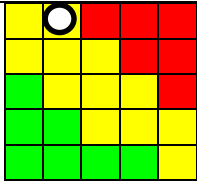
- 9.1 There has been no movements in any risk scores in the last quarter.

10 **Emerging Risks**

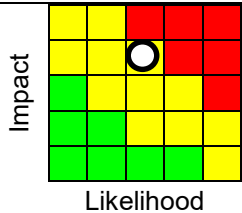
- 10.1 As part of the process of assessing the significant business risks for the Council, some issues have been identified which at this stage do not necessarily represent a significant risk, or even a risk at all, but as more detail emerges may become one. These have been mentioned in previous reports but as their status has not changed they are included again for completeness.
- Brexit – already recognised as a **potential trigger to some of the Council's** existing risks, this issue will be kept under review so that as details emerge of exactly what **the Country's new trade and political** relationships may mean, generally for local government and specifically for this Council, the implications **for the Council's risk environment can be** considered further.
 - Funding – the Government has started consultations around changes to the Business Rate Retention scheme by Local Government and the Fair Funding Review, with both these changes due to be effective from 2021/22. Depending on how these proposals develop, there may be a **substantial impact upon the Council's finances.**

Significant Business Risk Register

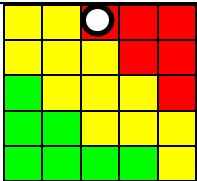
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Performance Management Risks				
1. Fit for the Future Change Programme not managed appropriately/effectively.	<p>Poor organisational communication.</p> <p>Conflicting priorities 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>Business Strategy can't be agreed due to no overall political control.</p>	<p>Reduced service levels.</p> <p>Non or reduced achievement of objectives.</p> <p>Adverse financial impacts.</p> <p>Reputational damage.</p> <p>Demoralised and de-motivated staff.</p>	<p>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>Strong leadership to ensure priorities are managed to a deliverable level. (SMT)</p> <p>Securing additional resources to support existing service provision. (CMT)</p> <p>Projects drawn up within RIBA framework. (SMT)</p> <p>FFF June 2018 report to Exec agreed further projects to include in the programme. (Further report went to 10 July 2019 Executive.)</p> <p>Agreement of Business Strategy. (Draft in place – currently being consulted on.)</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>Health pandemic.</p> <p>Contractor failure.</p> <p>Unplanned termination of contract by contractor.</p> <p>Housing numbers not achieved.</p> <p>Increase in Members' and Citizens' expectations.</p> <p>Greater demand on services from increases in the population as well as societal, technological and legislative changes.</p> <p>Changes in members' and citizens' expectations.</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>Loss of New Homes Bonus.</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>Launch of employee branding and recruitment package (July 2017) developed by Workforce Steering Group. (HR Manager)</p> <p>Effective contract management supported by appropriate legal support. (SMT)</p> <p>Enhanced Performance Management System. (SMT)</p> <p>Corporate Workforce Steering Group project completed in respect of salary review; and impact of National Living Wage. (HR Manager)</p> <p>Corporate Workforce Steering Group project ongoing in respect of Apprenticeships. (HR Manager)</p> <p>[Apprentices are being recruited on an ongoing basis.]</p> <p>Ongoing identification of where pressure points are and development of action plans as part of the Business Strategy review.</p> <p>Outcome of work will feed into Business Strategy review.</p>	<p>Impact</p>  <p>Likelihood</p>

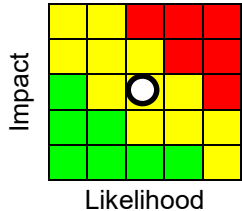
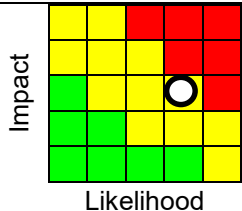
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Performance Management Risks (Cont.)				
3. Risk of major contractor going into administration or deciding to withdraw from the contract.	Poor procurement of contractor. Poor 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. (SMT) Business Continuity Plan. (SMT) Soft market testing as appropriate. (SMT) Parent Company Guarantees being monitored. (SAMS) [CreditSafe being used to help assess potential contractors and monitor existing ones.]	<p>Impact</p> <p>Likelihood</p>
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 that may lack relevant experience and/or knowledge of local government. Delays in making decisions due to no overall political control. (Not materialising currently.)	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)) Local Code of Corporate Governance adopted. (DCE(AJ)) CMT/Group Leaders meetings (enabling all groups to be better briefed).	<p>Impact</p> <p>Likelihood</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Human Resources Risks				
5. Risk of staff not developed effectively.	<p>Ineffective workforce strategies.</p> <p>Not managing staffing resources efficiently and effectively. (The gender pay gap report is evidence-based.)</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>Unable to meet statutory requirements.</p> <p>The potential of staff is not fulfilled.</p>	<p>Link to People Strategy. (SMT)</p> <p>New Management Framework. (HR)</p> <p>Workforce planning through Service Area Plans. (SMT)</p> <p>Service Area Training Matrices in place to feed into Corporate Training Plan. (SMT/HR)</p> <p>Regular training budget reviews in Workforce Steering Group. (WSG)</p> <p>Appropriate use of external resources. (SMT)</p> <p>Learning & Development Guide including Management programme. (WSG)</p> <p>To develop a response to the Gender Pay Gap Report. (SMT)</p>	 <p>Impact</p> <p>Likelihood</p>

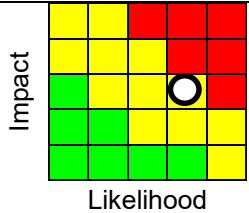
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks				
<p>6. Risk of insufficient finance to enable the council to meet its service area plan objectives (including insufficient reduction in operational costs).</p>	<p>Poor financial planning. Unexpected loss of income and/ or increase in expenditure. FFF Projects do not achieve sufficient savings. Reset of Revenue Grant. Business Rate Retention. Council Tax income base reducing. National Economy declines. Local economy declines Tightening of Government fiscal policy. Changes to Government Policy. Reduced Government grants. Demographic changes. Focus on FFF priorities which compromise existing service delivery. Weak financial planning and forecasts. External competition. Member decision making. Council policy framework not conducive to enterprise development. Increased contract costs (from intro of National Living Wage) Housing numbers not achieved. Delay in fair funding review. Inability to agree suitable funding proposals to allow HQ relocation project to move to Phase 2 – project delivery. Inability to agree suitable funding proposals to allow the HQ relocation project to move to Stage 2 (delivery phase). Changes to funding proposals for existing schemes. Climate Emergency Declaration.</p>	<p>Forced to make large scale redundancies. Forced to make urgent decisions without appropriate planning. Forced to make service cuts. Increased costs. Fines/penalties imposed. Landlord service becomes unviable and/or the condition of the housing stock reduces its utility and value. Loss of New Homes Bonus. Reduction in reputation. Unable to meet statutory requirements. Failure to deliver carbon-neutral objectives by 2025.</p>	<p>Codes of Financial Practice and Procurement Practice. (HoF) Effective internal audit function. (HoF) External audit of financial accounts. (HoF) Effective management of FFF Projects. (SMT) All projects accompanied with robust financial appraisals and programme forecasts that allow the Council to understand projected funding requirements. (HoF) Council's constitution. (DCE(AJ)) Financial training. (HoF) Robust financial planning and a Medium Term Financial Plan that can accurately forecast income and expenditure. (HoF/SMT) Code of Financial Practice Training. (HoF) Plan in place to make savings as to meet the anticipated budget shortfall. (HoF/SMT) Ongoing monitoring and future reports of existing assumed savings – e.g. leisure programme, office move, terms & conditions review. (SMT). Changes to funding proposals for existing projects. Agreement of Business Strategy 2019-2023. (Will need to identify that climate change objectives will generate additional costs.) On-year funding review. Budget review paper.</p>	<div data-bbox="1854 331 2094 544"> <p>Impact</p> <p>Likelihood</p> </div>

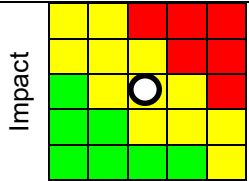
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks (Cont.)				
7. Risk of additional financial liabilities.	<p>Risk of revenue implications of capital schemes not being fully identified.</p> <p>Risk 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>Service Area and Project Risk Registers. (SMT)</p> <p>Project Management. (SMT)</p> <p>Development of Corporate Asset Management Strategy and an accompanying Action Plan covering all General Fund and HRA assets (scheduled for October 2019). (ASG)</p> <p>Maintenance of a comprehensive asset database. (AM)</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>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Financial Management Risks (Cont.)				
8. Risk of not obtaining 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.	<p>FFF Programme. (SMT)</p> <p>Effective fees and charges schemes. (HoF)</p> <p>Communications & Marketing Strategy. (SMT)</p> <p>Regular reviews of financial forecasts to ensure income projections are up to date. (HoF)</p> <p>Secure additional resources to ensure existing services are not impacted as a result of a focus on FFF/corporate priorities. (HoF)</p> <p>Ongoing engagement with the CWLEP to ensure future funding opportunities are understood and assessed. (CMT)</p> <p>Engagement of appropriate advice to enable opportunities to remodel the Council's non-operational asset base to be assessed. (DCE(BH))</p> <p>DCN Income Generation and Commercialisation Review undertaken (HoF)</p> <p>Business Strategy 2019-2023</p> <p>Paper on External Funding Opportunities.</p>	<p>Impact</p> <p>Likelihood</p>

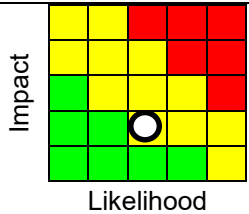
Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Procurement Risks				
9. Risk of improper procurement practices and legislative requirements not being complied with.	Weak governance arrangements. Ineffective procurement. Poor procurement function.	Reduced levels of service provision. Increased costs. Fines/penalties imposed.	Codes of Financial Practice and Procurement Practice. (HoF) Training of staff. (HoF/SMT) Monitoring of departmental procurement. (SMT) Procurement Strategy (incl. action plan). (HoF) Code of Procurement Practice and related documents updated. (HoF) WCC Procurement Team and WCC Legal Team providing additional support and expertise. (SMT)	
Partnership Risks				
10. Risk of partnerships not delivering stated objectives.	Poor management. Failure to apply a robust process for entering into partnerships. Lack of framework governing partnerships. Existing sub-regional partnerships disrupted or disbanded as a consequence of the regional focus resulting from the announcement of the West Midlands Combined Authority	Required outcomes not achieved. Increased costs. Reduced level of service or failure to deliver service.	Normal management arrangements. (SAMS SMT) Project Groups for significant services. (SMT) Involvement in and engagement with existing sub-regional partnerships such as CWLEP. (CMT)	

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Legal Risks				
11. Risk of not complying with key legislation or legal requirements, including failure to protect data.	Breakdown in governance. Bureaucratic mistake. For example – Not seeking legal advice; not implementing it; simply getting delivery wrong e.g. sending out wrong email. Lack of appropriate resources.	External censure. Financial loss. Litigation. Financial sanctions/penalties Damage to reputation.	Constitution. (DCE(AJ)) External legal advice. (DCE(AJ)) Ongoing monitoring of all Executive recommendations. (DCE(AJ)) Ongoing professional training. (SMT) Implementation of new arrangements to deal with GDPRs. (DCE(AJ))/SMT	<p>Impact</p> <p>Likelihood</p>
Information Management Risks				
12. Risk of ineffective utilisation of information and communications technology.	Poor management of IT function. Lack of specialist staffing. Lack of finance. Poor training of new and existing staff on ICT systems. Poor data quality. Resistance to change from various stakeholders.	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)) Procurement of a Change Partner to work with SMT on the optimal use of ICT to support business processes in the lead up to the HQ relocation (ICT/HR/DCE (BH)) Monitoring of service plan and operational service reviews by SMT. (SMT)	<p>Impact</p> <p>Likelihood</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Information Management Risks (Cont.)				
13. Risk of failure to protect information assets from malicious cyber attack.	<p>Lack of staff training and awareness.</p> <p>Poor or ineffective countermeasures.</p> <p>Ineffective incident response plans.</p> <p>Inadequate penetration testing regime.</p>	<p>Reputational damage.</p> <p>Lost productivity.</p> <p>Recovery costs.</p> <p>Potential fines (ICO).</p>	<p>CESG approved penetration tests. (DCE(AJ))</p> <p>Patch Management Policy. (DCE(AJ))</p> <p>Anti-malware software, plus next generation AV- Intercept X. (DCE(AJ))</p> <p>Anti-malware strategy. (DCE(AJ))</p> <p>Anti-malware risk log. (DCE(AJ))</p> <p>Incident Management Policy & Procedure. (DCE(AJ))</p> <p>Major Virus Response Procedure. (DCE(AJ))</p> <p>Electronic Information Backup Policy. (DCE(AJ))</p> <p>Introduction of multiple file servers to reduce target exposure and to speed up recovery (DCE(AJ))</p> <p>Introduction of temporary web site in the event of a major outage, reducing reputational damage. (DCE (AJ)) (Risk Mitigation transferred to RISK 14.)</p> <p>e-learning solution (DCE (AJ)) [Training programme to be developed by Training Manager.]</p> <p>Next generation AV, including Intercepting Ransomware in place. (DCE(AJ))</p> <p>National Cyber security check now in place. (DCE(AJ))</p> <p>Implement Log Monitoring solution (DCE(AJ)) Installation of the software is complete. Waiting for further supplier proposals to complete the implementation</p> <p>Installation of Network Intrusion Detection/Intrusion Prevention solution.</p> <p>Adoption of Cloud services and infrastructure as appropriate (for example, MS Office365).</p> <p>Actions are "opportunistic rather than planned" so not in bold.</p> <p>Participate in LRF Programme central government questionnaire. (ICT)</p>	 <p>Impact</p> <p>Likelihood</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Asset Management Risks				
14. Risk of failing to provide, protect and maintain Council-owned property (buildings and equipment).	<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>Failure of IT system.</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>Development of an Asset Strategy linked to Asset Database. (AM) Amended to reflect two separate action points. See next two action points...</p> <p>Development of Corporate Asset Management Strategy and an accompanying Action Plan covering all General Fund and HRA assets (scheduled for Sept October 2019). (ASG)</p> <p>Maintenance of a comprehensive asset database. (AM)</p> <p>Overall strategic decisions regarding Council's corporate and HRA assets managed by multi-disciplinary Asset Strategy Group – chaired by Deputy Chief Executive. (DCE(BH))</p> <p>Establishment of a corporate compliance and delivery group reporting to the Asset Strategy Group (AM)</p> <p>Improvements to be made to end-to-end systems to manage electrical testing, asbestos management fire safety, gas servicing and Legionella monitoring through the new Assets Team structure. (AM)</p> <p>Appropriate systems to manage electric testing, gas servicing, asbestos management and removals, legionella testing, fire risks and health and safety assessments across all Council assets (AM/HoCP)</p> <p>Remodelling of Housing Investment Programme based on HRA stock condition survey. (AM/DCE (BH)/HoH)</p> <p>Having sufficient reserves to be able to respond to unexpected issues. (HoF)</p> <p>Completion of the review of the relocation project and proposed redevelopment of the Covent Garden site following the Executive decision not to pursue any future projects through the LLP. (AM)</p> <p>Completion of review of the corporate asset planned maintenance programme's next 5-year tranche. (AM)</p> <p>Completion of the various elements of the Corporate Asset Management Strategy Action Plan (AM/HoH)</p> <p>Having appropriate structures to review compliance. (HoH&CP)</p> <p>Fortnightly monitoring of multi-storey block improvement programme through Corporate Fire Safety Group (DCE(BH))</p> <p>Introduction of temporary web site in the event of a major outage, reducing reputational damage. (DCE (AJ))</p> <p>Financial planning for equipment and system renewal. (HoF)</p> <p>Mitigations set out in ICT Risk Register + debrief and action plan when problems have emerged.</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				
15. Risk of a major incident not responded to effectively.	Numerous causes including loss of ICT facilities/data, loss of staff, absence of effective BCP.	Partial or total loss of resources such as staff, equipment, systems. Major media engagement. Major disruption to all Council services. Possible legal action for damages.	<p>Emergency plan reviewed every 6 months. (CMT)</p> <p>Business continuity plan reviewed every 6 months. (CMT)</p> <p>Ongoing training of councillors and to officers named in MEP. (HoH&CP)</p> <p>Review of the MEP, named officers within MEP, associated SOPs. Gaps identification and appropriate updating. (HoH&CP)</p> <p>Operational testing and exercising of the MEP and vulnerability responses within Warwickshire. (HoH&CP)</p> <p>Safety Advisory groups of events held within the district & command and control centres for major district events. (HoH&CP)</p> <p>Review completed of business continuity plans for service areas. The priorities contained within those plans to be consolidated Council-wide. (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>Provision of Counter Terrorism training. (HoH&CP)</p> <p>Implement Log Monitoring solution implemented. (DCE(AJ))</p> <p>Installation of Network Intrusion Detection/Intrusion Prevention solution.</p>	<p>Impact</p> <p>Likelihood</p>

Risk Description	Possible Triggers	Possible Consequences	Risk Mitigation / Control / Future Action (in bold)	Residual Risk Rating
Environmental Risks				
16. Risk of climate change and environmental challenges not responded to effectively.	<p>Lack of expertise. Lack of finance. Failure to reduce carbon footprint.</p> <p>Failure to get a "Yes" vote in the Council Tax Referendum.</p>	<p>Budgetary impacts. Service changes required if long recovery phase. Loss of reputation and external censure. Disruption to services. Public health issues.</p> <p>Funding not available to deliver the actions contained in the Climate Emergency Action Plan.</p>	<p>Actions included in Sustainability Action Plan. (HoH&CP) e.g. electric vehicles, agile working arrangements, recycling, plastics policy, etc.</p> <p>Agreement of Business Strategy 2019-2023 and delivery of Climate Change Action Plan allowing members to determine extent of measures/projects to mitigate climate change and other environmental challenges that are to be included. (SMT)</p> <p>Procurement of professional consultancy support. (SMT)</p> <p>Report to be considered by Executive detailing resource and service options should Referendum return a "No" vote. (CMT)</p>	

Key:

New narrative (since previous quarter)

Narrative transferred (since previous quarter)

Deleted narrative (since previous quarter)

Control/mitigation that had been, in previous quarter, recorded as an action.

Comment

● = Current risk score

① ② etc = Previous risk scores

↑ → etc = trail (direction) of changes

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

Summary of Significant Business Risks

APPENDIX 2

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