

Cabinet

Minutes of the meeting held on Wednesday 6 December 2023 in Shire Hall, Warwick at 6.00pm.

Present: Councillors Davison (Leader), Billiald, Chilvers, J Harrison, Kennedy, King, Roberts, Sinnott and Wightman.

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

62. **Apologies for Absence**

There were no apologies for absence received.

63. **Declarations of Interest**

There were no declarations of interest.

64. **Minutes**

The minutes of the meetings held on 2 November and 15 November 2023 were taken as read and signed by the Chairman as a correct record.

Part 1

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

65. **Q2 Budget Update 2023/24**

The Cabinet considered a report from Finance which provided an update on the current financial position from 30 September 2023. It also provided a full year forecast for the 2023/24 financial year, and for the medium term through the Financial Strategy. Key variances and changes were highlighted to inform Members, with some recommendations also put forward for consideration.

The Medium-Term Financial Strategy showed that the Council was still reliant on making further changes to ensure that the Council operated within a balanced sustainable budget in future years, in addition to delivering the service initiatives that were previously agreed in December 2020, and last updated as part of the 2023/24 Budget Setting. With the significant risks facing the Council's finances in future years, it was important that officers and Members took all actions to ensure that the change management programme was developed to enable the Council to achieve this objective.

A full review and full year forecast had been completed by all Cost Centre Managers to estimate the total financial commitment for this current year. Accountancy had supported managers in the preparation of these figures. As of 30 September (end of Quarter Two (Q2)) there was an adverse forecast variance of £0.600m for the 2023/24 financial year to 31 March.

A summary by Portfolio of major variances was provided in the report. As part of the Vacancy Factor process for Q2, a full year forecast for all salary budgets had been completed, with the Vacancy Factor offset against forecast underspends in salary budgets. This forecast that 100% of the General Fund Vacancy Factor (£1.132m) had been met. This would be reassessed in Quarter three if any further savings against establishment would be reported.

Agency use was forecast over budget by £0.464m. A further review on the use of agency staffing would be carried out as part of a wider review into long-term vacancies held by the Council, forming part of the ongoing work in improving recruitment.

As reported in Quarter one (Q1), there was an increase in Homelessness Rent Rebates for which the authority did not receive full government subsidy. The number of residents that claimed this allowance, and the duration for which they claimed it, had increased in recent years, while the subsidy had remained at a level set back in 2011 (Local Housing Allowance Rate). Further work would take place to look at the accommodation in which people were placed, and whether there was more that could be done to reduce durations, particularly in accommodation such as hotels and B&Bs which were not fully reimbursed by the subsidy. The original plan to introduce the Arcus system with the authority had been withdrawn as agreed by Committee report completed by the Head of Service.

As reported in Q1, at budget setting in February 2023, contingency budgets were set to mitigate the unknown rising costs of contracts linked to inflation. These were held and managed centrally by the Head of Finance. In Q1, the contingency budgets had been forecast to offset some of the increased expenditure reflected in this report.

The increased cost of External Audit for the completion of the 2021/22 Statement of Financial Accounts was partly due to the additional work required because of the change of Financial System mid-year of 2021/22, and extra scrutiny required from the Council's External Auditors. In terms of Housing Services, a Service level agreement (SLA) was in place between Warwick District Council (WDC) and Milverton Homes, to cover the cost of staff time and consultancy work. This income was not budgeted for at budget setting. The costs relating to this SLA would continue to be updated on an annual basis.

The Council had received an increase in grant for Homelessness Advice, which would be used in conjunction with previously allocated budgets within the homelessness service. The grant was ring-fenced to support the delivery of this specific service.

The reduced Move on & Prevention Grant received in year was offset against reduced expenditure in donations and expenses.

In terms of Neighbourhood and Assets, there had been a loss of income due to the closure of Covent Garden Car Park (only the surface car park remained open) of £0.230m. The closure of Linen Street car park meant no charges would be made in year, but there were still ongoing costs for the car park of £0.050m, as the basement was still used by tenants. Other

car parks in Leamington had their income projections increased, totalling £120k, as part of assessing data from this year to date and last year, with a driver of this being the displacement of vehicles from Covent Garden. As part of the 2024/25 fees and charges process due to commence at the start of September, a comprehensive review of the Council's Car Parking portfolio would be carried out.

The original budget set in February 2023 estimated that WDC would move out of Riverside House in June 2023. The additional running costs for continuing to occupy Riverside House were estimated at £0.322m for this financial year.

Revised income projection for crematorium fees were based on current activity. This adjustment had been reflected within the Fees & Charges report for 2024/25 and was more realistic to the income the service would receive in this financial year and next.

It had been confirmed that WDC would receive Dry Waste Income from the new Sherbourne MRF. This would come into effect in the last quarter of the year. A prediction of income had been incorporated into the Forecast for Q2, once sales were made this would be reviewed and adjusted if required. At Budget setting, the overall budget was not set high enough, based on information received from third parties, thus showing an overspend. This service was expected to match estimated cost within the year. The Budget issue should be resolved in Budget setting 2024/25.

There was a reduced external printing income and reduced internal income from printer clicks estimated in year, this had been partially offset by reduced printing expenditure. Additional costs after HAY review had been included in the forecast and would be revised in Budget Setting 2024/25.

The centralised Occupational Health Budget was showing a forecast over budget, this estimate was based on the costs for last financial year, which were higher than agreed budget.

Due to the profile of the current apprentices, there was a surplus forecast within apprenticeship salaries. This related to new apprentices being employed at initial programme rates.

In terms of Place, Arts and Economy, planning fees had a reduced income based on current performance at Q2. This had not improved from Q1 and a lack of larger planning applications through the first half of the year had reduced the Outturn forecast. From 1 April 2024, new legislation which allowed the increase in planning fees of 25% for small applications, and 35% for larger application would increase the value of planning income, although the current predictions showed this would not meet Budget and would still show under achieved. Within the service area, large agency staff costs continued, which compounded the financial position with the reduction in income. Further review within this service was required for Budget Setting 2024/25 on both cost and income to ensure that it was with Budget constraints.

Building control reduction of income due to the service provision provided for Daventry returning to West Northamptonshire Council had been partially offset by a reduction in service delivery costs.

Due to the partial closure of the Town Hall for development, a loss of income had been forecast of £0.055m as the Council was unable to hire space out during this time.

The Women's cycle tour, which was due to take place in 2023, was unfortunately cancelled. Therefore the £0.030m budget that was in place would not be used in year. The event was scheduled to go ahead in 2024, and so it was expected that the budget would be carried forward to support this taking place.

New contract for Softcat install equipment and managements fees were included within this forecast. This would be reviewed for budget setting 2024/25. There was a loss of rent and ability to relet space at the Creative Quarter.

Extensive works were required in the maintenance of WDC outdoor paddling pools. There was a £0.021m reduction of income from sponsorships and sales of hanging baskets.

Regarding Abbey Field Cycle Track, the budget from New Homes Bonus in 2023/24 would not be used, this was to be deferred to 2024/25. Community Safety caused increase in staffing costs which were approved by ERF to cover sickness. There was also increase in Consultancy and staffing costs within the Service.

The bowls income budget was unachievable and this would be reviewed at budget setting 2024/25.

In terms of the Strategic Leadership portfolio, there was an increase in costs relating to the new Voter ID. This had now been realised after final payroll costs, and was partially offset by an increase in external grant received.

Funding was provided to address the most complex barriers to tree planting, including access to land. To date, no land had been purchased (although progress was being made via work with Forestry England) and the approach to the tree project was being reviewed to ensure alignment with the new Corporate Strategy (and linked to Biodiversity Action Programme). Whilst land purchase might be required (depending on the review), it was unlikely that this would be required in 2023/24 thus leading to the projected underspend.

The staffing cost increased to include Climate Change Projects and Delivery Officer. This post and overspend was to be funded by approved S106 funds.

Anticipated costs of the basic allowance showing a forecasted overspend in year. The Service Manager, supported by Accountancy would review and improve the monitoring process for future forecasts, and incorporate this into Budget setting for 2024/25.

Variations had been identified by the Accountancy Team in conjunction with the relevant budget managers, giving a full year adverse variance of £0.436m. A summary of the variations was included at section 1.2.1 in the report.

As part of the Vacancy factor process for Q2, a full year forecast of all Salary budgets had been completed and the Vacancy factor calculations had been made. This forecast that 100% of the for HRA Vacancy Factor (£0.235m) had been met. This would be reassessed in Q3 and if any, further savings against establishment would be reported.

Rent Rebates received from Beauchamp House were higher than the original Budget which was consistent with previous years income. This would be reviewed and updated as part of the Budget Setting 2024/25. Warwick Response- income received from HEART funding in 2022/23 and accounted for and used within 2023/24. This had been offset against increase to staffing costs within the team, including the use of Agency. Increased equipment costs were not budgeted (Income received in year but expenditure not budgeted high enough).

Increase in expenditure relating to Cleaning Contract i.e., communal areas were not Budgeted in year.

Increase in costs of Garage repairs in year compared to budget, estimated based on spend to date and known costs to the end of the Financial Year. The MTFS was last formally reported to Members in February as part of the Budget setting and Council Tax setting reports. In light of the variations highlighted in this report, the MTFS had been updated as outlined below:

	2023/24	2024/25	2025/26	2026/27	2027/28
	£000	£000	£000	£000	£000
Deficit-Savings Req (+)/Surplus (-) future years	600	4,334	2,476	1,525	1,501
Change on previous year	600	3,734	(1,858)	(951)	(24)

It was expected that some of the variances highlighted at Q2 might become recurrent (housing benefits / waste contract) were linked to ongoing decisions (Relocation project). Further work would be undertaken to assess their future impact and would be reflected in the Q3 budget review MTFS update.

It should be noted that the above revised MTFS did not include any provision for additional costs associated with the Abbey Fields Leisure Centre Project. Once confidential negotiations were concluded, all Councillors would be informed. If the decision was to then proceed with the project, the MTFS would be updated accordingly. It was expected that this decision should be made in time for inclusion in the MTFS as part of

the 2024/25 Budget report in February.

Officers were continuing to review ways of reducing the deficit, including income generation, service efficiency and cost saving schemes, with the expectation that an update would be provided within the Q3 report in March, and help inform decisions for the budget setting process 2024/25. Capital had currently forecast a reduction in funding requirement in year of £12.662m for General Fund and £7.437m for HRA. A full breakdown of Capital Variances was shown in Appendix 1 to the report.

The table in the report presented the latest summary of available reserves as at Q2. This reflected non-committed, and non-ringfenced balances as at Budget Setting reports approved at Cabinet February each Financial Year, and ranged from 1 April 2020 (showing previous three years and current year) up to 1 April 2027 (the period covered by the current MTFS). This was subject to the final outturn of 2022/23 financial position, which was being completed as part of the draft statement of accounts process and to be reported to Cabinet.

The adjustments reflected approvals made since Budget Setting by Cabinet, showed those approved and reported in Q1, and those approved between Q1 reporting and now.

The Members allowances scheme defined that "[...] shall be increased by the annual local government pay percentage increase as agreed each April (linked to spinal column point 38 of the JNC scheme) to be implemented the following May in that year from the date of the Council Annual Meeting".

This year, the pay award for all JNC scale points was £1,925. Following consultation with the Leadership Co-ordination Group, it was proposed that 3.8% should be the increase for this year. This was based on the basic allowance and how that equated to salaries for officers. The Independent Remuneration Panel for the Council were consulted on this proposal and raised no objections. This would have an adverse effect on the budget of over £16,000 before any on costs (national insurance contributions) were included.

In 2023/24, this would be funded from existing staffing budgets, and would be built into future budgets as baseline growth.

No alternatives were presented in the report.

The Overview & Scrutiny Committee noted the report and thanked officers for their work on it, especially for including the summary of reserves. The Committee asked that in the future, more work should be done on how the Council monitored its budgets on an ongoing basis, so that there was a lesser discrepancy between projections and the actuals.

The Overview & Scrutiny Committee asked for an update from the Portfolio Holder in relation to the underspent capital budget for disabled playground facilities, and what the plan for spending this budget was. The Committee asked for future reports to bring forward comments in the situations of underspend.

Councillor Chilvers proposed the report as laid out.

Recommended to Council that the Members allowance and allowance for the Chairman and Vice-Chairman of the Council up rating for 2023/24 be 3.8%, be approved.

Resolved that:

- (1) the latest current year financial position for (General Fund £0.600m Adverse and Housing Revenue Account £0.436m Adverse), with the key variations that drive these positions, be noted;
- (2) the impact on the Medium Term Financial Strategy (MTFS) due to changes detailed within the report, and how these changes are expected to be accommodated, be noted;
- (3) the ongoing forecast deficit outlined in the MTFS is reviewed further as part of a later report to Cabinet once proposals for tackling the deficit have been developed, be noted; and
- (4) the current capital variations for schemes originally approved in February 2023, be noted, and all changes approved.

(The Portfolio Holder for this item was Councillor Chilvers).
Forward Plan Reference 1,386

Part 2

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

66. Replacement of footbridge off Radford Road, Royal Leamington Spa

The Cabinet considered a report from Neighbourhood & Assets which set out the background to the closure of the footbridge off Radford Road, and which recommended that it should be replaced.

Previously there was a timber construction footbridge that crossed the River Leam, from the car park adjacent to the allotments off Radford Road over to Newbold Comyn, set out in the location plan at Appendix 1 to the report. This bridge was owned by the Council and predated the introduction of the National Cycle Route.

This crossing formed part of Route 41 of the National Cycle Network and was designed only for pedestrian and cycle use.

Budget provision was made for 2023/24 to carry out repairs to the bridge, based on a technical survey previously undertaken. However, when the structural advisers, Pick Everard, looked at the bridge, they recommended

immediate closure as the glulam timber beams forming the main structural element of the bridge were showing significant signs of delamination and decay.

It was initially planned that the bridge could be repaired to at least allow a reopening pending a plan for its replacement, but more intrusive inspections showed that the bridge could not be repaired at economic cost.

Pick Everard, together with WDC surveyors, and the Green Spaces team had looked at several options, all of which required consents from the Environment Agency, even for a temporary solution, and these consents could take many weeks to obtain.

The bridge was a key crossing point for leisure and sports users and regular media releases had been made to inform on options and progress.

Any temporary bridge could not be in place until March/April 2024 at the earliest, as it would require Environment Agency (EA) consent and it was anticipated that the Environment Agency would impose restrictions to protect fish, therefore giving timing constraints for certain works until 15 June 2024.

The intention would be to start works on a new bridge as early as possible and the installation of a temporary bridge could delay this. Therefore, it was proposed not to provide a temporary solution and progress with arranging a permanent replacement.

The estimated timeline for a replacement bridge was 31 weeks from the submission of a permit application to remove the existing bridge to the installation of a new bridge, which could be subject to delays, changes, and salmonid timing constraints for certain works.

The existing bridge width was 1.4m between parapets and the proposed bridge would be 3.5m between parapets and therefore a significant enhancement and in line with Sustrans standards. Therefore, it was recommended that funding was sought from Sustrans and other potential organisations to support the cost.

Initial contact had been made with Sustrans about contributory funding and once the replacement was approved, officers would explore potential funding streams with them to see if/how they could assist. Sustrans could not give a time scale or a guarantee at this stage.

In terms of alternative options, one alternative was to not to replace the bridge, but this would require a rerouting of the national cycle path and the bridge was a key route into Newbold Comyn.

The Council could replace the bridge with one the same width as existing, but this would not allow cyclists to cross at the same time from opposite directions and was unlikely to be eligible for Sustrans funding.

If the new bridge was not installed to meet the EA's deadline of 1 October 2024, a temporary bridge option may have needed to be explored to be

installed for use as of June 2025.

Councillor Roberts proposed the report as laid out.

Resolved that

- (1) the replacement of the footbridge off Radford Road with a new structure and not seek an interim arrangement, be agreed;
- (2) authority be delegated to the Head of Neighbourhood & Assets to progress this in line with budget set at out in Confidential Appendix 2 to the report including seeking any necessary consents or licences;
- (3) the budget as set out in Confidential Appendix 2 to the report, be met from the Assets Reserve in 2024/25; and
- (4) contributory funding be sought from Sustrans and other appropriate organisations.

(The Portfolio Holder for this item was Councillor Roberts)
Forward Plan Reference 1,407

67. Climate Change Action Programme

The Cabinet considered a report from Programme Director for Climate Change which set out the proposed revisions to the Climate Change Action Programme (CCAP) and how it would change to align with the new Corporate Strategy agreed by the Council in November 2023.

The report (along with the attached appendices) set out proposals for progressing towards the achievement of those ambitions. The core proposals for climate change mitigation were set out in Appendix 1 to the report and for adaptation in Appendix 2 to the report. This Action Programme incorporated a high-level commitment and specific actions which would provide the focus for the next three to four years. The Programme drew on a range of sources including the organisational carbon baseline (last updated at Overview and Scrutiny Committee in October 2023), the 2021 Warwick People's Inquiry recommendations (see Appendix 6 to the report), the 2021 Anthesis report (see Appendix 7 to the report), national and local data on change to the climate, including Met Office data and the National Climate Change Risk Assessments prepared by the UK's Climate Change Committee. The CCAP had also been influenced by the cross-party members Climate Change Working Party which had met twice to advise on the contents of the Plan. In line with the Service Area Plans (SAP) report, it was proposed that the Working Party continued to provide advice on the shape of key projects within CCAP as these were in the early development stages.

The CCAP incorporated a Communications and Engagement Strategy (Appendix 3 to the report) and a Funding Strategy (Appendix 4 to the report). The Communications and Engagement Strategy drew on the

Warwick People's Inquiry which was reported in early 2021 and set out the principles for ensuring effective communications and dialogue with residents and other stakeholders. This included a three-month rolling communications plan. The Funding Strategy (Appendix 4 to the report) recognised that the level of spending required to deliver the entire CCAP could not be accommodated within the Council's direct budgets. It would therefore be necessary to draw on other sources of funding to deliver significant parts of the CCAP. The funding strategy set out the funding options that would be utilised. It should have been noted that accessing many of these funding streams would require significant work themselves for instance, applying for grants, developing business cases, establishing a local carbon offsetting fund, and providing evidence to justify Section 106 contributions.

At its meeting in October 2023, the Overview and Scrutiny Committee agreed a set of measures that would be reported on a six-monthly basis to the Committee to monitor progress on the CCAP. These measures were also integrated into the Climate Change (and other) Service Area Plans so that they formed part of the Council's routine performance management arrangements. It was intended that a climate change dashboard was developed to present these measures in an accessible way for Members and for publication on the website.

To deliver the CCAP, the already-available funding supported a core climate change team to drive forward the Council's work including monitoring and reporting on progress, developing funding streams, supporting services in integrating the CCAP into service plans and projects, addressing areas where there were barriers to progress, delivering cross cutting projects and ensuring the programme was kept up to date. The Climate Adaptation Project Officer also led the extensive work planned to deliver the adaptation plan set out in Appendix 2 to the report. These posts provided the capacity to coordinate and deliver work in this area, particularly working with a range of partners to refine the data, understand specific climate impacts and develop targeted actions and interventions.

The Adaptation Plan (Appendix 2 to the report) had been prepared collaboratively with colleagues at Warwickshire County Council and Stratford-on-Avon District Council (SDC). SDC would consider a similar adaptation plan and, given the nature of the work involved, it was intended to work closely with SDC in delivering and monitoring progress around climate change adaptation.

WDC had previously agreed a budget of £500,000 per annum for Climate Change, to be drawn annually from the Climate Change reserve. Whilst recognising that further funding would be required for specific initiatives, the report did not seek additional funding over and above that already agreed.

Including underspends accrued from earlier years, the Climate Change reserve had a balance of approximately £1.05m on 1 April 2023. Taking into account staff cost spending, and current commitments, a balance of £450,000 remained and, assuming the 2024/25 budget setting process continued existing commitments, an additional £500,000 would be made available in 2024/25. This gave a total available spending of

approximately £950,000 until the end of March 2025. The table under 1.7 in the report set out key areas of spending planned for this. The table also looked ahead to the remaining period of the current administration, and if the commitment to £500,000 per annum was maintained, set out how the £1m available for 2025/26 and 2026/27 could be used in line with the Corporate Strategy.

Referencing the funds available for Ambition 1, there were several grant options available that were worth noting:

WDC Asset Decarbonisation: In November 2023, grant submission was made to the Public Sector Decarbonisation Scheme (PSDS) Phase 3c, totalling £480,732.00 for Althorpe Energy Hub and Royal Spa Centre for Solar PV and air source heat pumps. If successful, WDC contribution would be £65,555. In addition, an application for grant funding was made in October 2023 to the Swimming Pool Support Fund Phase 2 for £526,600. This was for solar PV for St Nicholas Park and Newbold Comyn Leisure Centres. This would require no match funding from WDC if successful.

HVO Trail for RCV's: there was the potential to reallocate UKSPF funding which for 2023/24 had a maximum value of £30k.

Inevitably there were significant proposals in the CCAP that remained unfunded. Whilst the contingency budget set out above could have been used to contribute to these initiatives, the costs were unknown, and it would be necessary to bring forward costed proposals as and when the feasibility work was progressed. Examples included:

- Full cost of retrofitting WDC Assets and supplying renewable and low carbon energy.
- Supporting e-Car Clubs.
- EV charging infrastructure for WDC car parks and other off-street locations such as village halls.
- WDC share of delivering Abbey Fields Cycle Route.
- Cost of using HVO for RCVs if the trial proved successful.
- Last mile delivery project.
- Cycle parking.

It was proposed that a "mid-term" review of the CCAP was conducted in early 2025 to consider updated spending priorities from the Climate Change Fund for 2025/26 and 2026/27.

A range of funding sources would be explored for unfunded CCAP actions as set out in the Funding Strategy (Appendix 4 to the report). This would include funding within the Council's control (such as CIL), applying for grant funding, and other sources that the Council might be able to leverage through working in partnership with other organisations. The level of resources committed to Climate Change were unlikely to be sufficient, even if alternative sources were utilised. However, the Council was facing some difficult financial challenges. Any decision to increase spending on climate change should therefore be made in the context of a full understanding of these financial challenges. It was therefore intended that:

- a) where possible, existing service budgets were also utilised in a way that supported climate change and that the service planning processes gave this consideration;
- b) future budget setting processes included consideration of the potential to increase the direct climate change budgets where the financial pressures allowed; and
- c) maximum use was made of external funding as set out in the CCAP Funding Strategy.

It was noted that WDC had already utilised funding from within existing service budgets to deliver climate change initiatives. Examples included:

- planning policy budgets for background evidence to support draft low carbon buildings policies;
- funding from the Housing Investment Programme to support carbon reduction upgrades for WDC Section 106 housing schemes;
- match funding from the Housing Investment Programme to put alongside government grants schemes for retrofitting WDC housing stock; and
- CIL funding to deliver new and improved natural assets and multi modal transport improvements.

The Council already had considerable success in attracting external funding and grants including:

- Green Homes Grants totalling around £10m.
- AQ Section 106 money, used to support low emission transport solutions.
- Social value contributions from procurement processes.
- Applications had also been made to the Swimming Pool Fund and PSDS which were being considered.

In addition to the above items, the Council could wish to fund significant capital projects to deliver renewable or low carbon energy where this might give rise to a source of income that could help with the financial pressures. For instance, the CCAP included proposals to explore the potential for investing in solar energy and measures that reduced energy costs. Whilst these could involve significant capital costs these schemes also had the potential to deliver income and/or savings. Each of these schemes would therefore be subject to a feasibility study and business case, including the potential to use green finance and other methods of attracting external funding.

Strategic Priority 2 of the Corporate Strategy was focused on reducing energy consumption and bills in Council civic buildings, Council housing, and helping others to do the same. Therefore, these elements of the Climate Change Action Programme would be moved to strategic priority 2 where success measures would be developed. Success measures for the elements that remained within the CCAP would be reviewed and developed by April 2024.

The CCAP had a close relationship with the emerging Biodiversity Action Programme (BAP), not least in relation to climate change adaptation. Following the declaration of the Climate Emergency in 2022, the

development of BAP was progressing well, and it was intended to report the BAP to Cabinet for consideration in March 2024. Once adopted, the BAP would provide complementary actions which would also support the CCAP, particularly Ambition 3 which would require review once the BAP was adopted. However, the BAP would require its own funding, both from within WDC's budgets and externally. The CCAP budget was not intended to cover the costs of delivering the BAP.

In addition to the amount in the Climate Change Fund, the Council was also assessing the creation of an investment fund for energy conservation and energy generation projects as set out in 2.1.2 of the corporate strategy. This investment fund would only be for projects that could generate a financial return for the Council at least sufficient to cover borrowing costs during the Medium-Term Financial Strategy (MTFS). This was likely to include solar panel and LED lighting. It could include insulation of Council assets once baseline and energy saving projections were completed. The investment fund would be unlikely to include projects like heat pumps that delivered carbon savings, but not financial savings. Projects like these would need to be funded from the Climate Change Fund or other sources. If assessments showed the investment fund was viable it would be brought forward as part of the budget process. The fund would likely be planned over an initial four-year period.

In terms of alternative options, one option was that the Cabinet could have included any alternative commitments/actions in the CCAP and/or the exclusion of any commitments/actions that were proposed.

The Cabinet also could have considered if it would have recommended any changes to the communications and community engagement strategy or the proposed funding strategy.

The Cabinet could have considered whether the spending proposals set out at paragraph 1.7 in the report were appropriate or if any changes should have been made. The Cabinet could have considered whether any of the other proposals set out in the CCAP should have been included as alternatives.

Councillor Kennedy proposed the report as laid out.

Resolved that

- (1) the Climate Change Action Programme comprising the Action Plan (Appendix 1 to the report), climate adaptation strategy and action plan (Appendix 2 to the report), the Communications and Engagement Strategy (Appendix 3 to the report), and the Funding Strategy (Appendix 4 to the report) be agreed;
- (2) the delivery and monitoring of the Climate Adaptation Strategy and Action Plan (Appendix 2 to the report) through joint working with Stratford District Council, subject to Stratford District agreeing a similar approach, be agreed;

- (3) the actions listed in Appendix 5 to the report from the 2021-2023 Climate Change Action Programme are no longer pursued;
- (4) the proposals for utilising the already established Climate Action Fund budget for 2023/24 and 2024/25 as set out in the table at para 1.5 in the report, be agreed.
- (5) authority be delegated to the Programme Director for Climate Change (PDCC), in consultation with the Climate Change Portfolio Holder and Leader of the Council to spend from the Climate Action Fund in line with the proposals set out in para 1.7 in the report, including variances of up to 10% from the amounts shown. In addition, authority is delegated to the PDCC, in consultation with the Climate Change Portfolio Holder and Leader of the Council to authorise sums up to £20,000 for spending that is outside the proposals within paragraph 1.7 as long as the PDCC, Climate Change Portfolio Holder and Leader of the Council are satisfied that the spending aligns with the CCAP priorities and that this will not compromise the delivery of the proposals at 1.7;
- (6) a range of funding sources are explored and utilised for the unfunded actions set out on the CCAP, including future Council budget setting processes; and
- (7) the elements of Climate Change Action Programme relating to Strategic Priority 2 of the Corporate Strategy are removed from the programme, be agreed.

(The Portfolio Holder for this item was Councillor Kennedy)
Forward Plan Reference 1,398

68. **Service Area Plans**

The Cabinet considered a report from The Senior Leadership Team (SLT) which set out two key elements of the golden thread for the delivery of the Corporate Strategy. Firstly, it sought agreement for the Service Area Plans (SAPs) for the remainder of 2023/24 and 2024/25, recognising that the SAPs had been prepared to align with the new Corporate Strategy and provided a key part of the way the Council would deliver the Corporate Strategy. Secondly, it set out how the three Strategic Priorities of the Corporate Strategy would be overseen by Programme Boards, along with the Council's relationship to Overview and Scrutiny Committee and working parties.

As seen in Figure 1 to the report, the Service Area Plans were an important part of the “golden thread” linking the Corporate Strategy to projects and frontline service delivery. The SAPs had been prepared to align with the Corporate Strategy. In turn the SAPs provided the framework for Team Operational Plans, staff appraisals and one to ones, thereby enabling every team and every member of staff to consider how they contributed to the strategic priorities in their work.

The SAPs included an overview of the major workstreams for each service, along with the key performance measures to enable progress and performance to be tracked. The performance measures would be collated on a quarterly or annual basis (depending on the specific measure) and would be considered by SLT as part of the performance management framework. The performance measures would also enable progress against the Corporate Strategy to be reported to the Overview and Scrutiny Committee.

The SAPs set out in Appendix 1 to the report, covered the period from December 2023 to April 2025. SAPs were usually prepared on an annual basis to tie in with budget setting and appraisals. However, 2023/24 had seen elections and the development of a new Corporate Strategy. In that context it was decided not to carry out the review of SAPs in April/May, instead it was decided to wait until after the new Corporate Strategy had been developed. As the SAPs had been developed so late in the year, it was decided to incorporate the remainder of 2023/24 and the whole of 2024/25 within them. There was, of course, a risk that some or all of the plans would have required further review when the budget for 2024/25 was set. Any growth requirements for 2024/25 arising from the SAPs would be subject to approval through the 2024/25 budget setting process unless there had already been formal agreement. Where this could have given rise to substantive changes, these would either be approved through the 2024/25 budget report or would require a further report to be considered by Cabinet to agree the changes.

Because of the impact of the assessment of Housing Asset compliance, the Service Area Plans for Housing Health and Communities and, for Neighbourhood and Assets were being re-evaluated and updated and so were not ready for consideration. It was proposed that the work on these two SAPs be completed before the beginning of the new financial year and that approval of them was delegated to the Deputy Chief Executive in consultation with the relevant Portfolio Holders and the Chair of Overview and Scrutiny Committee.

Whilst the Service Area Plans set out how each service would resource and deliver its key workstreams (core services and projects), the delivery of the Corporate Strategy was also dependent on ensuring good governance arrangements were in place to deliver cross-service/cross-portfolio projects and initiatives. To achieve this, it was proposed that Programme Boards were established for Strategic Priorities 1&2 in the Corporate Strategy. Each Programme Board would be led by a Programme Sponsor and would include relevant officers and appropriate Portfolio Holder(s).

Strategic Priority 1 focussed on Recognising that so much of what the Council did was of a high quality and value for money. It was proposed

that a Programme Board for the Change Programme was established to oversee key areas for improvement. This Programme Board would cover delivery of projects and initiatives that:

- ensured sustainability was at the heart of the Council's decision making;
- ensured the Council's finances remained on a firm and sustainable footing;
- achieved and demonstrated delivery of high-quality services;
- attracted and retained the best talent to deliver Council ambitions; and
- ensured the best use of the Council's assets and resources to deliver the Council's wider corporate aims and support the circular economy.

It was proposed that the Deputy Chief Executive was the Programme Sponsor for this area. A further report would be brought to Cabinet to set out the scope, governance and main workstreams of the Change Programme, including more detail about the membership of the Programme Board. The Change Programme would therefore focus on those elements that required improvement to deliver this priority of the Corporate Strategy.

Strategic Priority 2 was based around low cost, low carbon energy across the District. The level of priority given to this aspect of the Council's work indicated that there was a need to accelerate progress in relation to energy costs and decarbonisation. This would require input from a range of Council services and portfolios. To ensure this work was given the priority it needed and was effectively coordinated, a Programme Board would be established to develop and deliver projects and initiatives that:

- reduced energy consumption and carbon emissions from Council public buildings;
- reduced energy consumption and carbon emissions from the existing Council Housing;
- provided homes which were safe and met the Decent Homes standard for all Council tenants, including improving the energy efficiency of their homes;
- ensured new housing developments led by the Council were exemplars of planning and construction to meet the climate emergency and other challenges; and
- explored multiple, innovative approaches to make it easier for others in the District to reduce their energy needs.

It was proposed that the Programme Director for Climate Change was the Programme Sponsor for this area. The Climate Change Action Programme set out some of the work in train to address this element of the Corporate Strategy and progress was already being made on those actions. It was proposed that the CCAP be split in two so that those aspects relating to "low cost, low carbon energy across the District" would be part of Strategic Aim 2 and the remaining elements of the CCAP would be in Strategic Aim 3 (i.e., 3.2.4 in the Corporate Strategy).

The CCAP included actions which would provide the basis for establishing the specific workstreams of this Programme Board and in that context, it was proposed the Programme drew on the CCAP to establish priorities. Membership of the Programme would be made up of officers from Climate

Change, Neighbourhood and Assets, Housing and Place Arts and Economy, along with relevant Portfolio Holders.

Strategic Priority 3 focussed around creation of vibrant, safe, and healthy communities of the future. Due to the diverse nature of this strategic goal and the necessity to focus on the Asset Compliance it was proposed that establishing the Member Working Party was delayed until 2024 to give time for the work on asset compliance to be completed. The projects that fell into this area would in the meantime be subject to a quarterly overall report on progress.

It was proposed that the Chief Executive be the Programme Sponsor for the Board which would have an overview across this Strategic Priority to ensure coordination between projects and work on delivering the priorities set out in this area. Membership of this Board would be from across the Council's service areas and would have the relevant Portfolio Holders on it. It was noted that the South Warwickshire Local Plan was another key element for the delivery of the Corporate Strategy. This had not been included within the suggested Programme Boards because it had its own governance arrangements.

The Corporate Strategy contained provisions for the Overview and Scrutiny Committee to undertake an annual review of the Strategy. At the discretion of the Overview and Scrutiny Committee, specific aspects of the Strategy could be scrutinised between these annual reviews.

It was also proposed that cross-party Members of Working Parties were established to develop policy and provided advice to the Programme Boards regarding Strategic Priorities 1 and 2. These Working Parties would not duplicate the scrutiny function provided by the Overview and Scrutiny Committee, instead they would provide an opportunity for informal cross-party advice from Members which would feed into the work of the Programme Boards. The terms of reference for the Working Parties, would be delegated to be agreed by the Chief Executive in consultation with Group Leaders.

The report also on the 6 December agenda related to the Significant Business Risk Register (SBRR) and this would be revised to reflect the new Corporate Strategy. This would report on a quarterly basis as it had continued to be so for as long as the Council had reported on risk at this level.

Reporting on overall progress of the Strategy was also expected to be on a quarterly basis to Cabinet with an annual report for Council. The Overview and Scrutiny Committee would also be able to scrutinise and comment on both. Reporting on the Service Area Plans would also be quarterly from the next financial year. The Services Area Plans would be published on the Council's website along with updated performance data each quarter and with the intention of making the data available real time for Councillors as soon as practically possible via SharePoint. Finally, there would also be the quarterly reporting of the Council's financial position.

There would then be a significant range of reporting tools for the Council to assess progress at a number of levels and topics.

In terms of alternative options, the Cabinet could have decided to amend the Service Area Plans in a range of ways to better reflect the ambitions of the Administration.

The Cabinet could have also decided not to establish the Programme Boards and the other governance arrangements to support the Corporate Strategy and instead could agree alternative governance arrangements or indeed no governance arrangements.

Finally, the Cabinet could decide to establish the Programme Boards with a different scope – with the responsibilities for projects split differently, especially in relation to the third strategic priority of the Corporate Strategy.

Councillor Davison proposed the report as laid out.

Resolved that

- (1) the Service Area Plans 2023/24 to 2024/25 as set out in Appendices 1 to 7 to the report be agreed. Any additional resource requirements for 2024/25 arising from the SAPs that had not already been agreed will be subject to consideration as part of the 2024/25 budget setting report;
- (2) authority be delegated to the Deputy Chief Executive, to approve Service Area Plans for Housing, Health and Communities; and, for Neighbourhood and Assets in consultation with the relevant Portfolio Holders and the Chair of Overview and Scrutiny Committee and will be reported for noting retrospectively before the start of the 2024/25 financial year;
- (3) Programme Boards are established to drive forward the delivery of the Corporate Strategy's Strategic Priorities; and
- (4) two cross-party Members Working Parties are set up to provide advice to Programme Boards on the development of projects and initiatives within Strategic Priorities 1 and 2. The terms of reference of the Working Parties are delegated to the Chief Executive in consultation with Group Leaders.

(The Portfolio Holders for this item were Councillors Billiard, Chilvers, Davison, J Harrison, Kennedy, King, Roberts, Sinnott, and Wightman)
Forward Plan Reference 1,387

69. South Warwickshire Economic Strategy

The Cabinet considered a report from Place, Arts & Economy which set out the strengths, weaknesses, opportunities and threats of an area. The South Warwickshire Economic Strategy (SWES) had been developed in partnership with Stratford District Council to sit alongside the South Warwickshire Local Plan which was being developed. The purpose of this report was to approve the South Warwickshire Economic Strategy (SWES) and the action plan for 2024-2025, recognising that the action plan would be reviewed and updated yearly based on national and sub-regional socio-economic developments and publication of other sub-regional strategies.

A joint South Warwickshire economic strategy was beneficial to both Councils. The shared economic geography included shared challenges, particularly around infrastructure, shared opportunities, and developing a high growth knowledge-based economy.

The South Warwickshire Local Plan would contain land-use policies to support economic development. When engaging with Government and outside agencies (such as West Midlands Connect and the West Midlands Combined Authority (WMCA)), the case for support and inward investment was stronger when there was joined up thinking and the synergistic strengths of both Districts as well as better opportunities to respond collectively to Climate Change challenges.

The County Council and the Coventry and Warwickshire strategies were being progressed at the same time, the former of which had already input from all Districts. It was expected that its strategy would be published in December 2023, followed by its action plan in early 2024, before the next financial year.

It was recognised that neither Warwick nor Stratford District Councils worked in isolation, but instead worked in partnership with other stakeholders and delivery partners. The strategy therefore set out the strategic themes, which were important for the next five years. The supporting action plan proposed the type of role the Economic Development Team would play alongside others, which ranged from influencing, lobbying and shaping strategies as well as direct intervention at local level including catalysing and joint commissioning of activity. The Economic Development Strategy would support the work of place-making by helping to shape the local economic priorities which underpinned employment land allocations and associated economic policies within the South Warwickshire Local Plan.

The thematic priorities of People, Places and Productivity had been used to develop a concise set of relevant programmes. The programmes would be reviewed at the end of each year and refreshed in light of national and sub-regional, socio-economic changes, and changes in policy direction as they were designed to be responsive to new opportunities, agile enough to respond to external changes in the market or government policy, as well as a change of government during 2024. The action plan would take account of the UK Shared Prosperity Fund programmes and objectives.

The key objectives of People, Place and Productivity were as follows:

- people – improve inclusivity and career paths and progression, facilitating social mobility through the provision of better job opportunities, upskilling the existing workforce, and attracting inward

investment in highly skilled jobs;

- productivity – the aim was to build thriving business communities with inclusive growth and shared prosperity, supporting new and existing businesses start up and survival, jobs creation, innovation and attracting inward investment and increased exports; and
- place – this included taking forward regeneration, infrastructure and development opportunities including The Future High Streets Fund project in the regeneration of Leamington Spa's Creative Quarter and other projects and sites; future strategic employment sites allocations, re-vitalising and enhancing town centres and the public realm and revitalising the evening economies. This aimed to support rural market towns across the District and address some of the opportunities and threats within the Local Neighbourhood plans and local Council priorities to support the prioritisation of investment in sustainable infrastructure and communities to build thriving communities.

All of the above was framed against the backdrop of recognising the need to consider the environmental issues, climate change, and recognising that growth and prosperity at any cost was not a viable option. There was a strong 'green' thread throughout the SWES, with sustainability at the heart. It aimed to attract the right 'green' industries to the District and to support businesses to become more sustainable in their operations for the benefit of local people, communities, and the environment through maximising social value and the development of the circular economy and working in partnership locally, regionally, and nationally to increase sustainability and biodiversity. The recent confirmation of the West Midlands Investment Zone (WMIZ) would bring billions of pounds worth of investment to the region, and directly to the WDC area, through the development of the Giga Park and the Gigafactory. The WMIZ would bring tax incentives, infrastructure investment and other support, whilst offering an opportunity to transition to a green economy protecting against unsuitable development and to deliver for biodiversity, sustainable transport, and job creation.

The SWES and Action Plan were attached at Appendix 1 to the report and were structured around the key themes mentioned above with three key sections as follows:

- South Warwickshire at a Glance – presented facts and figures about the South Warwickshire economy and challenges and opportunities for the future;
- an economic strategy for South Warwickshire – which set out a Vision for economic growth across South Warwickshire, the Council's mission and focus; and
- delivering the Economic Strategy – presented the objectives to be achieved and some actions to be delivered during 2024-2025 to be revisited annually against the overarching programme themes until 2028.

In terms of alternative options, the Cabinet could decide not to adopt the SWES and Action Plan. It could be delayed and reviewed in either February or March 2024, at which point it would be expected that the County Economic Development Action Plan would be published. However,

time would be lost in the implementation of our plan at a critical point in the delivery of regeneration projects, UKSPF and funding opportunities such as the Innovate UK Immersive and Creative Launchpad.

Councillor Billiald proposed the report as laid out.

Resolved that:

- (1) the South Warwickshire Economic Strategy and action plan for 2024-2025 be adopted for implementation starting effectively from 1 April 2024; and
- (2) authority be delegated to the Head of Place, Arts and Economy, in consultation with the Arts and Economy Portfolio Holder, to make any minor changes prior to its publication and to oversee the annual refresh of the action plan and monitor its implementation.

(The Portfolio Holder for this item was Councillor Billiald)
Forward Plan Reference 1,361

70. Interim Consultancy Support

The Cabinet considered a report from Housing, Health and Communities which sought approval to extend an interim support consultancy placement in excess of procurement threshold.

In March 2023, a consultant was brought in to provide interim management support to the Housing Development Team pending a redesign of the service. The redesign had taken longer than initially anticipated and the procurement value had now been exhausted.

The Housing Development programme had grown rapidly in size over the last few years with a desire to create 2030 high quality, energy efficient properties. The Council had also created Milverton Homes Limited, a company wholly owned by the Council and entered a Joint Venture with Vistry Partnerships.

It was crucial that relationships were forged with developers and contractors to bring this programme together. With this scale of programme, it was critical that sufficient management oversight and leadership was provided.

The current structure was for one senior manager to oversee both Housing Strategy & Enabling and the Housing Development functions. The manager asked to work on a part time basis and had elected to cover the Housing Strategy and Enabling function. A consultant had been appointed to cover the period whilst a review and redesign of the management structure could be undertaken. This had taken longer than initially foreseen and as a result the means of procurement used to bring in the consultant would soon reach its optimum value.

Whilst the redesign was likely to be completed before Christmas, the appointment of a new manager for the Housing Development Team was still some months away given there was a recruitment process to go through and, taking into account notice periods of any potential new starter. The need for this resource was further compounded by the Housing Development Manager retiring unexpectedly at the beginning of October 2023, leaving the area exposed. Retaining this consultant would provide some stability to the team and to the Council, enabling the current programme to be maintained.

An alternative option was to end the current consultancy placement and leave posts vacant. This was not recommended because of the adverse implications for the building programme outlined in section 1 in the report.

Councillor Wightman proposed the report as laid out.

Resolved that:

- (1) the current consultant brought in to support Housing Strategy and Development be retained until the recruitment of the Housing Development Manager is achieved; and
- (2) an exemption from the Procurement Code of Practice be agreed to enable ongoing housing development management, specifically awarding a contract for the value and length as set out in Confidential Appendix 1 to the report.

(The Portfolio Holder for this item was Councillor Wightman)
Forward Plan Reference 1,406

71. Discretionary Housing Payments

The Cabinet considered a report from Customer & Digital Services which requested the additional funding of £50,000 to top up the Discretionary Housing Payment (DHP) fund.

Discretionary Housing Payments (DHP) were payments made to residents who received either Housing Benefit or the housing element of Universal Credit to help them pay their rent. Whilst the scheme was discretionary, the fund needed to be administered in accordance with The Discretionary Financial Assistance Regulations 2001 and the Department for Work and Pensions (DWP) Discretionary Housing Payments guidance manual. The main criteria for eligibility was that the customer needed to have a shortfall between the benefit paid to help with their rent and the actual rent they had to pay. There were also a few exceptions where DHP could be considered in other circumstances.

Funding was provided twice yearly by the DWP and once the grant had been spent, no further DHPs could be awarded. Local Authorities could top up the DHP fund if deemed necessary by a maximum of two and a half times their original DWP allocation.

In previous years topping up had not been necessary and the budget had been managed well. However, DWP funding was significantly reduced for all Local Authorities at the start of the 2022/23 financial year and WDC's allocation decreased from £165,057 to £116,985. This resulted in the Council "topping up" the budget by £50,000.

The DWP's contribution had remained at £116,985 in the current year. The Council's caseload had not decreased and to date the Council had spent £83,815 with a further £13,318 committed in ongoing payments. This left a balance of just £19,852 for the remainder of the year.

Demand for DHP assistance was very high; rental costs had generally increased as had general living expenses. The benefits paid toward rental assistance had not kept pace and based on previous experience, the Council did not expect its DHP budget would be sufficient to reach the end of the financial year.

In terms of alternative options, the Council could stop providing further DHP support once the existing budget was exhausted. However, doing this could have had significant negative consequences, including increased homelessness or forcing more people to choose between paying their rent or paying for heat and food. Winter, where household running costs inevitably increased meant ceasing DHP support could be devastating.

Simply stopping support was not considered an appropriate response.

Councillor Harrison proposed the report as laid out.

Resolved that

- (1) the release of funding of £50,000 for Discretionary Housing Payments made by the Council, be met from the General Fund using Homelessness Grants for the current year, be agreed; and
- (2) an ongoing commitment of funding as part of the budget setting process to be met from the General Fund, be agreed.

(The Portfolio Holder for this item was Councillor Harrison)

72. Significant Business Risk Register

The Cabinet considered a report from Finance which set out the latest version of the Council's Significant Business Risk Register. It had been drafted following a review by the Council's Senior Leadership Team (SLT) and by the Leader of the Council.

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

The SBRR was reviewed quarterly by the Council's Senior Leadership Team. This process was thorough and involved a focus on the higher rated risks, then a review of the others, and then a discussion on emerging risks/horizon scanning. For this cycle, the SLT had dedicated a large segment of one of its fortnightly sessions. On this occasion the Council Leader joined the meeting and was involved in the review. The SBRR was then, in keeping with Members' overall responsibilities for managing risk, reviewed by Cabinet. Audit and Standards Committee provided scrutiny, before or after Cabinet.

The latest version of the SBRR was set out as Appendix 1 to the report with a summary of the relative priority of the risks set out as Appendix 2 to the report.

In terms of alternative options, Members might have taken a differing view on the risks identified, on the ratings attributed or the mitigations, and might have felt that they wished to indicate changes to be made.

Councillor Davison proposed the report as laid out.

Resolved that

- (1) the contents of the report and appendices, be noted; and
- (2) the proposals for reshaping the approach to future versions of the SBRR, be noted.

(The Portfolio Holder for this item was Councillor Davison)
Forward Plan Reference 1,373

73. Safe and Legal Cap

The Cabinet considered a report from Housing which required that Cabinet determined the response to be provided to the West Midlands Strategic Migration Partnership in relation to a Government consultation on Legal and Safe routes into the country, and the request to Local Authorities to provide a pledge in respect of housing provision.

The Rt Hon Robert Jenrick MP wrote to all Local Authority Chief Executive Officers on 20 October 2023, launching a consultation on a cap on safe and legal routes which closed on 15/12/23.

The cap would be set on an annual basis, to be determined after consultation with representatives of local authorities. It would be amendable for example in the event of humanitarian crises. An annual limit on the number of entrants would ensure the UK accepted through safe and legal routes no more people than could be accommodated and supported effectively. The Illegal Migration Act required that before setting the cap, the Home Secretary must have consulted in England and Wales and Scotland, such representatives of local authorities as the Secretary of State considered appropriate.

The consultation was aimed at local authorities which provided housing or support to resettled individuals in the UK. Local authorities should have

worked with relevant bodies who provided wraparound services in compiling their responses, such as Integrated Care Boards, as well as with Voluntary and Community Sector Organisations, and Community Sponsorship Groups in their areas.

The UK currently operated seven safe and legal routes. These included resettlement schemes such as the UK Resettlement Scheme (UKRS) and Community Sponsorship, as well as bespoke routes for individuals from Afghanistan, Ukraine, Hong Kong and the close family members of refugees. Under the UK's safe and legal routes, eligible individuals were accessed through an application or referral process made overseas. This meant when they arrived in the UK their status was already determined.

Warwick District Council had made previous pledges over time to support families under the UKRS and Afghan schemes. These pledges were for 29 families and to date, had enabled 21 families to be provided with accommodation in Warwick District however there were a further eight families to be accommodated before previous pledges were complete.

UKRS

Area	Pledge (over 4 years)	Number of families in 1 year	Numbers resettled since April 2022:	Number of families still to be to be resettled
Warwick	4 families	1	1	2
Total:	4	1	1	2

Afghan Schemes (ARAP/ACRS)

Area	Pledge	Numbers July 2021 to March 22	Numbers April 22 to March 23	Numbers resettled since April 2023	TOTAL TO DATE	Available Property to be matched	Number of families still to be resettled
Warwick	25	7	9	3	19	2LAHF properties Phase 1 4 LAFH properties phase2 2 Properties for the families at the temporary accommodation One LAHF matched waiting for the formal offer.	6
Total:	25	7	9	3	19		6

The Council had received funding from the Department for Levelling Up Housing and Communities (DLUHC) to support the purchase of 27 family

homes to:

- provide sustainable housing to those on Afghan resettlement schemes at risk of homelessness so that they could build new lives in the UK, find employment and integrate into communities;
- reduce local housing pressures beyond those on Afghan resettlement schemes by providing better quality temporary accommodation to those owed homelessness duties by local authorities;
- reduce emergency, temporary and bridging accommodation costs; and
- reduce impact on the existing housing and homelessness systems and those waiting for social housing.

The LAHF was launched on 14 December 2022. The details of the fund were shared with the Council in the document 'Local Authority Housing Fund – Prospectus and Guidance' ('the Prospectus'). It was a £500m capital grant fund to support local authorities in England to provide sustainable housing for those unable to secure their own accommodation i.e. Afghan and Ukrainian refugees.

In March 2023 a report to Cabinet set out that DLUHC had awarded Warwick District Council £2,820,431 to purchase:

- 19 properties for households that met the eligibility criteria referred to as the 'the main element; and
- 2 x 4 bed properties to be allocated to households currently in bridging accommodation referred to as the bridging element.

A further Cabinet report in July 2023, sought approval for a second grant award of £919,200 from a national award of £250 million to support the purchase of six properties to provide sustainable housing primarily for Afghan families seeking refuge in the area.

There was a risk that any additional pledge would impact upon the ability to accommodate homeless households, meaning that greater numbers of homeless households would need to remain for longer periods in temporary accommodation, thereby incurring costs to the General Fund. By far the highest numbers of households in temporary accommodation were single person households who required one bedroomed accommodation which was in high demand. The risks would be mitigated by stipulating that any additional pledge was for families only, as family housing was in greater supply.

Whilst previous pledges had totalled 29 family households, it was noted that DLUHC funding had enabled the provision of 27 new homes therefore ameliorating the impact on the availability of stock locally that was available for families on the housing register including those who might be homeless.

At the time of writing the report, there were 48 households in Temporary Accommodation of which 14 were family households requiring two+ bedroomed accommodation, and 34 were couples or single person households requiring one-bedroomed accommodation.

There was also higher demand for larger, four+ bedroomed properties and waiting times for these property types could be longer than for two and three bedroomed properties.

It was therefore proposed that a further modest pledge of a further seven family homes should be made, stipulating no single persons or large families. This would mean that the refreshed pledge for Warwick District Council would be 15 family homes.

Members would be kept informed of future pledges.

In terms of alternative options, the Council could choose not to take part in the Government consultation, although this could damage the Council's reputation and/or lead to numbers being imposed and therefore this option had been discounted.

Councillor Wightman proposed the report as laid out.

Resolved that a total pledge of 15 households for the 2024/25 period (eight of which have been previously committed), be approved and thereafter, authority be delegated to the Head of Housing, in consultation with the Portfolio Holder for Housing and Assets to determine the levels of pledge in future years, taking into account, the stability of the housing register, homelessness trends and the numbers and cost of households in temporary accommodation.

(The Portfolio Holder for this item was Councillor Wightman)

74. **Urgent Item - Renewal of Microsoft Enterprise Agreement**

The Cabinet considered a report from Customer and Digital Services which sought permission to renew the Council's Enterprise Software Agreement with Microsoft, via an authorised Large Account Reseller.

Warwick District Council's Customer and Digital Services team currently managed just over 530 laptop computers and 115 servers that supported the day-to-day operation of 600 users. Every service that the Council offered required ICT provision, either directly or behind the scenes and in nearly every instance, that provision would involve a Microsoft product.

Presently, the Council licensed its Microsoft estate through an Enterprise Subscription Agreement (ESA); a volume licensing mechanism specifically reserved for large organisations. WDC was part of a Government-wide Memorandum of Understanding which heavily discounted the prices paid.

The Council's current ESA expired in January 2024 and a renewal was required to maintain access to Microsoft Services. Due to the value of this contract, Cabinet approval was needed to enter into a replacement agreement.

ICT had already worked with its existing supplier to secure budgetary pricing. Since the Council's previous agreement was signed, price

increases had been introduced by Microsoft, which would be applicable at the point of renewal but would then be fixed for a further three years.

It was proposed that ICT worked with the Council's Procurement Team and Crown Commercial Services to secure a new agreement. This would involve a competition to ensure best value, through an existing Crown Commercial Services framework – Technology Products and Services 2. This would fully comply with the Council's Code of Procurement.

As the exact costs of the renewal would not be known until the competition was validated, it was also proposed that authority be delegated to the Head of Customer and Digital Services in consultation with the Portfolio Holder for Transformation, to enter into a new agreement, providing the costs were within an agreed budget envelope.

In terms of alternative options, the Council did not have to renew its Enterprise Agreement, but failing to do so would have dire consequences. All access to Office 365 would be lost and the Council would not be able to use any of its ICT infrastructure. This was not a viable alternative.

There were alternative, free to use applications available for several functions that Microsoft currently covered. However, the significant issue with such software was compatibility; the Council's line of business applications simply did not work with them.

For an organisation like WDC, with a diverse application portfolio, there was not a viable alternative to use mass open-source software.

The Overview & Scrutiny Committee raised concern about the lack of detail provided in the report, particularly around the areas of risk and alternative options, cyber security and protection of residents' personal data. The Committee asked Cabinet that a review should be done, to look at the breakdown in the process leading to the current situation, and lessons to be learnt from it.

Councillor Harrison proposed the report as laid out.

Resolved that

- (1) the Council enter into a revised Enterprise Subscription Agreement upon completion of a procurement exercise; and
- (2) authority be delegated to the Head of Customer and Digital Services and Portfolio Holder for Transformation to execute a revised Enterprise Subscription Agreement, providing the overall costs are no more than £662,971.

75. 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.

Minutes Numbers	Paragraph Numbers	Reason
76,77,78,79	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

76. **Associated Costs for the Purchase of Eighty-Two Section 106 Dwellings at The Asps, Banbury Road, Warwick**

The recommendations in the report and addendum were approved.

77. **Associated Costs for the Purchase of Twenty-Four Dwellings at The Europa Way, Warwick**

The recommendations in the report and addendum were approved.

78. **Confidential Appendix to Item 5 – Radford Road Bridge Replacement**

The confidential appendix was noted.

79. **Confidential Appendix to Item 10 – Interim Consultancy Support**

The confidential appendix was noted.

(The meeting ended at 7:20pm)

CHAIRMAN
8 February 2023