

Executive

Excerpt of minutes of the meeting held remotely on Monday 13 July 2020, which was broadcast live via the Council's YouTube Channel.

Present: Councillors Day (Leader), Cooke, Falp, Grainger, Hales, Matecki and Rhead

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

Part 1

(Items upon which a decision by Council was required)

10. **Review of Local Government Structure in Warwickshire**

The Executive considered a report from the Chief Executive seeking formal endorsement to provide the necessary decisions in relation to the joint statement that was issued by the present Leader of the Council and the Leader of Stratford District Council on 24 June 2020.

It was clear that the Government was committed to a white paper that considered the development of devolution across England. This white paper was expected to have significant implications for local government structures, especially in two-tier areas, and was expected to be released in the autumn of 2020. In order for the Councils to influence this debate, it was considered that a jointly commissioned review of the existing and potential options for local government structures within Warwickshire should be undertaken urgently.

In addition to this review and ahead of its findings, it was identified that there were a number of opportunities for closer working with Stratford-on-Avon District Council (SDC) that could be explored in order to assist with the financial pressures that both authorities were facing as a result of the COVID-19 pandemic.

On 24 June 2020, a joint statement entitled "Taking a fresh look at local government in South Warwickshire" was issued by the Leader of the Council and the Leader of SDC. This followed an informal meeting of the Cabinet from Stratford-on-Avon District Council and Executive from Warwick District Council. A copy of the statement was attached at Appendix 1 to the report. The main purpose of these discussions was to consider the impact of the anticipated white paper in relation to devolution that was announced within the Queen's speech before Christmas. It was widely reported that in considering the devolution and "levelling-up" agenda, there would need to be reform of local government, especially in two-tier areas. It was expected that the white paper would be issued in the Autumn of 2020.

The collective view from the Leaders was that in order to ensure that Warwick District Council was prepared and able to influence the debate on

this issue within Warwickshire, that work needed to commence on undertaking a review of the local government structures within the County. It was proposed that this review should be jointly commissioned by all of the Districts and Boroughs, the County Council and the Warwickshire & West Midlands Association of Councils (WALC), (representing parish and town Councils) and that the results should then be used for submissions to central government in proposing any changes necessary. This needed to be supported by regular communications with all Councils and with the community.

In addition to the opportunities surrounding future devolution, there were also a number of other reasons why this was an appropriate time to undertake such a review, including:

- the tremendous pressures on services faced by all tiers of local government from communities wanting improvements in public services and in the management of place;
- the tremendous financial pressures faced by all tiers of local government over the previous 10 years and exacerbated by the COVID-19 emergency, potentially compromising the delivery of public services;
- the erosion of the connection between people's association with a sense of place and the span of democratic arrangements in place governing them;
- the continued lack of clarity, transparency and democratic accountability for local community leadership between the tiers of local government to the detriment of local communities; and
- the barriers between local government and other public agencies that prevented effective action to address important local issues.

It was expected that in undertaking the review, each of the potential options for local government reorganisation needed to be assessed against jointly agreed criteria, which was expected to include areas such as the need to:

- reflect and deliver a clearly understood sense of place;
- provide clarity of local community political leadership to local people, to government and to other public agencies for a clearly understood sense of local place;
- offer clarity of vision reflecting community ambitions for a clearly understood sense of place;
- deliver effective and efficient arrangements for the provision of quality services whether directly, indirectly or shared, to achieve the set vision for community ambitions for a clearly understood sense of place; and
- deliver wider improvement changes to public sector service delivery arrangements for the local community for a clearly understood sense of place.

Whilst it was up to the review to identify what options needed to be considered for such a review, it was likely that there were at least four that would need to be fully evaluated including:

1. Status Quo – no changes from the present political/administrative arrangements;

2. Creation of a South Warwickshire "Super-District" – this option would have seen the full merger of Stratford-on-Avon DC and Warwick DC, but would still operate in a two-tier environment;
3. Single Council Unitary Warwickshire - the creation of a Warwickshire wide unitary authority; and
4. Two Council Unitary Warwickshire – in relation to this option government had already stated "*any new unitary Council's population would be expected to be in excess of 300,000*". The current population of Warwickshire was estimated to be 571,000 (mid 2018) and by 2030 would be in excess of 600,000, and therefore would lend itself to a maximum of two authority areas.

In relation to all of the above options, the potential for changing role of town and parish councils needed to feature. Likewise, Members also needed to be aware that changes in the local government sector could have and should have presaged changes in linked public sector areas such as health and social care; community safety; and in supporting the local economy/training.

Attached at Appendix 2 to the report was a Briefing Paper in relation to "*Local government in England; structures*" which was prepared for the House of Commons library. This was a useful analysis of the options and issues that needed to be considered under such a review.

At the time of writing the report, the cost of undertaking the review of options and the research with the local community had not been determined but an update would be given by the time of the meeting. In addition, it was unclear how many of the other local authorities would wish to participate in the review. However, authority was requested to proceed with the wider dialogue on this issue and if successful, then to delegate authority to the Leader of the Council to participate in the review with the Leaders of the other Borough/District Councils, the County Council and representatives of WALC. Within Warwick District Council, it was suggested that the Leadership Co-ordinating Group which brought the Executive and the Leaders of all the political groups of the Council together, should act as the Council's internal steering group for the review and the work with SDC. This governance activity would be enabled by informal senior officer meetings and Leader/Deputy Leader meetings.

The brief for the review needed to be agreed and procured as soon as was possible, and it was suggested that the brief for the review should be delegated to the Chief Executive in consultation with the Leader of the Council and the Leadership Co-ordinating Group, on behalf of Warwick District Council.

The joint statement also identified that there were a number of joint working arrangements already in place between Stratford on Avon District Council and Warwick District Council, namely:

- the South Warwickshire Health Improvement Partnership;
- the South Warwickshire Crime Reduction Partnership; and
- Shakespeare's England, our destination management organisation which was jointly founded to promote our local tourism.

In addition to these joint partnerships, there was also a shared Business Rates team and the Councils also shared an Information Governance Officer post. Given the financial pressures that both authorities faced as a result of the ongoing COVID-19 pandemic, the discussions between the Cabinet/Executives also considered potential areas where joint working could be extended including:

i) Senior Management Team – across the two authorities, there were four vacancies at Senior Management Team level. It was suggested that proposals should be developed to take advantage of these vacancies across the two authorities and share a number of specific posts. Whilst at least at this stage, two discrete Senior Management Teams could be maintained, the financial benefits could be shared across the two authorities. The sharing of posts in this way could be achieved through s113 of the Local Government Act 1972. These would be interim arrangements until the review of local government structures was completed/implemented. A further report would be presented on the detail of this if agreed.

ii) Joint Contracts – both Councils had contracts of significant value which were approaching retendering. It was suggested that through joint working, single tenders could be placed to ensure that the greatest economies of scale and good service across South Warwickshire could be achieved. This would have both preserved service provision and would also have helped to reduce costs during the current challenging financial environment. It was also expected that further efficiencies could be achieved through the joint management of contractors by each authority. A further report would be presented on the detail of this, if agreed.

iii) Joint Spatial Planning – Within the Coventry and Warwickshire sub region, there had been extensive ongoing discussions about developing a sub-regional spatial framework. Both Councils were part of that discussion. Whilst there seemed to be general agreement, there was no agreed proposal to consider and implement. Meanwhile, both SDC and WDC were committed to reviewing their respective Local Plans/Core Strategies in 2021, though in reality, preparatory work needed to start immediately. Given the close relationship between the plans, as demonstrated by the extensive joint work undertaken in the development of the existing agreed Local Plan/Core Strategy proposals; it made sense to undertake the planned reviews at the same time as one co-ordinated effort.

It was suggested therefore that agreement should be given in principle for the reviews to be undertaken jointly and that a detailed report should be brought forward to Cabinet/Executive as soon as was possible, setting out the proposed programme and the governance of the work, both from a Members and an officer perspective. Of necessity, this may have also covered other work that each Council's respective policy terms may also have undertaken. Such statutory work could have been dovetailed with a sub-regional framework, should that have proceeded. Given the strong shared economic geography between Stratford-On-Avon and Warwick DC, the proposal for a joint plan would not only have delivered significant savings

in relation to the commissioning of the evidence base, there would have also been savings through the examination stage by the Planning inspector.

Whilst the areas above needed to be developed further, it was proposed that given the need to provide capacity at Senior Management Team, the principle of sharing posts with SDC should be adopted and that a business case should be developed as a matter of urgency which, if positive, would be subject to Employment Committee approval. It would be necessary for Council to approve the principle of extending the use of s113 agreements to SDC.

In terms of alternative options, the Executive could have decided not to endorse the statement or follow through on the proposed actions. However, such a response would have left the Council and its citizens exposed, pending the White Paper in the autumn.

The Finance and Audit Scrutiny Committee and Overview and Scrutiny Committee supported the recommendations in the report at their joint meeting.

They highlighted the Council needed to keep focused on the overall strategic advantages of working with Stratford and from possible local government reorganisation. Therefore, it needed to be mindful, on this twin track approach, that the project on working with Stratford did not pre-determine the possible shape of local government reorganisation or preclude possible working with other boroughs and districts where that would be beneficial for residents and provide value for money.

During the meeting, the Chief Executive informed Members of two additional recommendations to read:

"That £35,000 is provided from the Service Transformation Reserve to fund the Council's contribution to the joint study and for additional support in respect of communications"; and

"That the Cabinet of the County Council is asked to reconsider its informal decision to commission a separate business case for a single unitary Council and instead to participate in the joint study with the other Borough and District Councils to look at all options and to listen to the public's views".

This was because the estimated cost of the joint study was circa £100,000 and it was expected that all the other five Districts would participate, meaning that Warwick District Council's cost would be circa £25,000. It was also proposed that some additional external resource should be sought to help to deal with communications on this matter and £10,000 was sought to achieve that assistance.

In relation to the second additional recommendation, the County Council had been invited to participate in the joint study. However, whilst initially accepting, the Cabinet made an informal decision to commission a business case for a single unitary Council. This appeared to have been made without any reference to local residents' views or a proper examination of all options

for the future governance of the Warwickshire area. This was a regrettable step and so it was proposed that the County Cabinet should be asked to reconsider its decision and to commit to working with the Borough and District Councils and the Parish and Town Councils on a full examination of all options and to listen to resident's views before arriving at a decision. Other Councils were understood to be seeking the same decision.

Councillor Day proposed the report as laid out, subject to the addition of the two recommendations above.

Resolved that

- (1) the joint statement issued by the Leader of the Council and the Leader of Stratford on Avon District Council (SDC) be endorsed, and in doing so:
 - i. a jointly commissioned review of local government across South Warwickshire and the wider Warwickshire County area, be agreed;
 - ii. the Leaders of this Council and of SDC invite all of the other Borough/District Councils in the County, Warwickshire County Council and the Warwickshire Association of Local Councils (WALC) on behalf of the town and parish councils, to participate in the review as equal partners;
 - iii. the Leader of the Council be the Council's nominee on a multi Council working party to steer the review;
 - iv. the Leadership Co-ordinating Group (i.e. all the Political Group Leaders and the Executive) act as Warwick District Council's internal steering group of the review and the joint work with SDC;
 - v. the brief for the review be delegated to the Chief Executive in consultation with the Leader and the Leadership Co-ordinating Group and the report be procured as a matter of urgency; and
 - vi. provision of cost for the review be made from a source to be determined by the S151 Officer (at the time of writing the cost has not been determined and will be affected by the number of Councils participating).
- (2) in the context of the joint statement, exploring with SDC in relation to the following, be agreed:
 - i. sharing of Senior Management Team posts across the two authorities;

- ii. exploration of shared contracts across the two authorities; and
- iii. agreement be given in principle to conducting a Joint Core Strategy/Local Plan Review, and a further paper be presented setting out details of a proposed programme, a member and officer governance.

Further reports be presented to Employment and/or Executive on all of the items above as soon as possible;

- (3) £35,000 be provided from the Service Transformation Reserve to fund the Council's contribution to the joint study and for additional support in respect of communications; and
- (4) the cabinet of the County Council be asked to reconsider its informal decision to commission a separate business case for a single unitary Council and instead, to participate in the joint study with the other Borough and District Councils to look at all options and to listen to the public's views

Recommended to Council that:

- (1) the principle of joint working with SDC be included as part of the Council's Business Strategy; and
- (2) agreement(s) be entered into with SDC pursuant to section 113 of the Local Government Act 1972 and all other enabling powers so that employees can be placed at the disposal of the other Council's as may be required.

(The Portfolio Holder for this item was Councillor Day)

16. **Community Stadium and Associated Developments**

The Executive considered a report from Cultural Services seeking funding so that the next steps in the development of a new Community Stadium to complete the RIBA Stage 1 design for the stadium and to commence RIBA Stage 2 could be undertaken and alongside that, an assessment of the sources of finance. A further report would then come forward which would enable a conclusion to be reached on the feasibility of the project in Spring 2021.

The Community Stadium Scheme was part of a wider multi-faceted project. In outline form if implemented, the Stadium could have delivered:

- 5,000 capacity stadium and facilitated the relocation of Leamington FC from its current ground on Harbury Lane;

- all weather artificial grass pitch to allow for wider community use;
- provision for Adult Community Mental Health Services and Children and Young People's Mental Health Services;
- gym and studio space; and
- bar/catering/coffee shop provision.

All of this would be subject to confirmation of demand.

The relocation of the football club would have enabled it to expand its community sports development activities and the Council to then re-use its site as a gypsy and traveller site, thus enabling positive provision to be made, but also to reinforce protection against other sites being used in an unauthorised fashion.

The Council acquired land from the County Council in December 2018 in order to secure the site for the stadium and land that it could have sold in order to help fund the stadium. That land, five acres fronting Gallows Hill, was the subject of a negotiation which, by the time the report was considered, would have been exchanged with completion on four of the five acres by December. That scheme for a relocated car showroom and a hotel would have both protected and generated jobs, as well as generate a £5.585m capital receipt for the Council.

The potential inclusion of accommodation for the Coventry and Warwickshire Partnership Trust (Mental Health) also gave the project a clear health and well-being outcome, as well as the opportunity to consider some of its sites in Warwick and Leamington for alternative use as housing.

The Council also envisaged that it would seek to relocate the athletics track at Edmondscote alongside the stadium, and widen its operation to the adjoining schools and create a more accessible athletics facility for the District. This, in turn, would have enabled part of the athletics track site to be developed for housing, but that in conjunction with other land to the east and to the west, it would create a new riverside park (the Commonwealth Park) connecting Warwick and Leamington with a contiguous green space along the rivers Leam and Avon.

To enable that to happen, the seven hectares reserved for a secondary school, part of which would have been used for the relocated athletics track, had to be freed from having to be used for that purpose. This depended upon an alternative site for the secondary school provision for the new development in the Europa Way corridor. This was secured when the planning application for a secondary school, primary school 150 houses and country park provision was granted planning permission and a S106 was signed. The secondary school was expected to be open for September 2023. The discussion had started on how the seven hectares could be used for a new primary school, new/additional SEN provision and the athletics track.

That discussion also raised the opportunity to acquire the site which had been identified for the primary school use, and to bring it together with the Farmhouse which the Council was to purchase (for circa £1m) by the time the report came to be considered, and land that the Council already owned

to the north, most of which would be used for the stadium. This land could have been used as the neighbourhood centre and for housing, but should have generated a margin on the purchase price to help fund the stadium scheme.

Alongside all of this were the ambitions of Myton School, and by linking that in to create a second access point to Myton School, as well as an enhancement to the sports provision at the school, some of which was run as part of a dual facility with Warwick District Council by Everyone Active. This opportunity would have helped to relieve some traffic from Myton Road as well as further improve the sports provision in the immediate vicinity.

The Council's and its partners' ambition was articulated in the masterplan illustrated at Appendix A to the report. Members were reminded that the spine road and cycleway serving the scheme was well advanced and would be largely completed by September 2020 with the new junction onto Gallows Hill expected to have completion by June 2021.

The site opposite the proposed stadium was being developed by Vistry who had a pre-agreement to deliver 40% of the 375 homes as affordable homes and so feel confident to progress construction. The Council had entered into an agreement for an adjoining portion of land with Vistry for 54 affordable homes to be developed at a high energy efficiency standard. Subject to planning permission, construction was expected in this site in the Autumn 2020.

In November 2019, the Executive gave approval for expenditure in order to progress to RIBA Stage 1 for the design of the Community Football Stadium. Members also agreed in principle to relocating the athletics track and ancillary facilities to a new site adjacent to the proposed new stadium.

The funding sought would have allowed for completion of RIBA Stage 1 and for the project to then progress to RIBA Stage 2 and thereby obtain a more detailed picture of the scheme along with an updated cost estimate.

The Design Team had been working with Officers and key stakeholders to develop initial designs and costings for the new stadium in line with the RIBA Stage 1 process. Now the Phase 1 desktop ground investigations had been completed as part of this work, the Phase 2 ground investigations were ongoing on site to enable completion of RIBA Stage 1.

RIBA Stage 2 involved the preparation of Concept Design including outline proposals for structural design, building services systems, outline specifications and preliminary cost information along with relevant project strategies in accordance with design programme. Any alterations to the brief needed to be agreed and the Final Project Brief issued prior to start of RIBA Stage 3 Developed Design. The following site investigations were required to complete RIBA Stage 2:

- Complete Phase 2 Ground Investigation;
- Drainage Strategy;
- Utilities Survey;

- Ecological Surveys; and
- Initial Archaeological and Heritage Surveys.

The funding would also have meant that the Council was able to manage and maintain the Grade 2 Heathcote Hill Farmhouse (sale due to complete mid July 2020) in a safe, secure and sympathetic manner until such a point that it became a focal point of the wider neighbourhood centre development.

The Council also required legal and property advice in respect of the wide range of developments proposed on and around the Community Stadium site, the fees for which were included in the request.

At this stage of proceedings, the estimated construction cost of the new stadium and with fees and on costs was £17,298,352. It was anticipated that the relocation of the athletics track from its current home to the site adjacent to the new stadium would cost in the region of £2.5 million. This would have allowed the current track site to be utilised for housing and a destination (Commonwealth Games Legacy) park which had an estimated cost in the region of £1 million which took the total cost to circa £21m. This, however, did not include the original land purchase cost of £3.3m, making the overall cost in excess of £24m.

Potentially, the various land opportunities could have generated up to £19.5m but these needed to have more work undertaken to assess their rigour. It was also the case that the opportunity for other funding contributions from S106, CIL, etc. needed to be explored and conclusions reached.

At the completion of RIBA Stage 2 and of the assessment of sources of finance, a further report needed to be considered by Executive and Council in order to decide whether or not to proceed with the project. The Council would have a clear idea at that point on the deliverability of the Stadium and associated elements or otherwise.

In terms of alternative options, it would have been possible to freeze the design process for the stadium until the financial impact of the Covid 19 pandemic on the Council was known in more detail, and the priorities of the Council for major projects were more clearly known. However, to delay the project in this way would have led to increased costs for prolongation and for inflation. If the freeze was for more than a few weeks, the Design Team would have probably been re-deployed onto other projects, leading to a lack of continuity and additional re-start costs. In reality, the next report was the better time to decide to halt or progress the project, given that the capital receipts could have been used to fund this proposal.

Prior to the meeting, Members were informed that Agenda Item 9 – Community Stadium and Associated Developments – was, in fact, a Part 1 item because the additional funding would increase the Capital Budget by greater than the £300k (cumulative total) permitted by the Executive. As a result, this meant the recommendations needed to be considered by Council on 5 August 2020.

The Finance and Audit Scrutiny Committee and Overview and Scrutiny Committee supported the recommendations in the report at their joint meeting.

Councillor Matecki proposed the report as laid out.

Recommended to Council that a sum of up to £345,460 be allocated from the receipt of the sale of land fronting Gallows Hill for the financial year 2020/2021 in order to fund the design work on the Community Stadium to the end of RIBA Stage 2 and to manage and maintain Heathcote Hill Farmhouse and associated land for the remainder of the financial year.

Resolved that

- (1) the progress on delivering the overall proposals and the masterplan at Appendix A to the report, be noted;
- (2) officers are asked to instruct the Design Team to complete the RIBA Stage 1 work and commence RIBA Stage 2;
- (3) work alongside the RIBA Stage 1 and 2 to assess the sources of finance to enable the scheme to be completed, be undertaken; and
- (4) a report on the work at the end of RIBA stage 2 and of the assessment of finance be presented to the Executive in early spring 2021 in order to determine financial feasibility of the Stadium project.

(The Portfolio Holder for this item was Councillor Matecki)
Forward Plan Reference 1,014

(The meeting ended at 6.50pm)