

A meeting of the Executive will be held remotely on Monday 24 August 2020, at 6.00pm and available for the public to watch via the Warwick District Council [YouTube channel](#).

Membership:

Councillor A Day (Chairman)

Councillor J Cooke

Councillor R Hales

Councillor J Falp

Councillor J Matecki

Councillor M-A Grainger

Councillor A Rhead

Also attending (but not members of the Executive):

Chair of the Finance & Audit Scrutiny Committee

Councillor J Nicholls

Chair of the Overview & Scrutiny Committee

Councillor A Milton

Green Group Observer

Councillor I Davison

Liberal Democrat Group Observer

Councillor A Boad

Labour Group Observer

Councillor M Mangat

Agenda

1. **Declarations of Interest**

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

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

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

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

2. **Minutes**

(a) To confirm the minutes of the meeting held on 13 July 2020 **(Pages 1 to 30)**

(b) To confirm the minutes of the meeting held on 30 July 2020 **(Pages 1 to 13)**

Part 1

(Items upon which a decision by Council is required)

3. **Minimum Energy Efficiency Standards Enforcement Process – Private Sector Housing**

To consider a report from Housing

(Pages 1 to 9)

Part 2

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

4. **Minor Amendment to the Canal Conservation Area**

To consider a report from Development Services **(Pages 1 to 6)**

5. **Article 4(1) Direction for Sherbourne Conservation Area**

To consider a report from Development Services **(Pages 1 to 14)**

6. **The Outcome of a Local Government Ombudsman (LGO) Investigation into the Consideration of a Planning Application**

To consider a report from Development Services **(Pages 1 to 22)**

7. **Park Exercise Permits**

To consider a report from Cultural Services **(Pages 1 to 12)**

8. **Quarter 1 Budget Report**

To consider a report from Finance **(Pages 1 to 30 and Appendices E&F to follow)**

9. **WDC Post Covid 19 Recovery Strategy – Back to the Future**

To consider a report from the Chief Executive **(Pages 1 to 34)**

10. **Public and Press**

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

Item Nos.	Para Nos.	Reason
	1	Information relating to an individual
	2	Information which is likely to reveal the identity of an individual
11, 12, 13	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

11. **Purchase of Footbridge in Royal Leamington Spa**

To consider a confidential report from Housing **(Pages 1 to 6)**
(Not for publication)

12. **Confidential Note to Agenda Item 8 - Quarter 1 Budget Report**

To consider a confidential report from Finance **(Pages 1 to 2)**
(Not for publication)

13. **Minutes**

To confirm the confidential minutes of the meeting held on 13 July 2020

(Pages 1 to 4)
(Not for publication)

Published Tuesday 11 August 2020

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

Telephone: 01926 456114

E-Mail: committee@warwickdc.gov.uk

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

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

The agenda is available in large print on request,
prior to the meeting, by telephoning (01926)
456114

Executive

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)

8. **Declarations of Interest**

There were no declarations of interest.

9. **Minutes**

The minutes of the meeting held on 29 June 2020 were taken as read and signed by the Chairman as a correct record.

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 residents' 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)

Part 2

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

11. **Adoption of the Affordable Housing and Developer Contributions SPDs**

The Executive considered a report from Development Services. The Warwick District Local Plan 2011-2029, adopted in September 2017, contained commitments to bring forward Supplementary Planning Documents (SPDs) on a number of matters. The draft versions of the Affordable Housing SPD and Developer Contributions SPD were subject to a period of public consultation between 2 December 2019 and 24 February 2020. The report set out the outcome of the consultations and recommended adoption of the final drafts of the SPDs.

The previous Affordable Housing SPD was adopted in 2008, since when Warwick District Council had adopted the Local Plan and the Government had introduced and updated the National Planning Policy Framework.

The Affordable Housing SPD was developed in conjunction with Housing Services, and therefore gave the Council the most up-to-date and sound basis to require and deliver the affordable housing the District required.

The Affordable Housing SPD was taken out to public consultation for 12 weeks, an extended period to ensure there was ample opportunity to respond to the consultation, given the Christmas period and the general election.

The representations were summarised in Appendix 1 to the report, along with the officer response and details of any actions that needed to be taken as a result. These were made and Appendix 2 to the report was the final draft of the document.

Once adopted, the SPD would become a material factor in the determination of planning applications, and would aid applicants by clearly articulating the affordable housing requirements in the District.

This was **the Council's first Developer Contributions SPD. The requirement for its production was identified in the Local Plan in order to support the Plan's delivery.**

The Developer Contributions SPD had been developed to set out how the Council would secure developer contributions from eligible development. The SPD included a Template Section 106 framework to regularise and expedite the efficient production of consistent legal agreements.

The Developer Contributions SPD was taken out to public consultation for 12 weeks, an extended period to ensure there was ample opportunity to respond to the consultation, given the Christmas period and the general election.

The representations were summarised in Appendix 3 to the report, along with the officer response, and details of any actions that needed to be taken as a result. These had been made, and Appendix 4 to the report was the final draft of the document.

Once adopted, the Developer Contributions SPD would become a material factor in the determination of planning applications, and would aid applicants by clearly articulating planning obligations that may have been necessary to support development in the District.

In terms of alternative options, the Executive could decide not to adopt the Affordable Housing SPD. However, this would hinder the provision of the right mix and quantum of affordable housing in the District.

The Executive could decide not to adopt the Developer Contributions SPD, however this might hinder the efficient delivery of development and any associated physical and social infrastructure needed to make it acceptable in planning terms.

The Finance and Audit Scrutiny Committee and Overview and Scrutiny Committee at their joint meeting were satisfied that the questions posed ahead of the meeting had been satisfactorily answered.

Councillor Day thanked officers for their hard work and expressed his delight at seeing the SPDs coming forward.

Councillor Cooke proposed the report as laid out.

Resolved that

- (1) the statement of community consultation attached as Appendix 1 to the report be noted, and the adoption of the Affordable Housing SPD attached as Appendix 2 to the report be approved; and
- (2) the statement of community consultation attached as Appendix 3 to the report be noted, and the adoption of the Developer Contributions SPD attached as Appendix 4 to the report be approved.

(The Portfolio Holder for this item was Councillor Cooke)
Forward Plan Reference 1,083

12. **Review of Significant Business Risk Register**

The Executive considered a report from Finance setting out the latest version **of the Council's Significant Business Risk Register for review by the Executive. It was drafted following a review by the Council's** Senior Management Team and the Leader of the Council.

The report sought to assist Members fulfil their role in overseeing the **organisation's risk management framework. A very useful source of guidance** on the responsibilities of Members and officers with regard to risk

management came from the Audit Commission in its management paper, **"Worth the risk: improving risk management in local government"**, and further details were included in Section 3.1 in the report.

The Senior Management Team undertook a major review of the SBRR in light of the ongoing pandemic. Nearly all of the risks identified in the register had been impacted by the consequences of the virus. Whilst there was still a great deal of uncertainty about the outcome, it was clear that the Council would need to review the way it had responded to events and develop an action plan to enhance its response, should there be a similar scenario in the future.

As part of the process of assessing the significant business risks for the Council, some issues had been identified which did not necessarily represent a significant risk, or even a risk at all, but as more detail emerged, they might become one. These had been mentioned in previous reports but as their status had not changed, they were included again for completeness.

- Funding - at the time of writing, the Government was considering what further financial support it could offer to Councils following the imposition of lockdown. The outcome of these deliberations would largely govern **the Council's approach to service delivery and community support and development going forward; and**
- Brexit – **already recognised as a potential trigger to some of the Council's existing risks, this issue would be kept under review so that as details emerged of exactly what the Country's new trade and political relationships might mean, generally for local government and specifically for this Council, the implications for the Council's risk environment could be considered further.**

In terms of alternative options, none were considered as the report was not concerned with recommending a particular option in preference to others.

Councillor Day proposed the report as laid out.

Resolved that

- (1) the Significant Business Risk Register attached at Appendix 1 to the report, be noted; and
- (2) the emerging risks identified in section 10 of the report, be noted.

(The Portfolio Holder for this item was Councillor Day)

13. **Final Accounts 2019/20**

The Executive considered a report from Finance. The 2019/20 Accounts had been closed, and the draft Statement of Accounts was being audited by **external Audit following publication on the Council's website for a period of public review.** Subject to the outcome of the Audit, it was intended that the Finance and Audit Scrutiny Committee would formally approve the Audited Statement of Accounts on the 19 August 2020.

The report provided a summary on the draft 2019/20 outturn with the draft Statement of Accounts (available on the website) providing a detailed analysis.

The final outturn positions upon closure of the Accounts were as follows:

	Latest Budget £'000's	Actual £'000's	Variation £'000's
General Fund	9,274	8,492	-782
HRA	-4,013	-4,061	-48
Capital Programme	54,322	28,381	-25,941

In terms of the General Fund Revenue Services for 2019/20, the outturn presented a favourable variation of £782,400. Should there be any change to the variation as a result of the ongoing External Audit, Members would be updated accordingly.

All of the significant variations were presented in the table below:

Description	Variation £'000's	Favourable / Adverse
Corporate R&M	-490,700	F
Staffing	-175,100	F
Christmas illuminations	17,000	A
Kenilworth public Service Centre Income	-64,100	F
Interactive Futures Event Income	-£20,000	F
Benefits	81,900	A
Events at Arts Facilities (excluding staffing)	-347,000	F
Car Parking Income	49,300	A
General Fund Utilities (Electricity, Gas, Water)	78,900	A
Housing services recharges to HRA	-164,000	F
Investment interest income	-67,800	F
Planning Fee income down on the Revised (increased) Budget	240,400	A
Bereavement Services	240,000	A
Legal Fees	-169,400	F

An analysis by Portfolio was shown at Appendix A to the report. IAS19 adjustments and capital charging were excluded from this analysis as these were reversed out.

Net Business Rates Retained Income to the General Fund was £373,700 above the revised Budget. Under the accounting arrangements for Business Rates Retention, the Council's share of the increased business rates for 2018/19 was reflected in the retained business rate income for 2019/20. The £373,700 had increased the contribution the Council made to the Business Rate Volatility Reserve, and so presented a neutral position on the General Fund for 2019/20. Business rates retained by the Council in 2019/20 were lower than for the prior year, down £2.4m, largely reflecting the accounting requirements as opposed a variance in the rates collectable.

Investment Interest was higher than that budgeted. Delays in various programmed expenditure as discussed within the report, meant that there were more balances to invest which led to this favourable variation rather than being due to higher interest rates. The Annual Treasury Management Report was due to be presented to Finance and Audit Committee on 19 August, to provide more information on the 2019/20 performance. The Table below summarised the HRA and GF position.

	Revised Budget £'000's	Actual £'000's	Variation £'000's
HRA	-277	-490	-213
General Fund	-670	-738	-68
Total Interest	-947	-1228	-281

Vacancies across a number of teams had resulted in staffing costs being underspent by £175,100 in 2019/20. Key drivers of the underspend included vacancies within Neighbourhood Services for waste management and green space development, Finance for Revenues and Customer contact services, and within Health and Community Protection for a Community Safety Officer. Vacancies had been offset with additional staffing costs for Arts Events at the Spa Centre and Pump Rooms.

General Fund utilities budgets were overspent overall by £78,900 with electricity £31,400, gas £34,600 and water £12,900 respectively.

The Planned, Preventative Maintenance (PPM) corporate repairs programme was typically funded through a combination of revenue and reserve funding from the Corporate Assets Reserve, in that order. In 2019/20, the PPM programme was funded solely from the Corporate Assets Reserve, resulting in a revenue variation of £490,700. In order to support the PPM programme in future years, it was necessary in 2020/21, to use this element of the General Fund surplus to replenish the Corporate Assets reserve. This left a balance of the General Fund surplus of £291,700, the appropriation of which needed to be considered by a future Executive meeting.

Increased income relating to Kenilworth Public Service Centre, including backdated utility bill service charges for WCC Library and NHS Clinic which had now been settled £48,100 and increased rental charges and lease of first floor offices £16,000. Income was received from exhibitors at the Interactive Futures Event, which when offset against costs relating to the event,

generated a surplus of £20,000. New income was received in year for the Arch 4 Co-working space in the Creative Quarter £16,200. A budget was included for this in 2020/21.

There was an adverse variation of £17,000 on the cost of the Illuminations in Kenilworth and Leamington. The contract was recently tendered, and so the budget would be reviewed in accordance with this award.

There had been an increased number of events throughout the Arts facilities during 2019/20, in particular at the Royal Spa Centre and the Royal Pump Rooms. Income from non WDC admissions, including room bookings, concessions and events had increased by £523,000. Much of this was offset by the additional costs directly relating to the hosting of these events, including staffing costs of £156,000. The sites had generated a net favourable position of £191,000, the majority of which could be attributable to the Pump Rooms. Income from other activities at the Spa Centre, such as the cinema and main shows, had been in line with budget.

Planning Fee Income budgets were reduced during the year as part of the Revised Budget Setting Process. However, even with the reduction of £320,000 the forecast proved to be too optimistic, with income being a further £240,400 under budget. A reduction in the number of large planning applications being received during the year had been attributed to the level of fees generated during the year.

Housing benefits presented an adverse net variance of £81,900, driven by a reduction in the subsidy on benefit overpayments.

Following the Housing Restructure in December 2019, the split of job roles between HRA and GF services was realigned. Recharges of staffing costs from the General Fund to the HRA had increased by £164,000. The recharge budgets would be reviewed as part of a wider piece of work looking at improving the accuracy of forecasting and efficiency of completing as part of the final accounts closedown review process later in the summer.

There had been fewer cremations than forecast in 2019/20, resulting in an adverse variation of £123,100. Demand to purchase plots for future use had reduced due to the Leamington graveyard being close to capacity, following increased demand in previous years as plots were reserved while they were still available, resulting in an adverse variation of £75,900 in Cemetery income. Going forward, there would be a review of the fees for Exclusive Rights for non-residents in order to prolong availability for our own residents at Kenilworth cemetery. The effect of this was meant to delay the need for a capital project to build a new Cemetery.

Car parking income had seen an adverse variance of £49,300, driven by the decline of use during March as a result of the Coronavirus pandemic and subsequent lockdown.

There had been a significantly reduced requirement for legal services in 2019/20, resulting in a favourable variation of £169,400 on legal fees across the Council.

The Revised Budget for the HRA allocated £4.013m to be appropriated to the HRA Capital Investment Reserve. The actual outturn for 2019/20 resulted in £4.061m being transferred, an increase of £48k. This was summarised in Appendix B to the report.

The favourable variance on Investment Interest was discussed and shown in the General Fund above with delays to Housing purchases and construction projects resulting in higher retained reserve balances which were invested to generate interest.

Vacancies across a number of teams resulted in employee costs being overspent by £92,100 in 2019/20. This was driven by IAS19 Pension adjustments and employee related insurance costs. These costs were offset by continued staffing vacancies across a number of services including Housing void and repairs, Lifeline services and Service Improvement. Agency staffing and overtime had been used in some instances where absolutely necessary for service delivery.

Repairs and maintenance had resulted in an adverse variation of £915,900. Following on from the outcome of the stock condition survey, and ongoing works as part of the fire safety in high rise properties projects, major repairs expenditure was £186,000 above budget. Responsive and void repairs resulted in an adverse variation of £672,700. There had been an increased drive to make best use of the time that a property was void to ensure that when it was re-let it was to the minimum agreed standard. Across the repairs, maintenance and improvement programmes, both revenue and capital through the Housing Investment Programme, there had been increased delivery of works to ensure that none of the housing stock could have been categorised as having poor or very poor components.

The main driver of the major repairs overspend was linked to the increased levels of co-dependent asbestos works completed, both removal and containment, as part of other component works.

There had been a significant amount of change in the Assets Team during the year, following the redesign that took place in November 2018, with posts being filled during the financial year. Monitoring and budget processes were reviewed in conjunction with control processes, supported and agreed by the asset manager, to ensure up to date information was shared between key service stakeholders. This would enable greater financial control going forward, and would prevent works being agreed with contractors without the necessary budget and authorisation.

Members noted the depreciation charged on HRA properties, in particular housing stock, was roughly in line with forecast expectations for the year. However, depreciation on other HRA properties including shops, and equipment, had increased by £80,900 from 2018/19. This was charged as an expense to the HRA as per statutory guidelines, being transferred to the Major Repairs Reserve (MRR). The MRR was ring-fenced to be used to fund capital improvements through the Housing Investment Programme, or could have been used to repay debt.

There was an adverse variation on the Bad Debt Provision of £88,500. Tenant Arrears had increased in line with the national phased implementation of Universal Credit in place of Housing Benefit to applicable HRA Tenants. There had also been an increased level of former tenant arrears.

The HRA utilities budgets were overspent by £78,400, with overspends on electricity totalling £109,900 and gas £33,500, with an underspend of £7,600 on water supplies. The electricity variation had been driven by a number of disputed bills following the change in electricity supplier in the previous financial year. These were being contested with updated meter readings, and a review of all bills paid in 2019/20 being carried out. Any costs related to individual properties within one of our sheltered and the five very sheltered properties provided as part of communal supply, were fully recovered through recharges to the tenants. However, the amount recovered was dependent on the outcome of the above meter reconciliation work.

Officers would monitor these budgets in 2020/21, and review the budgets where necessary to ensure appropriate resource allocation going forward.

Capital Expenditure showed a favourable variance against the latest budget of £25.941m. This was comprised of the Housing Investment Programme and Other Services. The table below summarised Budget and Expenditure by Fund, with further details within Appendix D to the report.

	Latest 2019/20 £'000	Actual 2019/20 £'000	Variance 2019/20 £'000
Housing Investment Programme	40,860	20,181	-20,679
Other Services	13,462	8,200	-5,262
Total Capital	54,322	28,381	-25,941

The main reasons for these variations were:

- Slippage due to delays in delivering agreed programmed works and projects commencing late. Budget to be carried forward to 2020/21 for these specific planned works totalled £24.716m on the Housing Investment Programme, and £5.693m for Other Services. Whilst this showed as a variation in the table above and in the appendices, it was not an underspend or saving. The slippage for Other Services was greater than the variation due to the Capital works funded by the Community Infrastructure Levy (CIL) in year £475,800, hence the Other Services slippage would be fully funded. While the Housing Investment Programme Slippage exceeded the underspend by £4.037m, the other works were due to be funded by either Right to buy reserves, HRA Capital investment Reserve or PWLB Borrowing, as agreed within the specific Executive approvals; and

- The increased cost of delivering Housing Investment Programme improvements identified alongside the ongoing works for fire safety in high rise properties had resulted in an adverse spend of £2.213m above the agreed original budgeted programme. The main driver of the variation was continued fire safety improvement works, with the scope of the project growing to ensure all medium to high rise properties were to a high standard. This included a number of rewiring projects, and the replacement of windows, doors and door entry systems, with many of the works being well above the minimum safety standard. Work on dwelling roofs also incurred additional expenditure, as following routine inspection, many were deemed to be in worse condition than was expected as per the last revision of the stock condition survey.

A number of major construction and acquisition opportunities for the delivery of council housing had arisen during the year, resulting in an adverse variance of £1.887m. This included the repurchase of an ex-council house originally sold through Right to Buy using delegated authority. It also included a number of land and property purchases which remained confidential due to their commercial nature and had previously been presented to the Executive.

Controls over how works were agreed had been reviewed to ensure projects had the necessary budget provision.

Appendix D to the report provided a comprehensive breakdown of the variations and their drivers, and the level of budget to either be returned to reserves or slipped to 2020/21.

In November 2016 (Budget Review Report) Members approved that any surplus or deficit on the General Fund balance was to be appropriated to or from the General Fund Balance. Under this agreed delegation, £782,400 was allocated.

Similarly, it was agreed for the Housing Revenue Account, that the balance would be automatically appropriated to/from the HRA Capital Investment Reserve. £47,700 had been transferred in 2019/20.

It was also agreed that the Head of Finance, in consultation with the Finance Portfolio Holder, would amend these arrangements for appropriating the surpluses or deficits as necessary and would agree any further items of revenue and capital slippage.

£490,700 was drawn down from the Corporate Asset Reserve to fund the Pre-Planned Maintenance programme rather than using the existing revenue budget. Consequently, to help support future PPM, it was recommended that this sum was returned to the reserve in 2020/21. This left a net adjusted revenue surplus of £291,700 on the General Fund for 2019/20.

As part of the Final Accounts process, requests had been approved under delegated authority by the Head of Finance for Revenue Ear Marked Reserves. These were for previously agreed projects where it had not been

possible to complete as budgeted within 2019/20, and would therefore need to carry forward budget to 2020/21.

These totalled £732,200 for the General Fund and £39,600 for the HRA, and were outlined in detail in Appendix C to the report. Requests were considered against budget outturn within the specific projects and services, with requests approved only where there was sufficient budget available.

Members noted that this was a considerable sum. Key Earmarked approvals included ongoing work relating to Europa Way, The Commonwealth Games and the car park displacement strategy pending the decision on the future of Covent Garden car park.

It was recommended that Members noted the position on Revenue slippage. As in previous years, expenditure against these Budgets would be regularly monitored and reported to the Executive as part of the Budget Review Process.

In terms of alternative options, the report was a statement of fact. However, how the outcomes might be treated could be dealt with in a variety of ways, mainly the alternatives were to not allow any, or only allow some of the earmarked reserve requests to be approved.

Another alternative was to allow the General Fund balance to vary from the core level of £1.5m level, along with how the 2019/20 surplus was allocated. Any changes to the allocations would be implemented during 2020/21.

The Joint Finance and Audit Scrutiny Committee and Overview and Scrutiny Committee thanked the Head of Finance and his Team for the work on producing the draft financial statements for 2019/20 so promptly.

Councillors Nicholls, Boad, Davison, Grainger and Hales complimented the Finance team on the progress made, especially during the difficult circumstances due to Covid-19. Councillor Hales proposed the report as laid out.

Resolved that

- (1) the final revenue outturn positions of the General Fund (GF) and the Housing Revenue Account (HRA), being £782.4k and £47.7k favourable respectively, be noted;
- (2) the Capital Programme showing a variation of £25.9m under budget and the level of slippage carried forward to 2020/21 as set out in Appendix D to the report, be noted;
- (3) the allocations of the revenue surpluses appropriated to the General Fund Balance Reserve and HRA Capital Investment Reserve under delegated authority, and for £490.7k of the

General Fund surplus to be appropriated to the Corporate Asset Reserve in 2020/21, be noted; and

- (4) the final position for Revenue Slippage be noted, and the Earmarked Reserve requests of £732.2k General Fund and £39.6k HRA as supported by Appendix C to the report, with the requests having been approved under delegated authority by the Head of Finance in conjunction with the Finance Portfolio Holder, be approved.

(The Portfolio Holder for this item was Councillor Hales)
Forward Plan Reference 1,136

14. **Warwick District Leisure Development Programme – Kenilworth Facilities**

The Executive considered a report from Cultural Services. The focus of the Warwick District Leisure Development Programme was the two leisure facilities that the Council owned in Kenilworth, Castle Farm Recreation Centre and Abbey Fields Swimming Pool.

In August 2019, the Executive gave permission to officers to instruct the Design Team (provided and led by Mace Group) to begin the RIBA Stage 3 design process for these two sites, based on the designs approved by the Project Board during the summer of 2019, and then to proceed to the end of RIBA Stage 4.

The project experienced an increase in costs for the Design Team due to prolongation of the programme and an increase in the predicted cost of the construction. In order to continue to the end of the RIBA Stage 4 design for both sites, it was necessary to provide a further amount of funding to the project, which was requested in the report. The report did not propose achieving the end of the entirety of RIBA Stage 4 on the RIBA Plan of Work, as this also included the procurement of a preferred contractor at an agreed price.

If approval was given, the Design Team would then proceed with the RIBA Stage 4 design for both buildings and a further report would be provided to Executive and Council at the end of the RIBA Stage 4 (design only), in the autumn of 2020.

The Executive had already given permission for the two projects in Kenilworth to proceed to the end of RIBA Stage 4. Sufficient funding was provided previously to employ the Design Team to the end of this Stage of the RIBA Plan of Work, based on the tendered cost of the Design Team valid at that time.

However, since that time, the cost of employing the Design Team to the end of RIBA Stage 4 had risen for two reasons. Firstly, the programme had been delayed, for reasons given below, and this had led to prolongation costs.

Under the contract with the Design Team, if the programme was extended then their fees would increase as they were working on the project for a longer period of time. Secondly, the overall predicted cost of the construction had risen. This also increased the cost of the Design Team, as their fees were based on a given percentage of the predicted cost of construction.

The table below gave a simplified picture of the delays to the project that had led to prolongation costs. In fact, a number of these delays overlapped or otherwise interacted with each other.

RIBA Stage	Tendered Programme Duration (weeks)	Actual Programme Duration (weeks)	Prolongation Duration (weeks)	Reason for prolongation
1	10	15	5	Appraising numerous options
1 Consultation	0	15	15	Consultation period not in tender
2	16	17	1	Minor delays
Member briefing	0	11	11	Presentations to all parties and feedback
3 – Castle Farm	15	25	10	Options with Scouts and Guides
3 – Abbey Fields	0	20	20	Re-design of pool hall and levels
4 – Design only	28	16	14	Change in project strategy due to Covid 19
4 - Procurement		<u>26</u>		
Total to end RIBA 4	69	145	76	Including 26 weeks of procurement after any project freeze

The following points explained the delays in more detail:

- the RIBA Stage 1 process at both facilities was extended by the appraising of numerous options for the two facilities. 16 options were produced in total, including such suggestions as placing both swimming and indoor sport facilities on the Castle Farm site;
- the Council required a public consultation during RIBA Stage 1 to consider the facility mix at both facilities. This had not been allowed for in the tendered programme, nor included in the tendered scope of works;

- following the elections in May of 2019, it was agreed to pause the design process whilst presentations were given to all parties in the new Council in order to receive their feedback on the proposals at the two sites. This was a new request and so it had also not been included in the tendered programme;
- RIBA Stage 3 at Castle Farm was delayed in order to fully appraise and evaluate a number of options with the Scout and Guide Headquarters on the site. Options included locating the facility on the Rouncil Lane site which was in the process of being purchased by the Council, and a stand-alone facility on the Castle Farm site;
- RIBA Stage 3 at Abbey Fields was scheduled to run concurrently with RIBA Stage 3 at Castle Farm, which is why it was shown as zero weeks on the above table. It was delayed by the decision of the Project Board to replace the existing indoor 25 metre swimming pool tank, rather than retaining the existing one. This decision was made when the detailed survey of the potential for flooding revealed that the existing tank was positioned low enough to be a flooding risk. This decision would provide a range of benefits to the overall design of the completed building, but it did necessitate a significant re-design of the details of some parts of the building. This delay occurred after the delay referred to in the paragraph above, and so did not run concurrently with that delay; and
- RIBA Stage 4 at both facilities was predicted to take longer than originally forecast. This was partly because both buildings had increased in size and complexity during the design process, and so it would take longer to complete the Full Technical Design. It was also because the procurement of the contractor would take place after the end of the RIBA Stage 4 design process, rather than running concurrently with this process. The RIBA Stage 4 design process would therefore be completed sooner but the total time for RIBA Stage 4, including the procurement of a preferred contractor, would take longer. It should be noted that if the project was frozen at the end of the RIBA Stage 4 design process, the procurement of a contractor would not commence until the project was unfrozen at a later date.

In addition to the prolongation costs, there had been an increase in costs for the Design Team due to the increase in the predicted cost of construction. The contract with Mace, as co-ordinators of the Design Team, and other members of the Design Team, was based on a percentage of the total predicted cost of the construction, as was usual with contracts of this sort. Therefore, if the predicted cost of the construction rose then the fees were **subject to "uplift" rise too.**

The calculation of the sums for prolongation and uplift that were due to the Design Team led by Mace were private and confidential as they demonstrated in considerable detail the prices agreed with Mace, and were therefore commercially sensitive.

The implications of the additional sums required for prolongation and uplift were that, at the time report, the project had insufficient allocated funds to

complete the design process to the end of RIBA Stage 4, although it had authority from the Executive to progress to that stage. The table below showed that the project required an additional £390,597 to fund the design process to the end of RIBA Stage 4 (design only).

Date of Executive meeting	Description – RIBA Stage	Amount (£)
7 February 2018	RIBA Stage 1	100,000
26 September 2018	n/a	None
9 January 2019	To end RIBA Stage 3	200,000
Feb 2019 (Finance Report)	To end RIBA 3 (2019/20)	550,000
21 August 2019	RIBA Stage 3 to end RIBA 4	445,000
Total project funding	To the end of RIBA 4	1,295,000
Costs to the end of RIBA 4 (design only)	Subject	Amount (£)
	Tendered fee for Design Team	543,075
	Additional fees	659,257
	Further fees for Abbey Fields re-design	159,655
	Surveys and other services	375,169
Total project costs	To the end of RIBA 4 (design only)	1,737,156
Additional project costs	To the end of RIBA 4 (design only)	442,156
Sums remaining in budget		51,559
Shortfall required to the end of RIBA 4 (design only)		390,597

The design process for the Castle Farm Recreation Centre was complete to the end of RIBA Stage 3, and the relevant report had been signed off by the Project Board. The decision to replace the pool tank at Abbey Fields had led to some significant improvements in a number of parts of the building, but this had also led to elements of re-design, and so the RIBA Stage 3 process was not yet complete for this building.

The Design Team would therefore be instructed to complete the RIBA Stage 3 design process for Abbey Fields Swimming Pool and to present a RIBA Stage 3 report to the Project Board for approval. Once this approval had been received, it would then be possible for the Design Team to commence the RIBA Stage 4 (design only) process for both buildings.

Following discussions with the Executive and due to the uncertainty surrounding the availability of funding during and after the pandemic, it was

decided to complete the RIBA Stage 4 design process without procuring a preferred contractor. This would enable the RIBA Stage 4 design process to be completed in a shorter timescale. The end of the RIBA Stage 4 design process would provide the Council with a final design, with its planning application decided, and a more accurate estimate of likely costs. This would enable the Council to take a decision as to whether or not to proceed with the project.

However, it was important to note that this point in the programme would not actually have constituted the end of the entire RIBA Stage 4 process, as RIBA Stage 4 usually included the appointment of a preferred contractor at an agreed price. If it was decided to proceed beyond the end of the RIBA Stage 4 (design only) process the first step would be to procure a contractor and agree a contract price. This would complete RIBA Stage 4 and prepare the project for RIBA Stage 5, which was the construction phase.

A draft programme for the project was in place, but the situation with the pandemic meant that there were many unknowns. It was not therefore presented here for consideration. It would be developed with the Leisure Development Programme Project Board and the Leisure Development **Programme Members' Working Group** as the project progressed.

The Council had declared the Climate Emergency whilst the design process was underway for these two buildings. However, the Executive had already decided, at their meeting on **9 January 2019**, to **"instruct the design team to fully explore how the building and running of the two facilities can be as close to carbon neutrality as reasonably possible and to request that this matter is carefully addressed in subsequent reports to Executive"**.

As well as all of the carbon reduction measures that were required by Building Regulations, many options that could have served to reduce carbon during the use of the building had been appraised for their suitability for these two buildings. The table shown in Appendix A to the report showed each of the technologies considered and the final decision of the Board as to which technologies to include in the designs of each of the two buildings. The **Leisure Development Programme Members' Working Group** also considered each of these technologies and their suitability to these projects.

The approved technologies would subsequently be incorporated into the design of the two new buildings. The issue of carbon neutrality would also be relevant in other design and operational issues such as travel to the sites. The work to optimise performance in these related areas continued and would be reported on in subsequent reports to Executive and Council, and highlighted as part of the Planning Application for the facilities.

In terms of alternative options, it would be possible to not undertake any improvements to the facilities at Castle Farm and Abbey Fields. If this decision was to be made, then these two buildings would not have the same sort of aspirational, successful and modern facilities as the Council had provided at Newbold Comyn and St Nicholas Park. These two facilities would not contribute **to encouraging the District's residents to adopt an increasingly healthy lifestyle** in the same way as the two refurbished facilities. Income

from the contract with Everyone Active would not be maximised because attendance and income would not be enhanced by newer facilities. The opportunity would be lost to bring the buildings up to modern design standards, particularly with regard to sustainability. The buildings would not be prepared for use for another 30 years.

At their joint meeting, the Finance and Audit Scrutiny Committee and Overview and Scrutiny Committee noted the recommendations in the report and requested that additional work be undertaken on: vehicle and active transport access to the leisure centres; and on their carbon neutrality. Councillors Redford and Grey requested that their support for the recommendations in the report should be noted and Councillor Milton requested his objection to the recommendations in the report should be noted.

Councillor Grainger proposed the report as laid out.

Resolved that

- (1) a sum of up to £391,000 be allocated from the Service Transformation Reserve for the financial year 2020/2021 in order to fund the new designs for the Abbey Fields Swimming Pool and the Castle Farm Recreation Centre up to the end of the RIBA Stage 4 process (design only), be approved;
- (2) the Design Team be instructed by officers to complete the RIBA Stage 3 design of Abbey Fields Swimming Pool and, following approval from the Project Board, to continue the design process to the end of the RIBA Stage 4 process (design only) for both Castle Farm Recreation Centre and Abbey Fields Swimming Pool; and
- (3) the work already undertaken by the Design Team on improving the sustainability and carbon neutrality of the design of the Castle Farm Recreation Centre and the Abbey Fields Swimming Pool as shown in Appendix A to the report, be noted and the Design Team be instructed to develop this work further in preparing the RIBA Stage 3 and Stage 4 reports on these projects.

(The Portfolio Holder for this item was Councillor Grainger)
Forward Plan Reference 1,133

15. **Use of Delegated Powers – Additional Recurring Budget for the Financial Management Solution**

The Executive considered a report from Finance informing Members of an urgent decision taken by the Chief Executive under delegated authority

CE(4), following consultation with Group Leaders. The Executive approved the Financial Management System Replacement Project and authorised a project budget at its meeting on 18 December 2019. Procurement activity had been completed and a preferred supplier identified. The procurement had highlighted a recurring £15k shortfall for the replacement IT system. The Chief Executive approved the additional £15k budget under his delegated authority CE(4) after consultation with Group Leaders to avoid delaying the award of contract. The additional budget would be included in the Council's Medium Term Financial Strategy from 2021/22. The report provided background and context to the approval of funding.

The procurement of a replacement Financial Management System had concluded and a preferred supplier was identified. The procurement activity had identified the difference between actual costs advised by the supplier and the estimate of costs that were advised and approved by the Executive in December 2019.

The analysis identified that the one off cost of implementation would be comfortably within the approved capital budget whilst the recurring annual costs would exceed the available revenue budget by £15k from 2021/22.

Timelines for the award of contract and implementation were critical if the Council was to avoid a further years support costs with the current Financial Management System provider. A contract award after 30 June 2020 would have been a significant risk to this ambition.

The Financial Management System Replacement Project Board were made aware of the updated budgetary position at a meeting on 9 June 2020. The Board noted that the recurring savings to be generated by the project would exceed the additional £15k recurring budget. The Board also noted that the award of contract could not have been made with a budget shortfall, potentially delaying a go live of the new IT system to a point after the support contract for the current system would have expired.

The Project Board gave approval to seek the additional recurring £15k budget under the Chief Executive's emergency delegated powers CE(4) to avoid delaying the award of contract.

The Chief Executive gave approval to the additional budget at a meeting with Group Leaders and CMT on 15 June 2020.

The additional budget would be included in the Medium Term Financial Strategy from 2021.

In terms of alternative options, none were considered as the decision was already made and the report was for information only.

Councillor Hales, the Portfolio Holder for Finance, expressed his thanks to Councillor Syson and the Project Board for their meaningful contributions and proposed the report as laid out.

Resolved that the approval of additional recurring budget of £15k from 2021/22 for the new Financial Management System, approved under the Chief Executives delegated authority, be noted.

(The Portfolio Holder for this item was Councillor Hales)

Part 1

(Items upon which a decision by Council was required)

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 deliver:

- 5,000 capacity stadium and facilitate 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 enable 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 sell 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 both protect and generate 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 enable 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 be 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 be used as the neighbourhood centre and for housing, but should generate 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 help 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 felt 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 mean 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 allow 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 generate 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 be 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 lead to increased costs for prolongation and for inflation. If the freeze was for more than a few weeks, the Design Team would probably be 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 be 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 that recommendation 2.2 was amended accordingly, to **replace “The Executive approves” with “The Executive recommends to Council”**. This recommendation would 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

Part 2

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

17. Public and Press

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

Minute Nos.	Para Nos.	Reason
18, 19	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

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

18. Business Loans

The Executive considered a confidential report from the Chief Executive.

The recommendations in the report were approved.

(The Portfolio Holder for this item was Councillor Hales)

19. Minutes

The confidential minutes of 29 June 2020 were approved and signed by the Chairman as a correct record.

(The meeting ended at 6.50pm)

CHAIRMAN
24 August 2020

Executive

Minutes of the additional meeting held remotely on Monday 30 July 2020, which was broadcast live via the Council's YouTube Channel.

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

Also present: Councillors: Boad (Liberal Democrat Group Observer), A Dearing (Green Group Observer), Councillor Mangat (Labour Group Observer) Milton (Chair of Overview & Scrutiny Committee) and Nicholls (Chair of Finance & Audit Scrutiny Committee).

An apology for absence was received from Councillor Grainger, Portfolio Holder for Culture & Neighbourhood.

20. **Declarations of Interest**

There were no declarations of interest.

21. **Minutes**

The minutes of the 29 June 2020 were taken as read and signed by the Chairman as a correct record.

Part 1

(Items upon which a decision by Council was required)

22. **Governance Review of Warwick District Council**

The Executive considered a report from Democratic Services that set out proposals for revisions to the role and approach of working parties, following the review undertaken by the Governance Review Working Party in partnership with the Centre for Public Scrutiny.

The report brought forward the outcomes of the Governance Review undertaken with the support from the Centre for Public Scrutiny, details of which were set out in Section 8 and Appendix 1 to the report.

The work was reviewed by the Leadership Coordination Group (LCG) along with options for Governance arrangements. It was agreed the most prudent approach was to strengthen the current arrangements in place at the time, where possible, and introduce revisions to the working parties. This was in recognition of the significant changes already taking place in the Council and the potential need for further changes to Governance structures as a result of the work with Stratford-on-Avon District Council.

The Governance Review Working Party (GWRP) had concluded that there was an overall desire for Councillors to work collectively. There was recognition that the Executive model adopted by the Council resulted in a lot of decision making at the centre, with some Members feeling they did not have enough influence in decisions being made. It was recognised as being essential that

Councillors had the opportunity to feed into the development of projects/ policies and services before the decisions were taken. This was a key role for Members, rather than being involved at the last moment to vote upon a policy. There was also a recognition that the development of Service-specific Committees, whilst building knowledge of specific teams, could have created a silo effect for both Councillors and officers. In addition, there was a fear that it could have led to a lot of business being generated to justify committee meetings, where the reports were just for information. For these reasons, the GRWP concluded that one of the two approaches should have been developed. These were:

1. *"Three or four Committees chaired by Portfolio Holders which are used to develop the key themes and projects for the Council for that year or year after. Their ideas are then taken to Executive for approval. These could potentially be called Executive Advisory Committees; or*
2. *The same as (1) but not being politically proportionate, to enable those Members interested in the project and talented to work on the ideas. However more informal working party focused but in the public domain in the evening."*

Since the GRWP last met, there had been significant changes in working practice as a result of the pandemic, but also within the Council, with the introduction of the LCG. As part of this work, the Leader of the Council considered the above, listened to the views of others and, as a result, developed Programme Advisory Boards (PABs). These were a combination of the above points, but had a backbench Councillor chairing, as a form of development for the Councillor. The responsibility for each PAB was included within Appendix 2 to the report and had been amplified to set out the projects at the time sponsored by a member of CMT.

Although the PAB meetings were not in the public domain, the intention was to publish the agreed action points after the meeting (where possible), so that all could see what had been discussed. This way, there would be more robust and open discussions/advice, as well as enabling discussion on more confidential matters. PABs could be seen as improved Working Parties, with a clear remit and measures to be judged against, but also more transparent than at present.

This approach recognised the strength of Working Parties as the forum for developing ideas, but improved transparency and measures their effectiveness. Therefore, for the PABs to be established formally, it was felt necessary for each PAB to have set measures that performance would be judged against regularly. It was felt these needed to be designed by the respective PAB, who would then report on its performance to all Councillors, via a combined annual report to the Executive. This initiation phase needed the PABs projects to be clearly scheduled by implementation timing and importance, to enable a clear focus on the urgent/ important, including a matrix (similar to model being developed by Scrutiny) for focusing priority. This may have meant that a PAB could have had a series of meetings focused on only one or two key areas, and not covered all of the work plan at each meeting.

The PABs would therefore act in advisory capacity, or providing guidance, in developing and delivering the projects/policies of Warwick District Council and in doing so, would have enabled backbench members to have greater involvement in shaping the Executive decisions of the Council, particularly on services, key projects and programmes (but not day to day operations). This also would have helped to utilise the skills, knowledge and talent of all Councillors in a more effective way. They would not be a decision making Group or be scrutinising service or policy delivery as these would have remained the responsibility of Council/Executive and Scrutiny respectively. This supported the underlying aim of helping foster the talent and knowledge that Councillors had within specific areas without the need for them to be politically proportionate. It would also have enabled backbench Councillors to have a direct involvement in the proposals coming forward.

To compliment these proposals and ensure best governance for the Council, robust scrutiny of the Executive was key. With the development of the PABs, there was a clear overlap with the current remit of the Scrutiny Committees, as set out in Article 6 of the Constitution, Appendix 4 to the report. To look at this area of concern, the Scrutiny Committees met jointly meeting on 7 July to form their own views on the development of Scrutiny and would produce an agreed approach at a joint meeting on 29 July 2020. The Executive needed to consider any views carefully before making any recommended changes to Council.

While most of the Working Parties/Forums would be moved into PABs, some would remain, for the reasons set out within the table at Appendix 3 to the report. In addition to this, a project led by the Chief Executive was not included. This was the delivery of the 2021 elections within Warwick District. While the Council could have lost sight of the impact this would have had on service delivery, the responsibility for its delivery rested solely with the Chief Executive as Returning Officer. It was also important to remember that the Chief Executive would also be Police Area Returning Officer for the whole of Warwickshire and at the time, he asked his team to plan for the potential delivery of Police & Crime Commissioner Election, Warwickshire County Council Elections, a potential Council Tax Referendum, Leamington Neighbourhood Plan Referendum, Radford Semele Neighbourhood Plan **Referendum and the Bishop's Tachbrook Neighbourhood Plan Referendum on 6 May 2021**. If these all progressed, this would be the most public polls held on a single day within the District that were delivered by WDC.

A small Special Responsibility Allowance (SRA) was proposed, for the Chair of Programme Advisory Boards, in recognition of the responsibility for coordinating work, regular liaison with officers and the potential number of meetings each year. The allowance proposed was the same level as that of the members of the Planning Committee and the lowest value offered by the Council. By law, the proposals needed **referring to the Council's Independent Remuneration Panel (IRP)**, for them to provide a view before Council took a decision on this. Therefore, if the Executive agreed this proposal, a view would be sought from the IRP and shared with all Councillors ahead of Council.

The GRWP identified that the briefings between Heads of Service and Shadow Portfolio Holders were generally not well attended and had mixed results. They were considered to be a telling forum rather than a discussion and development of ideas. Consequently, a lot of preparation time was put in, with the overall benefit to the Council being minimal. With the development of performance management data within the Council being made available to Councillors, the informing aspect could have been reduced and the development of ideas could have been more effectively completed through the PABs. There was mutual agreement that these scheduled monthly briefings would stop.

The Council was **required to review its Members' Allowances Scheme every** four years. This was last completed in April 2017 and therefore was due for review by April 2021. It was considered appropriate to start this work in good time in December 2020, to enable the appropriate information to be **collated and considered by the Council's Independent Remuneration Panel**. By completing in this time frame, information would have been available to the Panel on how the work of the new Committee and PABs had developed.

The Council primarily held its formal meetings, briefings and training events at 6.00pm. This provided a challenge to find dates for presentations without conflicting with other meetings (both for this Council and other Councils). Therefore, to make more time available, the intention was to hold most sessions remotely, to which Councillors would be invited. These would be recorded and therefore, if a Councillor was unable to attend, they would be able to catch up on the briefing. There would also have been a formal window of one week from the initial session where Councillors could post questions. These would then be combined (along with answers) and shared with all Councillors.

The proposed independent review was proposed to provide assurance to Councillors that the changes would have the desired effect and were robustly monitored. Therefore, the remit of the review and the agreement of who undertook the review needed to be carefully considered. For this reason, it was felt a report, in consultation with the two Scrutiny Chairs, should be presented to the Executive for consideration. After this review, it was intended that there would be a move to business as normal with review through the work of Scrutiny Committee.

The Scheme of functions of the Executive needed to be revised and updated each time a new Leader was appointed. This was because the Executive decision making functions were delegated, in law, to the Leader and they needed to confirm the delegations that they had put in place. The scheme at the time had not been updated for several years and was due to be updated after the previous election in May 2019. This was placed on hold, pending the Governance review and therefore it was considered appropriate to bring this revised version to Executive. While the format had changed, the authorities within the section remained the same, less those parts which were updated to reflect the arrangements at the time and names of core functions.

In terms of alternative options, the Executive could have considered not progressing the outcome of the reviews and remained as it was. However,

this would have had a negative impact due to the commitments made from all parties and work undertaken.

The Executive could also have considered disposing of the Executive model and moving to a Committee system. This would have required approval from central government and a minimum commitment of five years (as defined by law). This could potentially have seen a creation of silos with service specific committees or an increase in reports for information. It was noted during the workshops that a number of Councils who tried this model had moved back to an Executive model, but an equal number to that had also moved to the Committee system. The evidence provided was that the key was not in the model but the engagement of Councillors with the model and the desire to work together for the community, putting party politics aside as much as possible.

The Executive needed to be mindful of the review work undertaken to progress a proposed Governance Committee and could have progressed this if it was so minded to. However, at the time, it was not progressed due to the significant number of other changes that had progressed across the Council which may have required further amendments to this within the near future.

There were also a number of options that could have been considered outside the views of the Working Party, for example, those areas which focused more on governance that sat with the Licensing & Regulatory Committee on elections and ward boundaries and private member bills. However, these were not considered by the Working Party who considered this Committee to be operating effectively.

The Executive needed to be mindful that as they were establishing the PABs they did not need to be politically proportionate to the Council, in the same way the Executive was not. However, the proposal was not following the traditional model of the Executive being of the majority party on the Council (as there was not one) and was also not being politically proportionate to the Council. The Executive could have therefore established the PABs on strict rules of proportionality or with just membership of the administration (Conservative & Whitnash Residents Association). These proposals were not considered because the intention was to use the relevant talent within the Council and not based on Party lines. This did present a risk of losing the balanced view from all parties, recognising that no party had overall control of the Council, but this would be retained through good scrutiny and Council.

The Executive could have considered an allowance for the Chairman of the Members/Trades Unions Joint Consultation & Safety Panel, or other Working Parties. This was not considered as part of the review and would have been more appropriately considered as part of the wider review of allowances.

The Executive could have decided to provide the additional funding to support this work. The Civic & Committee Services Team were at capacity in terms of simply delivering the scheduled meetings and work required to support the Governance structure for the Council at the time (excluding remote meetings work). In addition to this work they were due to bring

forward proposals to; re-procure the Committee Management System that year, which would have seen further enhancements in the digital by design approach; and further enhancements to the system used by the public to register to speak to make the process easier for all parties. The Executive could have considered stopping these plans to free up capacity, however this would not have been sufficient to deliver all the work anticipated through the PABs, would have had a negative effect on team morale and would have missed opportunities to improve service delivery to all parties. Councillor Day proposed the report as laid out.

The Scrutiny Committees supported the recommendations in the report but wanted to draw a number of points to the attention of the Executive that needed to be carefully monitored.

The Scrutiny Committees had concerns about the large remit of each PAB and how they would cope looking at such large areas of work. This was a specific concern that the listed areas were just projects and did not cover other work the PABs would look at, such as refinements to or creating new policies.

The Scrutiny Committees shared concerns that with the change to scrutiny of service provision, the development of and quality of service provision might not be adequately picked up by the scrutiny of RAG and KPIs that has been developed and which will be adopted.

They noted the dates in 2.2 and 2.7 in the report for review should be combined so they were the same, and that the remit of the review should be produced in agreement with both Scrutiny Chairs.

The Scrutiny Committees appreciated clarification that the presumption would be for briefings to remain in the evening, in line with the protocol for arranging meetings with Councillors, but accepted this may mean some need to be held at the same time as other meetings.

The Committees made a general comment on the resources for Civic & Committee Services, that this proposal needed be work neutral and therefore this element needed to be closely monitored and feedback on as part of the 6, 12 and 18-month review.

In addition, some members of the Committee raised concerns about:

- the loss of Shadow Portfolio Holder meetings, and highlighted this could lead to more work for officers through more frequent questions/contacts from Councillors; and
- for providing an SRA for the role of Chairman of a PAB.

In response, the Executive thanked all Councillors who had participated in the series of Governance Review meetings that had taken place earlier in the year. It was explained that the approach was an attempt to emulate the successful shared working that was done previously by the Climate Emergency Group and the way that had brought forward talent from across the Council, often in a non-political way to deliver an important programme.

It was stated that the constitution of each PAB would begin with the selection of the Chair for each Board, and the Leader of the Council would meet with Group Leaders and bring back recommendations to the Leadership Coordinating Group from all Groups across the Council to Chair each Board. Selections would then be made in the hope of giving opportunity for the individual to grow and offer expertise to each individual Board. All Members, excluding those on the Executive and Chairs of Committees, would be invited to nominate on a first come first served basis for which PAB they wished to join.

The Executive explained that the size of each PAB had been chosen to keep each Board manageable, maintain good dialogue and so that one PAB group was not disproportionately bigger than another in order to spread opportunity.

The Executive emphasised that they would be relying on the cooperative work done through the Leadership Coordinating Group, with Group Leaders and Members of the Executive in order to monitor the work done and make any necessary adjustments to the approach. The aim was to ensure Councillors could have a more meaningful and worthwhile experience, and grow skills and leadership qualities that would be valuable for themselves and for their community.

Councillor Day proposed the report as laid subject to recommendation 2.7 being amended. The recommendations in the report were approved, so the independent assessment of these arrangements is undertaken in February 2022 and officers are asked to bring back an outline proposal for this, in consultation with the Chairs of Scrutiny, in December 2021 along with proposed funding arrangements.

Resolved that

- (1) the creation of six Programme Advisory Boards (PABs), along with their remit and membership rules, including that they do not have to be politically proportionate, and cessations / revisions to the various working parties as set out at Appendix 2 and 3 respectively, be endorsed;
- (2) each PAB be required, within two months of its first meeting, to agree measures with the Leadership Co-ordinating Group (LCG) which will be used to monitor their effectiveness at six months, 12 months and 18 months with the data made available to all Councillors for scrutiny;
- (3) the creation of PABs will remove the requirement for Shadow Portfolio Holder Briefings, be noted;
- (4) **a review of the Members' Allowances Scheme** will start in December 2020, in line with the legal requirement to review the scheme every four

years, be noted;

- (5) the approach, discussed with the LCG, that in future, the presumption should be that all training/briefing for Councillors will be held remotely at a time agreed with the relevant Portfolio Holder or Committee Chair, and made available to all Councillors to attend. The recording will be made available for Councillors to ask questions about for seven days after, at which time the questions will be combined, responded to and shared with all Councillors, be approved; and
- (6) an independent assessment of these arrangements is undertaken in February 2022 and officers are asked to bring back an outline proposal for this, in consultation with the Chairs of Scrutiny, in December 2021 along with proposed funding arrangements, be approved.

Recommended to Council that

- (1) subject to the comments of the Independent Remuneration Panel, a Special Responsibility Allowance of £260.10 per annum for the Chairman of a Programme Advisory Board, be approved; and
- (2) the Constitution be amended to include the revised Part 3 Schedule 3 Executive functions, as set out at Appendix 1 to the minutes.

(The Portfolio Holder for this item was Councillor Day)

(The meeting ended at 6: 35pm)

CHAIRMAN
24 August 2020

Section 3 Executive Functions

The Council has previously chosen to adopt a stronger Leader model for its executive arrangements and under this model all executive functions are vested in The Leader of the Council, who may then delegate functions as seen fit.

The main purpose of this Scheme of Delegation is to set out the decision making powers in relation to executive functions that the Leader has decided may be exercised by the Executive or Members of the Executive.

The delegation of decision making powers for executive functions that the Leader has decided may be exercised by Officers of the Council is included as part of the Scheme of Delegations to Officers, which appears at Part 3 of the Constitution. That Scheme also includes details for decision-making powers that have been delegated to officers by Council, in relation to Council functions.

The Leader can at any time amend either of the two Schemes of Delegation in relation to executive functions, for example, by taking back responsibilities delegated to the Executive, an individual member of the Executive or an officer, or delegating powers under certain conditions. These will then be notified to Council for it to update the Constitution.

Structure of The Executive

The Executive will comprise of seven Members, with responsibilities for service areas as detailed in Part 7 of the Constitution.

Executive decision-making

Policy decisions, as set out in Article 4 of the Constitution are reserved to The Council, except where detailed to the contrary in the Constitution.

Executive decisions are otherwise made under the provisions of the Local Government Act 2000, as amended and the related regulations:

- a. The decisions made by Executive, including recommendations to Council, shall be by majority at all meetings. In the event of equality, the Chairman shall have a casting vote.
- b. Executive decisions shall otherwise be made by a scheme of delegation determined by the Leader and either set out in this document (for those powers delegated to the Executive and/or Portfolio Holders) or as set out in the Scheme of Delegations to Officers.
- c. Formal decisions shall be published as required by law and shall be subject to the procedures for call-in to the Overview and Scrutiny Committee.

To consider and make recommendations to Council on:

1. The formulation of the Council's Corporate Strategy, and such forward programmes and other steps as may be necessary to achieve those objectives;
2. The Council's financial policies;
3. The organisation and management processes of the Council and their

effectiveness in contributing to the achievement of the Council's Corporate Strategy. To keep them under review in the light of changing circumstances, making recommendations as necessary for change in either the committee or Service structure, or the distribution of functions and responsibilities;

4. The making and levying of the Council Tax;
5. Council functions that are not specifically assigned;
6. Preferred Option and Draft for Submission of Development Plan Documents e.g. the Core Strategy and Area Action Plans;
7. Approval of the Housing Strategy and Housing Investment Programme;
8. To approve the Development Planning Documents under the Planning & Compulsory Purchase Act 2004;
9. The basis upon which revenue estimate and capital programmes should be prepared;
10. Before the start of every financial year, to recommend to the Council the revenue estimates, the level of reserves and the capital programme for that year.

Subject to those matters reserved to Council and those matters delegated to an officer, the Executive to exercise delegated powers:

1. To take such action as the Executive thinks necessary in relation to:
 - (a) The Council's policies, objectives and priorities.
 - (b) The co-ordination and development of services.
 - (c) The work of other committees and bodies.
2. To agree minor changes to Council policy issues subject to the Overview Scrutiny & Committees being alerted to such decision.
3. To monitor revenue and capital expenditure during each financial year and to authorise variations in the revenue estimates and the capital programme.
4. To consider and review the budget management and financial control systems of the Council.
5. To supervise the insurances and banking arrangements and to administer, subject to any directions of the Council, any funds vested in the Council for the purpose of any of its statutory functions.
6. To make Grants under the RUCIS scheme.
7. To ensure the effective management, development and maintenance of all land and buildings.
8. To sell, purchase or appropriate land and buildings.
9. To grant or take leases of or any other interest in land and buildings
10. To acquire land and buildings by compulsory purchase
11. as the Housing Authority
12. Planning Authority (e.g. the regarding Development Plan Documents such as the Core Strategy and Area Action Plans, approving the issues and options for consultations documents and approval of all aspects of Supplementary Planning Documents, Non-Statutory Planning Documents and Planning Briefs) except those matters delegated to the Planning Committee and Council.
13. Development Management
14. To approve a Local Development Scheme and Statement of Community Involvement under Planning and Compulsory Purchase Act 2004
15. Culture, including (Parks & open spaces, Royal Spa Centre, Pump Room premises, Art Gallery & Museum; Sport, leisure & community or Catering establishments

16. Markets & mops Car park management Refuse collection and recycling Street Cleansing;
17. Food safety, Health and safety, Pollution control public health - pest control - animal welfare – nuisances - infection control Health promotion Cemeteries & crematorium
18. Main drainage
19. Housing benefits & Council Tax Reduction
20. To exercise overall management of information technology policy and related power and duties.
21. To exercise all powers and duties of the council in relation to any matter concerning compulsory or voluntary competitive tendering and oversee the operation of any Direct Labour or Direct Service Organisations.
22. To seek planning consent under Regulation 3 or 4 of the Town and Country Planning General Regulations 1992
23. To seek tenders for schemes where a budget allocation has already been made as long as the estimate for the scheme is within the budget allocation. (In the event of the original provision being insufficient a request must be made to the Council for an amendment to the capital budget and/or a supplementary estimate.)
24. To exercise all the powers and duties of the Council which are not delegated to another committee or person other than those which either cannot be delegated to the Executive or are specifically reserved to the Council.
25. To institute proceedings (other than for debt collection) in the High Court
26. Consideration of corporate risk.

Leader's Scheme of Delegation to Portfolio Holders

At present, no decision making powers are delegated to Portfolio Holders. The guidance below is in place as a minimal provision if the Leader was so minded to introduce such decision making.

(a) General provisions

Support to the Leader will be provided by the Deputy Leader, who will act for the Leader in their absence.

Day-to-day issues relating to shared Council services shall be the responsibility of relevant Portfolio Holders, acting jointly where relevant.

Any exercise of delegated powers shall have regard to any report by the Head of Paid Service, the Monitoring Officer or the officer designated under Section 151 of the Local Government Act 1972.

Any exercise of delegated powers shall comply with statutory restrictions, all policies and procedures approved **by Council or Executive and the Council's** Code of Conduct and adopted protocols.

Executive powers should only be exercised following appropriate consultation with Legal, Finance and Human Resources as necessary. The relevant Ward Councillor(s) must be consulted where the matter specifically affects their Ward or Group Leaders where the matter is politically sensitive or contentious.

All decisions must be recorded and may need to be published where required by law.

(b) Financial supervision

Day-to-day operations are under the control of the Chief Officers (The Senior Management Team of the Council) as outlined in the Constitution.

All Members and officers are bound by the Council's approved, Budget and Policy Framework, Code of Financial Practice, Code of Procurement Practice and Code of Corporate Governance.

Where responsibility for any Executive decision is silent, the default decision-maker will be Executive unless the Leader determines otherwise.

(c) Committees of the Executive - There are none at present.

(d) Working Groups of the Executive (with decision making powers) -
There are none at present.

(e) External working

Representation on Strategic bodies

The Leader shall appoint representatives on these external bodies:

- Warwickshire Police & Crime Panel -
- West Midlands Employers
- Coventry and Warwickshire LEP
- **District Councils' Network**
- LLP Board
- Safer Warwickshire Partnership Board
- South Warwickshire Community Safety
- Warwickshire County Council Health & Wellbeing Board
- Association of Retained Council Housing (ARCH)
- **Shakespeare's England**

Delegations regarding external working

Chief Officers, the Leader and Portfolio Holders and other members are authorised to:


- (a) Agree terms of reference, memoranda of understanding and work programmes **for any partnership that falls within the Council's approved policy framework**, subject to legislative requirements or the Constitution;
- (b) **Manage the Council's involvement in each of the Partnerships, undertaking** partnership actions and work programmes within agreed terms of reference and/or memoranda of understanding and the approved policy framework of the Council;
- (c) Work with partner bodies, to support the development of partnership plans and strategies;
- (d) Develop strategic plans;

- (e) Work with partner bodies to support growth of the partnership in line with approved business plans;
- (f) Seek Government resources to support the work of any partnership or group of authorities delivering shared services;
- (g) Act in conjunction with the Leader to sign off submissions to the Government for external grant funding in the Coventry and Warwickshire Local Enterprise Partnership Area;
- (h) Act in conjunction with the Leader to sign off submissions to the Government for external grant funding in relation to local authorities acting jointly to deliver shared services.

All other decisions related to the work of these partnerships, unless they are a matter for Executive or the Council, shall be a matter for the Leader to determine or authorise, after due consultation with the Chief Executive, Deputy Chief Executives and Head of Finance/S151 Officer.

Most partnerships operate using their own boards, Committees or sub-groups and the above list embraces all such meetings as may be relevant.

Councillor Andrew Day
Leader of the Council

 Executive 24 August 2020		Agenda Item No. 3
Title	Minimum Energy Efficiency Standards Enforcement Process – Private Sector Housing	
For further information about this report please contact	Mark Lingard Private Sector Housing Manager Telephone: 01926 456410 Email: mark.lingard@warwickdc.gov.uk Elaine Wallace Housing needs Manager Telephone: 01926 456311 Email: elaine.wallace@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	N/A	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	Yes Ref: 1,124
Equality Impact Assessment Undertaken	N/A

Officer/Councillor Approval		
Officer Approval	Date	Name
Deputy Chief Executive	30/07/20	Bill Hunt
Head of Service	09/07/20	Lisa Barker
CMT	30/07/20	Chris Elliott
Programme Director for Climate Change	16/07/20	Dave Barber
Section 151 Officer	29/07/20	Mike Snow
Monitoring Officer	30/07/20	Andrew Jones
WCC Legal Services	18/06/20	Mandeep Sahota
Finance	07/07/20	Victoria Bamber
Portfolio Holder(s)	24/07/20	Councillor Jan Matecki
Consultation & Community Engagement		
N/A Housing legislation		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		
It is not a final decision as part of one of the recommendations requires the Council to approve the penalties and part of another recommendation requires the Council to update the constitution.		

1 Summary

- 1.1 This report brings forward an enforcement process to enable officers to apply penalties for breaches of the Minimum Energy Efficiency Standards (MEES) regulations.
- 1.2 These regulations are the Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015, as amended (most recently by the Energy Efficiency (Private Rented Property) (Amendment) (England and Wales) Regulations 2019.

2 Recommendations

- 2.1 The Executive adopts Appendix 1 for the enforcement of the MEES regulations, subject to Council on 2 September agreeing the proposed penalties, to come into force from 3 September 2020.
- 2.2 That Executive recommends to Council the penalties of the WDC MEEs scheme to be as follows:
 - £2,000 for renting out a non-compliant property for less than 3 months
 - £4,000 and a publication penalty for renting out a non-compliant property for 3 months or more.
 - £1,000 and a publication penalty for providing false or misleading information on the PRS Exemptions Register
 - £2,000 and a publication penalty for failure to comply with a compliance notice
- 2.3 The Executive approves delegated authority to the Head of Housing Services to enforce the MEES regulations as set out within the approved penalties process; and asks Council to update the Constitution to reflect this.

3 Reasons for the Recommendations

- 3.1 Recommendation 2.1
- 3.2 The regulations set out that from 1 April 2020 the minimum level of energy efficiency for all private rented domestic property in England and Wales is an energy performance certificate (EPC), rating of band E. Therefore, from this date landlords of properties with EPC ratings of F or G will no longer be able to legally let them, subject to certain exceptions that are set out in Appendix 1.
- 3.3 Although the powers are within the regulations, for officers to be able to use them the Council must formally adopt a process to do so. The Council also has the discretion to set a schedule of penalties for the various offences.
- 3.4 Recommendation 2.2
- 3.5 The regulations allow the Council to determine any level of financial penalty, for each offence, up to the maximum amounts set out in the recommendation 2.2

- 3.6 The proposed approach of using the maximum penalties for the various offences has been arrived at following consultation with colleagues in the West Midlands. The intention is to be as consistent as possible across the region, in terms of both the level of the penalties and the process for applying them.
- 3.7 Recommendation 2.3
- 3.8 So that the policy can be applied quickly and efficiently, once adopted, it is proposed that the Head of Housing Services should be granted the authority to decide on the serving of compliance notices and imposing penalties.

4 Policy Framework

4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several key projects.

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all. Housing needs for all met. Impressive cultural and sports activities. Cohesive and active communities.	<u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces. All communities have access to decent open space. Improved air quality. Low levels of crime and ASB.	<u>Intended outcomes:</u> Dynamic and diverse local economy. Vibrant town centres. Improved performance/ productivity of local economy. Increased employment and income levels.
Impacts of Proposal		
This proposal provides additional tools to use in ensuring that private sector housing is suitable for its occupiers, meeting their needs and contributing to their	Reduce carbon emissions	None.

health and well-being.		
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained. All staff have the appropriate tools. All staff are engaged, empowered and supported. The right people are in the right job with the right skills and right behaviours.	<u>Intended outcomes:</u> Focusing on our customers' needs . Continuously improve our processes. Increase the digital provision of services.	<u>Intended outcomes:</u> Better return/use of our assets. Full Cost accounting. Continued cost management. Maximise income earning opportunities. Seek best value for money.
Impacts of Proposal		
None.	In providing new options for enforcement work the proposal helps to improve services to occupiers in private sector housing.	While not an objective of the policy, the charging regime does have the potential to generate new income for the Council.

4.2 Supporting Strategies

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

4.3 Changes to Existing Policies

This report does not change existing policies but introduces a new process that enables use to be made of additional options for carrying out private sector housing enforcement work.

4.4 Impact Assessments

The report brings forward proposals inline with the requirement of Government regulations, which considered equality impact as part of its decision making. The report is also inline with the adopted enforcement policy/procedures as an overarching process. Therefore no impact assessment has been undertaken.

5 Budgetary Framework

- 5.1 Private sector enforcement work is undertaken by the Private Sector Housing Team and is already budgeted for. It is anticipated that this additional work can be absorbed into the workload of the team. Therefore, it is not envisaged that the introduction of this process will require new budgetary provision to be made.

5.2 The income received from the penalties can be retained by the Council but is ring fenced for Private Sector Housing enforcement work. The anticipated income budget is unknown at this stage but will be adjusted in further months, when the level of likely penalties becomes apparent.

5.3 **The penalties will be included for review within the Council's Fees and Charges report in September/October 2020.**

5.4 It has been confirmed that VAT is not applicable to these penalties.

6 Risks

6.1 The introduction of this process would bring the risk of legal challenges from landlords who receive the penalties. This has been mitigated by incorporating the government guidance within the process.

7 Alternative Option(s) considered

7.1 Not adopting this process would limit the **Council's** options in its role as a regulator of private sector housing. It could also affect community confidence **in the Council's ability** and ambition to deal with poor management and to raise housing and energy efficiency standards.

8 Background

8.1 The number of people housed in private rented accommodation now exceeds the number of people housed in socially rented properties, both nationally and locally.

8.2 Properties with an EPC rating of F or G are the most energy inefficient housing. They impose unnecessary energy costs on tenants and the wider economy and can lead to poor health outcomes, with a resulting resource pressure on health services. These properties also contribute to avoidable greenhouse gas emissions.

8.3 Increasing the energy efficiency of privately rented housing can help:

- **reduce** energy costs for tenants, including some of the most vulnerable.
- **improve the condition of properties** and help reduce maintenance costs.
- **lower demand for energy thereby smoothing seasonal peaks in energy demand.**
- **reduce carbon** emissions.

8.4 Whilst the regulations came into force just for new tenancies in April 2018. The very protracted national discussions/consultation around the maximum landlord contribution meant that enforcement work was not practically possible until this had been confirmed. The maximum landlord contribution has now been set at £3,500 and from the 1 April 2020 the regulations apply to all rented properties.

8.5 Whilst the regulations prevent properties with an EPC rating of F and G being rented out there are a number of exemptions, which are set out in Appendix 1

8.6 It is **the landlord's responsibility** to provide the evidence to support an exemption and they must be registered **on the Government's Private Rented Sector Exemptions Register.**

Penalties Process

Appendix 1

This process follows the general principles set out in the **Council's Enforcement Policy** and the Government guidance.

In summary where the Council believes that a property has been let in breach of the Minimum Energy Efficiency Standard Regulations (MEES) it will serve a compliance notice requesting information. If the Council are then satisfied that a breach has occurred, they can serve a notice on the landlord imposing financial penalties. The landlord may ask for the penalty notice to be reviewed. Following the outcome of the review the landlord still has the option to appeal the penalty notice to the First Tier Tribunal.

Compliance Notice

Where the Council believe that a landlord is letting a property in breach of the MEES Regulations or has registered false or misleading information on the Private Rented Sector (PRS) Exemptions Register a compliance notice will be issued.

A compliance notice requests information to help the Council decide whether a breach has occurred. The Council may serve a compliance notice up to 12 months after the suspected breach occurred.

A compliance notice may request information on:

- the Energy Performance Certificate (EPC) that was valid for the time when the property was let
- the tenancy agreement used for letting the property
- information on energy efficiency improvements made
- any Energy Advice Report in relation to the property
- any other relevant document

Penalties

If it is confirmed that a property has been let since April 2020 in breach of the regulations, and the landlord is not working with the Council to comply with the regulations, a penalty notice will be served with the maximum applicable penalty.

The maximum penalty amounts that apply per property and per breach of the regulations are:

- £2,000 for renting out a non-compliant property for less than 3 months
- £4,000 and a publication penalty for renting out a non-compliant property for 3 months or more.
- £1,000 and a publication penalty for providing false or misleading information on the PRS Exemptions Register
- £2,000 and a publication penalty for failure to comply with a compliance notice

In total the maximum amount a landlord can be fined per property is £5,000.

A publication penalty means that the Council will publish some details of the landlord's breach on a publicly accessible part of the PRS Exemptions Register.

Right of Appeal

The landlord can ask for the decision to serve a penalty to be reviewed by writing to Head of Housing Services within 28 days of the penalty notice being served, giving their reasons for the review request.

The Council must withdraw the penalty notice if:

- new evidence shows a breach has not occurred.
- a breach has occurred, but the evidence shows that the landlord took all reasonable steps to avoid the breach.
- It is decided that because of the circumstances of the case, it was not appropriate to issue a penalty.

The Council can also decide to vary the level of penalties following representations from the landlord.

If a local authority decides to uphold the penalty notice, a landlord may appeal to the First-tier Tribunal. The landlord has 28 days to submit an appeal from the date of the **local authority's decision**.

The First-Tier Tribunal may quash the penalty notice or confirm the penalty notice in its original form. If the penalty notice is quashed, the Local Authority must repay any amount paid by the landlord in carrying out the notice.

If a landlord does not pay a financial penalty imposed on them, the Local Authority may take the landlord to court to recover the money.

Exemptions

If a property meets the criteria below the landlord, or an agent for the landlord, will be able to let it once they have registered an exemption in the **Government's PRS Exemptions Register**:

- **All relevant improvements have been made exemption (valid for 5 years)**

Where a property is still below an EPC rating of E after improvements have been made up to the cost cap (£3,500 incl VAT) or where no relevant improvements can be made

- **High cost exemption (valid for 5 years)**

Where no improvement can be made because the cost of installing even the cheapest recommended measure would exceed £3,500 (including VAT).

After the exemption expires **the landlord must try again to improve the property's** rating to meet the minimum level of energy efficiency. If this still cannot be achieved, then a further exemption may be registered.

- **Third-party consent exemption (valid for 5 years)**

Where the relevant improvements for the property need consent from another party, and the landlord can evidence that despite their best efforts consent cannot be obtained, or is given subject to conditions that they could not reasonably comply with.

- **Property devaluation exemption (valid for 5 years)**


Where the landlord can evidence that making energy efficiency improvements to the property would devalue it by more than 5%.

- **Temporary exemption due to recently becoming a landlord (valid for 6 months)**

Where a person recently becomes a landlord, under certain circumstances they will not be expected to take immediate action to improve your property to an EPC rating of E. They may claim a **6 months'** exemption from the date that they became the landlord for the property.

Any exemptions which are registered on the Private Rented Sector Exemptions Register may not pass over to a new owner or landlord of a property upon sale, or other transfer. If a property is sold or otherwise transferred with an exemption registered, the exemption will cease to be effective and the new owner will either

need to improve the property to the minimum standard at that point, or register an exemption where one applies, if they intend to continue to let the property.

 Executive 24 August 2020		Agenda Item No. 4	
Title		Minor Amendment to the Canal Conservation Area	
For further information about this report please contact		Robert Dawson, Principal Conservation Officer, Development Services E: Robert.dawson@warwickdc.gov.uk T: 01926 456546	
Wards of the District directly affected		Lapworth	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?		No	
Date and meeting when issue was last considered and relevant minute number		9 January 2019	
Background Papers		Appendix 1 – proposed amendment to the Conservation Area. Appendix 2 – Conservation Area appraisal for Length 1	
Contrary to the policy framework:			No
Contrary to the budgetary framework:			No
Key Decision?			No
Included within the Forward Plan? (If yes include reference number)			Ref. 1125
Equality Impact Assessment Undertaken			No, not applicable
Officer/Councillor Approval			
Officer Approval	Date	Name	
Chief Executive/Deputy Chief Executive	17/07/2020	Chris Elliot	
Head of Service	17/07/2020	Gary Fisher	
CMT	17/07/2020	Chris Elliot, Bill Hunt, Andy Jones	
Section 151 Officer	17/07/2020	Mike Snow	
Monitoring Officer	17/07/2020	Andy Jones	
Finance	17/07/2020	Mike Snow	
Portfolio Holder(s)	17/07/2020	Cllr John Cooke	
Consultation & Community Engagement			
Public consultation on the minor amendment has been undertaken over a period of 2 weeks between 20th January and 3rd February. Those who registered an interest during the consultation process for the designation of the CCA were contacted, in addition to Lapworth Parish Council, the Canal & River Trust and Historic England. No comments were received during this period.			
Final Decision?		Yes	

1. **Summary**

- 1.1 This report seeks authority from the Executive to remove a property, known as Clinton House, and its curtilage from the Canal Conservation Area (the CCA)

2. **Recommendation**

- 2.1 That the Executive agrees to a minor amendment to the Canal Conservation Area, as defined in Appendix 1 as shown on the boundary map.

3. **Reasons for the Recommendation**

- 3.1 Following the adoption of the Canal Conservation Area in January 2019, a resident alleged that their property was included within the designated area without having the opportunity to make representations.
- 3.2 The boundary map that formed the basis of the consultation exercise, which ran over a seven-week period between July-September 2018, did not include Clinton House. The owner of Clinton House indicated that had this property been shown as within the Conservation Area on the consultation map then he would have made responded to the 2018 consultation objecting to its inclusion.
- 3.3 The character area referred to as ***Length 1: Rowington*** in the Canal Conservation Area appraisal, which includes the land subject to this recommendation, makes no reference to the particular reasons for the **property's inclusion**.
- 3.4 The owner of Clinton House submitted a report providing evidence that the property and its curtilage is not of sufficient architectural or historic interest to warrant inclusion in the Canal Conservation Area. **The Council's Principal Conservation Officer** (author of this report) agrees with its findings.
- 3.5 The property in question dates from the 1920s and is considered to be of little architectural and historic interest to warrant inclusion in the Conservation Area. The property does not feature within medium to longer range views associated with the canal and there is no evidence to suggest any historical or functional relationship between the site and the canal. Architecturally, the Edwardian house is relatively unremarkable and is an example of common domestic **architecture that is neither linked with the canal's architectural interest or** historical development.
- 3.6 There is a requirement under paragraph 186 of the National Planning Policy Framework that when considering the designation of conservation areas, local planning authorities should ensure that an area justifies such status because of its special architectural or historic interest, and that the concept of conservation is not devalued through the designation of areas that lack special interest.
- 3.7 The Council therefore ran a consultation process proposing to remove this area of land from the designated Canal Conservation Area. No comments were received during this process.
- 3.8 On adoption, the duties of formal designation require an advertisement in a local paper and the London Gazette, together with a letter to the property owner affected within the boundary, as this is a land charge, and notification to the Secretary of State.

4. Policy Framework

4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
The important features and characteristics of conservation areas contribute towards the overall health and well-being of residents. It is therefore important that the concept of conservation is not devalued by the designation of such areas that are not of special architectural and historic interest.	The proposed amendment to the area reflects the importance that conservation area designation makes and that the designation is not devalued by designating areas not of interest. The amendment protects the value of the canal conservation area, the character of which is defined partially by its green corridor, and ensures that areas have been designated as a result of their historical	The proposal seeks to preserve the purpose of conservation area designation, which also aims to seek a high standard of design that contributes towards the vibrancy of the urban environment and associated infrastructure. Conservation area designation also protects against inappropriate development in the historic environment and the countryside, which in turn assists in preserving

	association with the canal side.	the value of Warwick District's distinct environment.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The proposal highlights to WDC officers that the purpose of conservation area designation is to protect areas of special architectural and historic interest and that the concept of conservation is not devalued by designating areas not of this interest.	Ensures our customers that the Council does not take the concept of conservation area designation lightly and that we aim to review existing areas to reflect our statutory responsibilities of the Planning (Listed Buildings and Conservation Areas) Act 1990.	The proposed removal of the area reduces the Council's risk to compensation claims by designating areas that are not of special architectural or historic interest.

4.2 Supporting Strategies

Protecting and enhancing the historic environment is an important component of the **National Planning Policy Framework's drive to achieve sustainable development**. The appropriate conservation of heritage assets forms one of the **'Core Planning Principles' that underpin the planning system.**

It is a requirement under paragraph 186 of the National Planning Policy Framework (rev. 2018) that when considering the designation of conservation areas, local planning authorities should ensure that an area justifies such status because of its special architectural or historic interest, and that the concept of conservation is not devalued through the designation of areas that lack special interest.

5. Budgetary Framework

- 5.1 The cost of running the consultation and proposed amendment to the designation has been met from the existing service budgets.

6. Risks

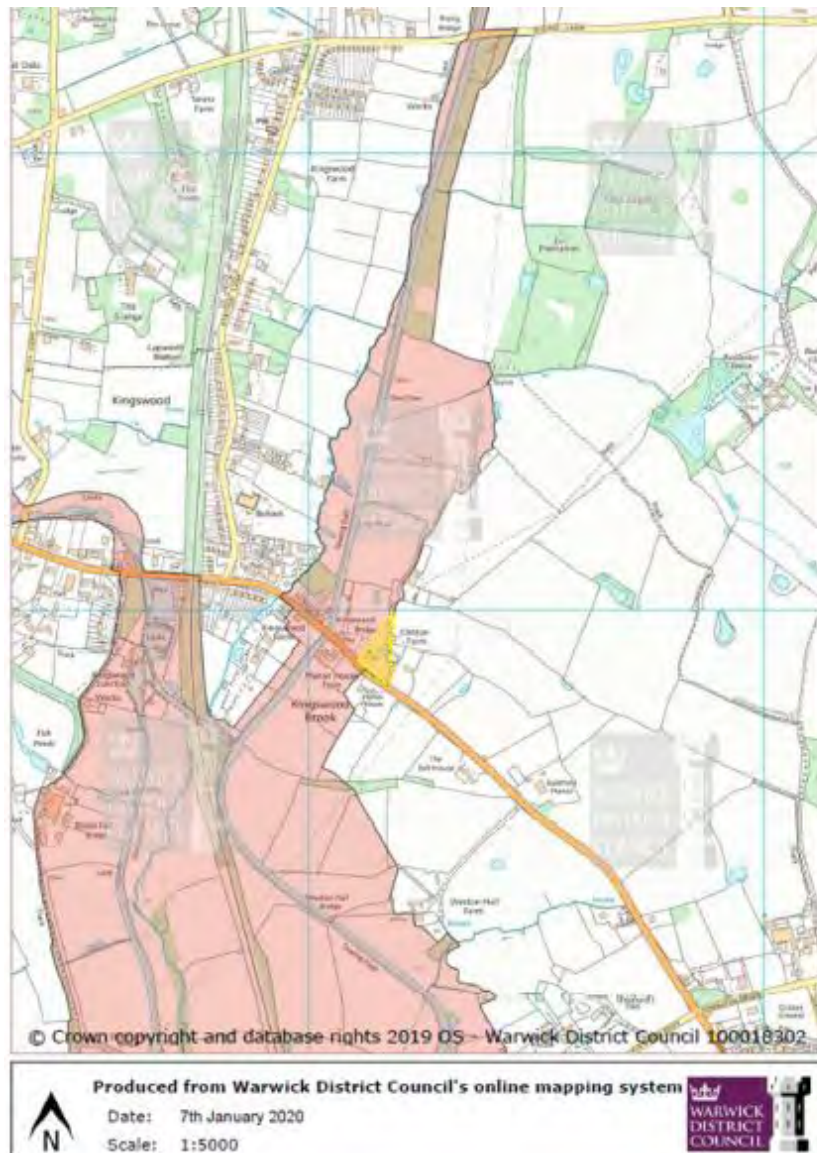
- 6.1 There is a risk that failure to amend the boundary as recommended could result in legal challenge by way of judicial review.
- 6.2 There is also the risk that a challenge could arise as a result of the amendment. However, the likelihood of this is considered to be low given the small area subject to the boundary amendment, the lack of any consultation response objecting to the proposal and the lack of justification for including Clinton House and its curtilage within the CCA.

7. Alternative Option(s) considered

- 7.1 An alternative option would be to retain the property within the Canal Conservation Area. This would however present the potential risk of legal challenge as highlighted above.

Appendix 1


Area proposed to be removed from the Canal Conservation Area highlighted in yellow



Appendix 2

Canal Conservation Area appraisal for 'Length 1: Rowington'

Link: https://www.warwickdc.gov.uk/downloads/file/5279/canal_conservation_area_document_-_part_1_of_2

	Executive Report 24 August 2020	Agenda Item No. 5
Title	Article 4(1) Direction for Sherbourne Conservation Area	
For further information about this report please contact	Robert Dawson, Principal Conservation Officer, Development Services E: Robert.dawson@warwickdc.gov.uk T: 01926 456546	
Wards of the District directly affected	Sherbourne	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	Appendix A - Properties to which the Direction relates Appendix B - Explanatory letter Appendix C - Information Sheet Appendix D – Copy of the notice Link to Sherbourne Conservation Area appraisal document <i>An assessment on the effects of conservation areas on value, London School of Economics and Political Science:</i> https://historicengland.org.uk/content/docs/research/assessment-ca-valuepdf/	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Ref. 1127
Equality Impact Assessment Undertaken	No, not applicable

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	17/07/2020	Chris Elliot
Head of Service	17/07/2020	Gary Fisher
CMT	17/07/2020	Chris Elliot, Bill Hunt, Andy Jones

Section 151 Officer	17/07/2020	Mike Snow
Monitoring Officer	17/07/2020	Andy Jones
Finance	17/07/2020	Mike Snow
Portfolio Holder(s)	17/07/2020	Cllr John Cooke
Consultation & Community Engagement		
This report seeks consent to make the initial Direction to serve Notice on the properties affected and invite public consultation.		
Final Decision?		No
Suggested next steps (if not final decision please set out below)		
That the Executive receives a report with the findings of the consultation and recommendations for the final confirmation or otherwise of the Article 4 Direction within 6 months		

1. Summary

- 1.1 The purpose of this report is to seek approval from Executive to make an immediate Direction under Article 4(1) of the Town and Country Planning (General Permitted Development) (England) Order 2015 resulting in the removal of certain permitted development rights outlined in Appendix D in the Sherbourne Conservation Area and to undertake the related public consultation. A further report will be submitted within 6 months of the service of the Notice recording public consultation and recommending confirmation or otherwise of the Direction.

2. Recommendation

- 2.1 That the Executive authorise the immediate making of a Direction under Article 4(1) of the Town and Country Planning (General Permitted Development) (England) Order 2015 to remove the permitted development rights outlined in Appendix D and serve Notices upon all owners and occupiers of such properties with an explanatory letter and the undertaking of the associated consultation and publicity.
- 2.2 That the Executive receive a report with the findings of the consultation and recommendations for the confirmation or otherwise of the Article 4 Direction (which must be confirmed or otherwise within 6 months from the period of the service of the Notice).

3. Reasons for the Recommendation

- 3.1 It is a requirement under Section 69 of the Planning (Listed Buildings and Conservation Areas) Act 1990 that local planning authorities determine which parts of their area are areas of special architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance, and to designate these areas as Conservation Areas. This results in additional planning controls and considerations to protect the historic and architectural elements which make the place special. Local Planning Authorities also have a duty under Section 72 of the same Act to pay special attention to the desirability of

preserving or enhancing the character or appearance of that area when exercising planning functions.

- 3.2 Single dwellings within Conservation Areas do nonetheless have certain permitted development rights meaning that no planning permission is required to undertake a range of works including replacing windows, removing and replacing roofing materials, installing panels on roofs (such as solar panels) and removing or replacing boundary walls. The cumulative impact of these small alterations can result in the gradual erosion of the appearance and character of **the District's** Conservation Areas.

The Council has been made aware that certain changes currently benefitting from permitted development rights, such as use of modern materials when replacing historic windows and removal of original boundary walls to facilitate parking, have taken place in Sherbourne Conservation Area. This Direction **seeks to prevent further changes that detract from the Area's special characteristics.**

- 3.3 The making of an Article 4(1) Direction is a mechanism available to Local Planning Authorities which offers a level of protection to prevent such alterations that can detrimentally change the character of the Conservation Area.
- 3.4 The Direction will be made immediately for a temporary period of up to 6 months and further consideration will be given to making it permanent after consultation with residents affected. An alternative option would be to make a non-immediate Direction; however, the risk in doing so may be that it may encourage the implementation of work that the Direction seeks to control prior to it coming into force.
- 3.4 The Notice under Article 4(1), together with an explanatory letter and information sheet, would be served upon the owners of single dwellings in the streets listed in Appendix A. Upon receipt of the Notice, permitted development rights are removed for 6 months and any works listed in the schedule accompanying the Notice would during that period require planning permission.
- 3.5 The recipients of the Notice will be invited to make comments on the possibility of the Notice becoming permanent or not. During the 6-month period, it will therefore be necessary to bring back a report to the Executive with the findings of the consultation and a recommendation or otherwise of the confirmation of the Notice. If the Notice is not confirmed within 6 months, then it will expire and a temporary need for planning permission for the items listed in the schedule will also have expired.

4. **Policy Framework**

4.1 **Fit for the Future (FFF)**

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit.

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
<p><i>The Direction allows for the retention of important architectural and historic features to single-dwellings that contribute directly to the conservation area's appearance and character.</i></p> <p><i>This in turn will contribute towards the health and wellbeing of residents with the increased protection of the conservation area's important characteristics.</i></p>	<p><i>The proposal will enable the heightened protection of existing landscape and open space, which forms one of the key characteristics of this particular conservation area as highlighted in the conservation area appraisal.</i></p>	<p><i>Estate villages such as Sherbourne form an important characteristic of Warwick District. The proposal will allow for greater preservation of this character and enhance the attractiveness of the District to visitors.</i></p> <p><i>The protection that an Article 4 Direction provides results in the greater retention of local distinctiveness, which brings about social and economic benefits.</i></p>
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities

The right people are in the right job with the right skills and right behaviours		Seek best value for money
Impacts of Proposal		
<p><i>The Article 4 Direction is clear as to what permitted development rights have been restricted, enabling officers in Development Management to give informed advice to members of the public, Councillors and colleagues</i></p> <p><i>It should be noted that WDC officers are already familiar with this type of Direction, with these in place elsewhere in New Milverton (Leamington Spa) and Stoneleigh.</i></p> <p><i>GIS will be informed of as soon as the Direction is in place so it will show as a land charge.</i></p>	<p><i>The implementation of Article 4 Directions relate directly to the responsibilities of WDC Conservation & Design. Part of the team's objectives is to review existing Conservation Areas and consider the need for Article 4 Directions where appropriate.</i></p> <p><i>A copy of the Direction will be available online during the consultation process. Information relating to Article 4 Directions is already available on our website, however consideration will be given to providing more detailed information, including creation of a subpage to cover areas affected by Directions.</i></p>	<p><i>A study undertaken by the London School of Economics has indicated that properties located in conservation areas generally have greater value. The greater protection of features that make this conservation area special will retain and enhance the value of properties affected by the Direction.</i></p> <p><i>Protecting the qualities of a place that make the area attractive encourages more people to live, work and visit the District, which in turn may result in greater investment and result in benefits for the local economy.</i></p> <p><i>The properties subject to the Direction have been carefully considered and it is expected that its impact can be met with existing resource.</i></p>

4.2 **Supporting Strategies**

- 4.3 Protecting and enhancing the historic environment is an important component of the National Planning Policy Framework's drive to achieve sustainable development. The appropriate conservation of heritage assets forms one of the 'Core Planning Principles' that underpin the planning system.
- 4.3 In policy HE2 (Conservation Areas) of the Local Plan, explanatory note 5.166 explains that the Council will continue to seek directions to restrict permitted development rights with Article 4 Directions in order to maintain areas of high quality townscape. Policy (HE3 (Locally Listed Historic Assets) also explains that within conservation areas, permitted development rights may be removed by the service of an Article 4 Direction on locally listed assets.

5. **Budgetary Framework**

- 5.1 Amendments to the GPDO (Reg. No. 1314) in January 2017 means that a planning fee now applies for planning applications required where an Article 4 Direction is in place.
- 5.2 Compensation for abortive expenditure or other loss or damage directly contributable to the withdrawal of permitted development rights may be payable to persons affected by the Article 4 Direction.

6. **Risks**

- 6.1 As stated above, the making of an Article 4 Direction may result in compensation claims. Local planning authorities may be liable to pay compensation if they:
- Refuse planning permission for development which would have been permitted development if it were not for an Article 4 Direction; or
 - Grant planning permission subject to more limiting conditions than the GPDO would normally allow, as a result of an Article 4 Direction being in place.
- 6.2 Compensation is only payable in respect of planning applications submitted within 12 months beginning on the date the direction took effect. In addition, the compensation does not include any element for the expenses incurred by the applicant in attempting to obtain planning permission, or for any other consequential losses.
- 6.3 Compensation claims are limited to abortive expenditure or other loss or damage directly attributable to the withdrawal of permitted development rights. This includes the preparation of plans for the purposes of any work, or upon other similar matters preparatory to it, and loss or damage directly attributable to the withdrawal of permitted development rights that would include the depreciation in the value of land or a building(s), when its value with the permitted development right is compared to its value without the right.
- 6.4 However, a [study on Article 4 Directions commissioned by the English Historic Towns Forum](#) found that of 72 planning authorities contacted in England, 81% of which had an Article 4 Direction for one or more conservation areas, none reported any incidences of compensation claims for withdrawing permitted development rights in conservation areas.
- 6.5 It is therefore considered that compensation claims arising from making Article 4 Directions is rare and combined with the low volume of properties affected, the benefits of protecting the unique characteristics of the conservation area significantly outweighs the risk in potential compensation payments.
- 6.5 The same study indicated that local authorities with blanket Article 4 Directions in place noted an increase in one to two applications per week. The purpose of this direction is to strictly limit the number of properties affecting by the Direction to those that contribute positively towards the character and appearance of the Conservation Area. It is therefore anticipated that whilst there may be a very small increase in the number of planning applications, this will be accommodated within existing resource.

7. Alternative Option(s) considered

- 7.1 An alternative option would be to not serve the Notice. This would however mean that the Conservation Area only benefits from limited protection and therefore a gradual erosion of the character of the Conservation Area could continue.
- 7.2 Another option would be to consider a non-immediate Direction; however, this poses the risk that work may be implemented during this period prior to making the Direction.
- 7.3 A further option would be to consider a blanket Article 4 Direction across the whole of Sherbourne Conservation Area. This would however result in an unnecessary level of planning control to properties that do not necessarily contribute positively towards the appearance and character of the Conservation Area.

Appendix A - Properties to which the Direction relates

1 Church Road, Sherbourne, Warwick, CV35 8AN
2 Church Road, Sherbourne, Warwick, CV35 8AN
3 Church Road, Sherbourne, Warwick, CV35 8AN
4 Church Road, Sherbourne, Warwick, CV35 8AN
5 Church Road, Sherbourne, Warwick, CV35 8AN
6 Church Road, Sherbourne, Warwick, CV35 8AN
7 Church Road, Sherbourne, Warwick, CV35 8AN
1 Sherbourne Court, Vicarage Lane, Sherbourne, Warwick, CV35 8AW
29 Stratford Road, Sherbourne, Warwick, CV35 8AH
30 Stratford Road, Sherbourne, Warwick, CV35 8AH
31 Stratford Road, Sherbourne, Warwick, CV35 8AH
32 Stratford Road, Sherbourne, Warwick, CV35 8AH
Park Lodge, Barford Road, Sherbourne, Warwick, CV35 8AA
5 Sherbourne Court, Vicarage Lane, Sherbourne, Warwick, CV35 8AW
6 The Stables, Vicarage Lane, Sherbourne, Warwick, CV35 8AB
The Old Post Office, 14 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
Milton Cottage, 15 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
16 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
24 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
25 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
26 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
27 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
The Studio, Church Road, Sherbourne, Warwick, CV35 8AN
Church Farm Cottage, Church Road, Sherbourne, Warwick, CV35 8AN

Appendix B – Notification letter

ARTICLE 4(1) DIRECTION FOR SHERBOURNE CONSERVATION AREA

Dear Sir/Madam,

The Council has made an Order (known as an Article 4(1) Direction) under the Town and Country Planning (General Permitted Development) (England) Order 2015, which removes the rights of householders to carry out various works to their properties without first obtaining planning permission. The purpose of the Order is to prevent inappropriate development within the Conservation Area. Full details of the works which now require planning permission are set out in the enclosed notice. A copy of the Direction, and the map showing the area which it covers, can be inspected on our website at: www.warwickdc.gov.uk.

The Council is required to give this notice of the making of the Direction to all persons affected by it. The Direction lasts for 6 months from the date on which it was made unless, before the end of the 6 months, the Council confirms the Direction. Before then it can confirm the Direction, the Council is required to consider all representations made about it. If you wish to make representations, you can do so in writing or by email to the addresses given in the attached notice. In order to be considered, all representations must be received no later than (28 days after date of letter).

If you wish to discuss any aspect of the making of the Direction, or its effects, you **may contact the Council's Principal Conservation Officer, Robert Dawson**, on 01926 456546 or robert.dawson@warwickdc.gov.uk.

If you are not the owner of the property, please bring this letter and the attached notice to the attention of the owner as soon as possible.

Appendix C – Information Sheet

Sherbourne Conservation Area Article 4(1) Direction Information Sheet

In order to help maintain the character and identify of Sherbourne Conservation Area, the Council has decided to implement an Article 4(1) Direction under the Town and Country Planning (General Permitted Development) (England) Order 2015

The effect of the Direction will require anyone wishing to carry out certain works to a single dwelling-house to obtain planning permission. These works previously did not require an application for planning permission and could be carried out under permitted development rights. Set out below are works for which planning permission will be required to carry out. If you have any enquiries as to whether planning permission is required you should contact Warwick District Council Development Services for further advice.

The Article 4 Direction has been made after careful consideration by the Council and will require planning applications to be submitted for those elements of a building that are important to the maintenance of the character of the Conservation Area.

The Direction will come into force from the date of the letter accompanying it and will remain in place for up to six months during which time it will either be confirmed as a permanent Direction or will lapse after the six-month period. You will be notified either way in due course.

Proposals for which a planning application will be needed

These items relate to works that are visible from a public highway:

- 1.** The enlargement, improvement or alteration of a dwelling house. This includes replacement windows and doors either to a new design or an alternative material. Replacing windows like for like, matching exactly the existing windows, or repairs, would not require planning permission. The installation of double glazed units into existing frames, if it does not alter the size of the frame would also not require planning permission.
- 2.** Alterations to the roof slope including installation of windows and solar photovoltaics
- 3.** The erection or construction of a porch outside any external door of a dwelling-house.
- 4.** The construction of any building or enclosure, swimming or other pool, and any containers used for domestic heating purposes for the storage of oil or liquid petroleum gas.
- 5.** The construction of a hard surface, or replacement of such a surface.
- 6.** The installation, alteration or replacement of a chimney, flue or soil pipe.
- 7.** The erection, construction, maintenance, improvement or alteration of a gate, fence, wall or other means of enclosure.
- 8.** The painting of the exterior of any building in a different colour to the existing.
- 9.** The demolition of the whole or any part of any gate, fence, wall.

Appendix D – Copy of the Notice

WARWICK DISTRICT COUNCIL

TOWN AND COUNTRY PLANNING ACT 1990, AS AMENDED TOWN AND COUNTRY PLANNING (GENERAL PERMITTED DEVELOPMENT) (ENGLAND) ORDER 2015, AS AMENDED

NOTICE OF AN ARTICLE 4 DIRECTION RELATING TO SHERBOURNE CONSERVATION AREA

Warwick District Council ("the Council"), being the appropriate local planning authority, has made a Direction under Article 4(1) of the Town and Country Planning (General Permitted Development) (England) Order 2015 as amended ("the Order"). The Direction was made on (insert date). The Direction applies to the properties and land as set out in Schedule 1 and shown edged red (for identification purposes only) on the Plan annexed to the Direction. The Council considers that the Direction, that affects part of the Sherbourne Conservation Area, should have immediate effect.

The Direction provides that the permitted development rights granted by article 3 of the Order shall not apply to the types of development detailed in Schedule 2 from the date the Direction comes into force. Planning permission granted following application under Part III of the Town and Country Planning Act 1990 (as amended) shall be required for the types of development detailed within the Schedule 2.

A copy of the Direction, including the Plan defining the area covered, can be viewed on the council's website at [www.warwick.gov.uk/\(insert link\)](http://www.warwick.gov.uk/(insert link))

The Council invites representations on the Article 4 Direction between (insert date) to (28 days after date) and will consider all representations received during this period.

This Direction will remain in force until (6 months after date of served Notice) when it will expire unless it has been confirmed by the Council before that date. In considering whether or not to confirm the Direction, the Council will consider all representations made.

Dated (insert date)

Signed...

SCHEDULE 1
(Properties to which the Direction relates)

1 Church Road, Sherbourne, Warwick, CV35 8AN
2 Church Road, Sherbourne, Warwick, CV35 8AN
3 Church Road, Sherbourne, Warwick, CV35 8AN
4 Church Road, Sherbourne, Warwick, CV35 8AN
5 Church Road, Sherbourne, Warwick, CV35 8AN
6 Church Road, Sherbourne, Warwick, CV35 8AN
7 Church Road, Sherbourne, Warwick, CV35 8AN
1 Sherbourne Court, Vicarage Lane, Sherbourne, Warwick, CV35 8AW
29 Stratford Road, Sherbourne, Warwick, CV35 8AH
30 Stratford Road, Sherbourne, Warwick, CV35 8AH
31 Stratford Road, Sherbourne, Warwick, CV35 8AH
32 Stratford Road, Sherbourne, Warwick, CV35 8AH
Park Lodge, Barford Road, Sherbourne, Warwick, CV35 8AA
5 Sherbourne Court, Vicarage Lane, Sherbourne, Warwick, CV35 8AW
6 The Stables, Vicarage Lane, Sherbourne, Warwick, CV35 8AB
The Old Post Office, 14 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
Milton Cottage, 15 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
16 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
24 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
25 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
26 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
27 Vicarage Lane, Sherbourne, Warwick, CV35 8AB
The Studio, Church Road, Sherbourne, Warwick, CV35 8AN
Church Farm Cottage, Church Road, Sherbourne, Warwick, CV35 8AN

SCHEDULE 2

(Development for which planning permission is now required)

Any of the following permitted development rights that would front onto a highway, waterway or open space (the terms "highway" and "open space" are defined in section 336 of the TCPA 1990):

1. The enlargement, improvement or alteration of a dwelling house (Class A, Part 1, Schedule 2, GPDO 2015) (paragraph 2(3)(a), Schedule 3, GPDO 2015);
 - The enlargement, improvement or other alterations to a dwelling-house is not permitted unless planning permission is granted.
 - This class covers many external alterations to a house, including replacing windows, doors and adding external insulation.
2. Any alteration to the roof slope (Class C, Part 1, Schedule 2, GPDO 2015) (paragraph 2(3)(b), Schedule 3, GPDO 2015);
 - Any alterations to the roof of a dwelling-house is not permitted unless planning permission is granted.
 - This class covers development such as inserting roof lights/windows into the roof slopes and installation of solar photovoltaics.
3. The erection or construction of a porch (Class D, Part 1, Schedule 2, GPDO 2015) (paragraph 2(3)(c), Schedule 3, GPDO 2015);
 - The construction of a porch outside any external door of a dwelling-house is not permitted unless planning permission is granted.
4. The provision within the curtilage of a dwelling house of a building, enclosure, swimming pool, other pool or a container used for domestic heating purposes for the storage of oil or liquid petroleum gas (Class E, Part 1, Schedule 2, GPDO 2015) (paragraph 2(3)(d), Schedule 3, GPDO 2015);
 - The construction of any building, enclosure, container, swimming pool or other pool within the curtilage of a dwelling-house, which is viewable from a public highway, is not permitted unless planning permission is granted.
5. The provision of a hard surface (Class F, Part 1, Schedule 2, GPDO 2015) (paragraph 2(3)(e), Schedule 3, GPDO 2015);

- The construction of a hard surface, or replace such a surface, within the curtilage of a dwelling-house is not permitted unless planning permission is granted.

6. The installation, alteration or replacement of a chimney on a dwelling house within a conservation area (Class G, Part 1, Schedule 2, GPDO 2015) (paragraph 2(3)(f), Schedule 3, GPDO 2015).

- The installation, alteration or replacement of a chimney, flue or soil and vent pipe on a dwelling-house is not permitted unless planning permission is granted.

7. The erection, construction, maintenance, improvement or alteration of a gate, fence, wall or other means of enclosure within the curtilage of the dwelling house (Class A, Part 2, Schedule 2, GPDO 2015) (paragraph 2(3)(h), Schedule 3, GPDO 2015);

- The erection or alteration of a gate, fence, wall or other enclosure is not permitted unless planning permission is granted.


8. The painting of the exterior of any part of the dwelling house or of a building or enclosure within the curtilage of the dwelling house (Class C, Part 2, Schedule 2, GPDO 2015) (paragraph 2(3)(i), Schedule 3, GPDO 2015);

- The painting of the exterior of any building is not permitted unless planning permission is granted.
- Changing the colour to a similar shade would not require planning permission.

9. The demolition of all or part of a gate, fence, wall or other means of enclosure within the curtilage of the dwelling house (Class C, Part 11, Schedule 2, GPDO 2015) (paragraph 2(3)(j), Schedule 3, GPDO 2015).

- The demolition of the whole or any part of any gate, fence, wall or other means of enclosure is not permitted unless planning permission is granted.

END OF NOTICE

	Executive 24 August 2020	Agenda Item No. 6
Title	The Outcome of a Local Government Ombudsman (LGO) Investigation into the Consideration of a Planning Application	
For further information about this report please contact	Gary Fisher, Development Manager, Development Services E: gary.fisher@warwickdc.gov.uk T: 01926 456502	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	LGO Final Report	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	No, not applicable

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	22/7/20	Chris Elliott
Head of Service	22/7/20	Dave Barber
CMT	22/7/20	Chris Elliott, Bill Hunt, Andy Jones
Section 151 Officer	22/7/20	Mike Snow
Monitoring Officer	22/7/20	Andy Jones
Finance	22/7/20	Mike Snow
Portfolio Holder(s)	22/7/20	Cllr John Cooke
Consultation & Community Engagement		
N/A		
Final Decision?	Yes	

1. **Summary**

- 1.1 This report summarises the recent outcome of an investigation by the LGO and sets out the actions that are being taken in response to that.

2. **Recommendation**

- 2.1 Executive are recommended to note the content and recommendations of the LGO report (which is included at Appendix 1); note this report and endorse the actions being taken as set out at paragraph 3.4.

3. **Reasons for the Recommendation**

- 3.1 In their final report dated 15 June 2020, the Ombudsman has found fault causing injustice in respect of the consideration of a planning application for a residential development in Barford.

- 3.2 The decision on that application was made on 14 September 2017 following consideration by Planning Committee and the subsequent completion of a legal agreement.

- 3.3 In summary, the Ombudsman found that: -

- i. The decision was made without sufficient information about how the development would impact upon protected species. This is because the application was determined prior to the undertaking of any protected species survey work and therefore before there was sufficient baseline data on the impact on such species contrary to national guidance.
- ii. The Committee report was insufficiently detailed in the way that the law and guidance on protected species and the response of the County **Council's Ecology team was summarised.**
- iii. In presenting the application to Planning Committee, no reference was **made to the Council's differing view of the ecological advice received** from the County Council.
- iv. Those omissions therefore had the potential to mislead Planning Committee and resulted in a significant material planning matter not being properly considered.
- v. Whilst detailed protected species survey work was undertaken following the grant of planning permission, site clearance work had begun by then and it was therefore not possible to know the extent of any impact from the outset or consider possible alternative means of ameliorating any such impact.
- vi. Whilst the Council intended to require the developer to provide compensation and/or offsetting for biodiversity loss arising from the development through a legal agreement, in error this did not happen and there has therefore been harm to the environment as a result.
- vii. **Contrary to the complainant's assertion, the Council had not failed to** properly protect their privacy.

- 3.4 As a result of those findings, the Ombudsman has recommended that within 3 months of the date of their report, the Council take the following actions: -

- i. Apologise to the complainant for failing to properly protect the environment.
- ii. Provide details (to the ombudsman) of a review of its procedures for the undertaking of legal (Section 106) agreements.

- iii. Remind Officers and Members involved in planning matters: -
 - That planning decisions should not be made until they have all of the information necessary to make their decisions;
 - That reports should include sufficient details about significant material planning considerations, so that it is clear from council records that decision-makers are properly informed, and decisions properly made;
 - That when planning officers disagree with the recommendations and advice of statutory consultees or others with relevant expertise, they ensure that there is a record of their reasons for disagreement on the planning file and in their report; and
 - Of the details of its revised section 106 procedures to ensure that decisions and intentions are carried through into decisions and planning obligations;
 - iv. Pay £1,000 to the Warwickshire Bat Group to enhance or promote the environment for bats; and
 - v. In consultation with the ecology service, provide 8-10 suitable hibernation boxes for bats on land it controls.
- 3.5 From the outset of the receipt of the complaint into the above matters, which were investigated internally first prior to being considered by the Ombudsman, officers have acknowledged the error in respect of the omission of an ecological offsetting requirement from the legal agreement in this case.
- 3.6 Revised procedural measures are already in place to ensure that no such requirements are omitted again in error moving forward.
- 3.7 Officers responded in detail to the Ombudsman during the course of their investigation and commented at length on the issues that had been raised.
- 3.8 **Prior to the publication of the outcome of their investigation, the Ombudsman's** findings and recommendations were accepted and are currently being progressed with the intention that they will all have been completed and reported to the Ombudsman within 3 months of the decision on the complaint.
- 3.9 In that respect, Executive are requested to note that the headline matters identified in bullet point iii. of the list of recommendations were never in dispute, and that the learning points identified by the Ombudsman in this case were matters of interpretation and detail rather than principle.
- 3.10 With regard to the undertaking of the ecological survey work which forms one of the **Ombudsman's main criticisms of the Council**, Executive are also requested to note that in this particular case, Officers made a judgement as to the appropriateness of the timing of that work with which the Ombudsman has disagreed.
- 3.11 The drafting of the committee report and the manner in which the application was presented to Planning Committee were, of course undertaken with the intention of ensuring that the Committee had all of the information that they needed to make a decision in respect of which the Ombudsman has made recommendations.

3.12 However, it is essential that in striving to continually improve and fine tune its procedures, the Council is open to criticism and feedback in cases such as this and **in that respect, the Ombudsman's findings** are welcomed and as indicated above being taken on board and actioned within the timescales indicated.

3.13 Finally, the LGO report is being shared with the Internal Audit team in order that they can monitor progress in completing the recommendations included therein.

4. **Policy Framework**

4.1 **Fit for the Future (FFF)**

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
As well as being important for its own sake, the quality of wildlife and the environment contributes towards the overall health and well-being of residents. It is therefore	Planning decisions impact upon the quality of the environment and the protection of wildlife. Ensuring that those decisions take account of all such relevant	The proposal is directed at the protection of wildlife and the environment which itself contributes towards the quality of the residential environment and in turn contributes to the economy and the

important to ensure that planning decisions are made in a manner which has due regard those matters. The measures summarised in this report are intended to ensure that remains the case.	considerations to protect the environment and wildlife contribute to the quality of open areas and thereby the quality of life within the district.	value of Warwick District's distinct environment.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
The proposal highlights to WDC officers the importance of ensuring that our procedures operate effectively and the importance of external feedback in that respect.	The measures set out arise from concerns raised by a customer in highlighting areas where the service can be improved.	In ensuring that services operate appropriately and effectively, the measures proposed may reduce the likelihood of future challenges and complaints in respect of planning decisions thereby also reducing the likelihood of any associated costs and claims.

4.2 **Supporting Strategies**

Planning legislation and national guidance along with national and local planning policies are directed at ensuring that planning decisions are made having regard to all relevant material considerations including the protection and safeguarding of the natural environment and wildlife.

5. **Budgetary Framework**

- 5.1 The costs associated with recommendations iv. and v. are intended to be funded from the Planning Reserve.

6. **Risks**

- 6.1 There is a risk that non-compliance with the Local Government Ombudsman's recommendations would have a reputational impact on the Council.
- 6.2 The failure to ensure that procedures are kept under ongoing review and that external constructive criticism and feedback is fully considered and adopted where appropriate introduces a risk of the reduced effectiveness and value for money of services.

7. Alternative Option(s) considered

- 7.1 As indicated above, as part of continual service improvement it is important to reflect on feedback such as this and therefore it would not be appropriate to consider the alternative option of not doing so.

Report by the Local Government and Social Care Ombudsman

Investigation into a complaint against Warwick District Council (reference number: 18 004 227)

15 June 2020

The Ombudsman's role

For more than 40 years the Ombudsman has independently and impartially investigated complaints. We effectively resolve disputes about councils and other bodies in our jurisdiction by recommending redress which is proportionate, appropriate and reasonable based on all the facts of the complaint. Our service is free of charge.

Each case which comes to the Ombudsman is different and we take the individual needs and circumstances of the person complaining to us into account when we make recommendations to remedy injustice caused by fault.

We have no legal power to force councils to follow our recommendations, but they almost always do. Some of the things we might ask a council to do are:

- > apologise
- > pay a financial remedy
- > improve its procedures so similar problems don't happen again.

Section 30 of the 1974 Local Government Act says that a report should not normally name or identify any person. The people involved in this complaint are referred to by a letter or job role.

Key to names used

Mrs X The complainant

Report summary

Planning and Development – planning applications

Mrs X complained the Council failed to properly protect bats and require the developer to provide compensation for biodiversity loss when it approved a planning application for a housing estate on land near her home.

Findings

Fault found causing injustice and recommendations made. The Council failed to properly:

- consider the impact the development would have on bats; and
- require the developer to compensate for biodiversity land loss.

Recommendations

To remedy the injustice caused, within three months of this report, the Council should:

- apologise to Mrs X for its failure to properly protect the natural environment near her home;
- provide us with the outcome of its review of its section 106 procedures;
- remind officers and members involved in planning matters:
 - that planning decisions should not be made until they have all the information necessary to make their decisions;
 - that planning case officer reports should include sufficient details about significant material planning considerations, so it is clear from council records that decision-makers are properly informed, and decisions properly made;
 - that when planning officers disagree with the recommendations and advice of statutory consultees or others with relevant expertise, to ensure there is a record of their reasons for disagreement on the planning file. We would normally expect this information to be included in the planning case officer report; and
 - of details of its revised section 106 procedures that should ensure its decisions and intentions are carried out through planning conditions and planning obligations;
- pay £1,000 to Warwickshire Bat Group to enhance or promote the environment for bats; and
- in consultation with the ecology service, provide 8 to 10 suitable hibernation bat boxes on land within its control.

The Council has accepted our recommendations.

The Council must consider the report and confirm within three months the action it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet or other appropriately delegated committee of elected members and we will require evidence of this. (*Local Government Act 1974, section 31(2), as amended*)

The complaint

1. Mrs X complained the Council failed to properly protect bats and require the developer to provide compensation for biodiversity loss when it approved a planning application for a housing estate on land near her home.
2. Mrs X is concerned that, because of the way the Council dealt with the planning application, bats and their habitat may have been affected. She is concerned about the loss to the natural environment in her area.
3. Mrs X also complained the Council failed to properly consider the impact the new development would have on her privacy.

Legal and Administrative background

The Ombudsman's role

4. We investigate complaints about 'maladministration' and 'service failure'. In this report, we have used the word fault to refer to these. We must also consider whether any fault has had an adverse impact on the person making the complaint. We refer to this as 'injustice'. If there has been fault which has caused an injustice, we may suggest a remedy. (*Local Government Act 1974, sections 26(1) and 26A(1), as amended*)

Planning law and guidance

5. Councils should approve planning applications that accord with policies in the local development plan, unless other material planning considerations indicate they should not.
6. Planning considerations include things like:
 - access to the highway;
 - protection of ecological and heritage assets;
 - the impact on neighbouring amenity: and
 - government policy and guidance.
7. Planning considerations do not include things like:
 - views over another's land;
 - the impact of development on property value; and
 - private rights and interests in land.
8. Councils may impose planning conditions to make development acceptable in planning terms. Conditions should be necessary, enforceable and reasonable in all other regards.
9. Councils may approve applications, subject to a planning condition requiring the applicant to enter into a separate planning agreement. Council powers and appeal rights relating to these agreements are found in the Town and Country Planning Act 1990. The agreements are usually referred to as 'section 106' agreements. The agreements are in the form of a deed, which is a contract that is legally binding on the parties that sign it.
10. We recognise that councils have discretion to depart from their policy and guidance or not to follow advice from their officers or other professionals. But when councils make their planning decisions, they need to demonstrate they have

exercised their discretion properly. We normally expect to find evidence of consideration of the key material issues in the council's planning case officer's report, which is written to advise the decision-making body or individual.

11. We accept that planning officer's reports do not have to be perfect or cover every possible planning consideration. However, planning case officer reports still need to demonstrate that the core issues have been considered and the reasons for judgements on planning matters should be shown, albeit briefly stated.
12. The purpose of the planning officer's report is not merely to help the council make its decision, but to demonstrate its decisions were properly made and that the proper process was followed. Without an adequate report, we cannot know whether the council took proper account of the key material planning considerations or whether judgements were affected by irrelevant matters.
13. Regulations require councils to maintain a register of planning applications. The register should be available for the public to view at its offices and include applications and decisions, together with plans, drawings and details of planning conditions.

Protected species law and guidance - bats

14. Bats are protected by United Kingdom and European law. It is a criminal offence, amongst other things, to:
 - deliberately injure or kill a wild bat;
 - intentionally or recklessly disturb a bat in its roost or group of bats;
 - damage or destroy a place used by bats for breeding or resting, even if bats are not occupying it; or
 - intentionally or recklessly obstruct access to a bat roost.
15. The relevant European Directive states that:

"Member states shall adopt all measures necessary to ensure that, before consent is given, projects likely to have significant effects on the environment by virtue inter alia of their nature, size or location are made subject to an assessment with regard to their effects."
16. Because of this, councils must consider the impact development will have on bats and their environment when making decisions on development proposals.
17. If a bat survey is considered necessary and has not been submitted by the planning applicant, councils should request one. If the survey shows the development is likely to affect bat foraging areas and/or commuting routes, features such as trees should be retained, and additional planting considered wherever possible.
18. If the bat survey shows that bats and/or their roosts are likely to be affected by the development and planning permission is to be granted, councils should impose a condition requiring the applicant to apply for a European Protected Species Licence (EPSL), which in this country is issued by Natural England.
19. When making their planning decisions in the absence of an EPSL, councils must consider whether there is a reasonable prospect that Natural England would grant a licence. To make this decision, councils must be satisfied the requirements of the three-part test used to consider EPSL's are met. These are:
 - The action is necessary for preserving public health, safety or some other overriding public interest;

- There is no satisfactory alternative;
 - The action will not be detrimental to maintaining the species at a favourable conservation in its natural range.
20. The government issued guidance in the Office of the Deputy Prime Minister (ODPM) Circular 06/2005. The circular states that it is essential that the presence of protected species and the extent to which they may be affected by the proposed development is established before the planning permission is granted, otherwise all relevant material planning considerations may not have been addressed in making the decision. The need for ecological surveys should therefore only be left to be required under planning conditions in exceptional circumstances, as this will result in surveys for protected species being carried out after planning permission is granted.

Hedgerow Removal Notices

21. A countryside hedgerow is protected if it meets certain criteria set out in the Hedgerow Removal Regulations 1997. A hedgerow can be considered important if, amongst other things, it contains a protected species.
22. Hedgerow removal applications are not necessary if removing the hedge is approved as part of a planning application.

Biodiversity law and guidance

23. The law places a duty on councils to have regard to the purpose of conserving biodiversity in the exercise of their functions.
24. The government has issued guidance on good practice in the National Planning Policy Framework (NPPF).
25. The 2012 version of the NPPF applied when the Council's planning decision was made. At paragraph 9, the NPPF says sustainable development requires moving from a net loss of biodiversity to achieving net gains for nature. It cites a white paper called 'the Natural Choice: Securing the value of nature, 2011', which said: *'We will retain protection and improvement of the environment as core objectives for local planning and development management'*.
26. Council development plans and planning decisions have the potential to adversely affect biodiversity. To carry out their duty, when making their decisions, councils should consider:
- the government's policies which aim to regain and retain a healthy, natural and diverse environment;
 - the potential effects development will have on habitats or species;
 - whether an ecological survey is needed; and
 - opportunities, through the planning process, to restore or enhance ecological networks and secure net gains for biodiversity.
27. Advice on planning applications and decisions is found in the government's Planning Practice Guidance. The guidance says potential biodiversity impacts need to inform all stages of the development process, including pre-application advice and the application itself. An ecological survey will be necessary in advance of a planning application, if the type and location of development could have a significant impact on biodiversity. Even where an Environmental Impact Assessment is not needed, it might still be appropriate to require an ecological survey, if protected species may be present or biodiverse habitats may be lost.

28. As a last resort, where despite mitigation there would still be residual harm to the natural environment, councils can require compensation to provide biodiverse land of equivalent or greater value. This is called 'offsetting'.
29. Planning conditions and agreements may be used to provide for monitoring and compensation for environmental loss through offsetting.
30. The government has provided a way of calculating environment loss and offsetting requirements, in its 'biodiversity metric'. This is used to determine the losses and gains by assessing a habitat's:
- distinctiveness - whether it is of high, medium or low value to wildlife;
 - condition - whether it is a good example of its type;
 - extent - which is the area the habitat occupies.
31. To calculate the biodiversity value of land, a baseline value survey will be necessary at the point the planning application is considered.

How we considered this complaint

32. We produced this report after examining the relevant files and documents. We interviewed the complainant and relevant officers of the District Council (the Council) and the County Council's ecology service. The ecology officers were acting as officers of the Council for the purposes of these matters. We listened to a recording of the Council's planning committee meeting and visited the site and a bat barn. The bat barn was required to be built at the same time planning approval was granted for the estate where Mrs X lives.
33. We gave the complainant and the Council a confidential draft of this report and invited their comments. The comments we received were taken into account before the report was finalised.

What we found

Background

The bat barn planning decision - 2006

34. Mrs X's house was built following a planning decision by the Secretary of State in 2006. The application had been made in 2004, and at an early stage, the Council consulted an ecology officer. The ecology officer recommended that a bat survey should be carried out before the Council made its planning decision because there was a substantial possibility that bats would be present on the site. The ecology officer explained that a survey was necessary to determine what species were using the site and how they used it. Bat surveys found that Brown Long Eared bats were roosting, feeding and foraging on the site. The ecology officer recommended a planning condition, requiring a replacement bat roost, a buffer zone and retention of hedgerows.
35. In early summer, 2005, the Council's committee approved the application, subject to the condition recommended by the ecology officer. As the site conflicted with the Council's development plan and the new plan process was ongoing, the application was referred to the Secretary of State.
36. A month later, the Secretary of State called the application in for consideration and after a public enquiry, approved the new housing development a year later, subject to a planning condition requiring bat protection and mitigation measures.

The application Mrs X complains about - 2017

37. In early 2017, the fields next to the bat barn were the subject of the application which Mrs X now complains about. The two fields on which the new estate was proposed could only be accessed on land next to the bat barn. The application plans showed the access road next to the barn and a housing layout which involved removing a hedge and a number of mature trees. Some hedges and trees were to be retained and a 2-metre wide buffer zone planted with trees, to allow bats to commute and forage. A hedge that went from the boundary hedge into the middle of the site was to be removed. We will refer to this hedge as the 'middle hedge'.
38. The Council approved the planning application in June 2017 and the decision was issued a few months later.
39. Mrs X lives near the bat barn and has a long-standing interest in bats and their welfare. She assists in local bat conservation surveys. Mrs X says that work to prepare the site for development began before the planning decision was made by removing trees. She said other works continued in the autumn after the planning decision was made and issued, but before the Council approved the final draft of the Environmental Management Plan in February 2018. These works included removal of the middle hedge in October 2017.
40. Mrs X says she has allowed her hedge to grow higher to partly compensate for this loss, even though this reduces light in her home.
41. Mrs X said she reported what was happening to the police who, on one occasion, ordered contractors to leave the site.
42. We visited the site and the ecology company that maintains the bat barn allowed us access inside it. There was a male Brown Long Eared bat roosting in the barn and there were fresh droppings on the floor.
43. Mrs X says her privacy will also be affected by the new development. There are no habitable room windows in Mrs X's home facing towards the front of the nearest new house. The Council's planning case officer's report says the separation distance is 14 metres, but Mrs X says it is 12 metres.

The ecology officer's comments

44. The Council consulted the public and other consultees about the proposed new development including the ecology service, Natural England and the local Wildlife Trust.
45. Natural England's first response was to say it had no comment, but later, after the planning decision was made, it wrote again to say that, as bats appear to be present, a survey should be carried out before determining the application to establish if bats were roosting in the bat barn and to retain hedges for commuting and foraging.
46. The ecology officer recommended refusal of the application, or deferral to require a survey prior to determination, to establish important baseline data, such as bat species type, number, activity and habitat. The ecology officer said the only information provided by the developer was a Preliminary Ecological Assessment (PEA) which was, in their view, inadequate. While the PEA noted the bat barn was '*recorded to support bats*' and listed species of bats that had been found in the area, there was no specific information about the species of bats that were using the site and the barn.

47. The ecology officer recommended protection of the middle hedge, because of the potential impact removal would have on bats.
48. The ecology officer warned that the development would cause a loss of 11.57 biodiversity units, which was contrary to government guidance, the purpose of which was to achieve environmental gain, and at the very least ensure no overall loss. A loss of 11.57 units might result in an 'offset contribution' of land or money to be required from the developer, equivalent to a value of more than £350,000.
49. We spoke to the ecology officer and her manager. The ecology officer said there had been problems from the outset and that she and her colleagues were '*dumbfounded*' by what had happened. The ecology officer said, since the development had started, they were trying to make the best of it, but it was possible that bats had been affected.
50. The ecology officer said she realised this was ultimately a planning decision, but she would normally expect the planning authority to obtain clear and up-to-date information about:
- the types of species using the site;
 - its population size;
 - its exact location, whether roosting in trees or the bat barn; and
 - this information should be provided before a planning decision was made.
51. The ecology manager said they had recommended refusal, because of the impact on biodiversity loss and the lack of protected species information. They considered there was potential for harm to the bats known to use the site, because of removal of trees and the layout and access point to the development, which was next to the bat barn.
52. The ecology manager said that it was not possible to give meaningful ecological advice without the necessary baseline data, as they would have no idea what type of bats they would need to protect. Some bats needed vegetation for commuting routes, whereas others could navigate using buildings. Some bats were light sensitive, so would need darker, wider flight corridors and buffer zones.
53. There are also some species, which are so rare and nationally significant that, if found on any site, the ecology service would recommend no development at all. This had happened not too far from this site and had led to a major infrastructure project being relocated away from a roost.
54. The ecology officer said that by the time the bat survey work was provided in September 2017, a significant amount of work preparing the site for development had already taken place.
55. The ecology manager pointed out that, despite this, Noctule and Daubenton's bats, were found to be using the site in the 2017 bat survey. He said that if this information had been available before development was approved in June 2017 as they had recommended, it is likely they would have requested a different layout to that which the Council approved. This would have allowed for a wider buffer zone around the barn and remaining hedges, and possibly additional planting along the boundary hedge as well as retention of the middle hedge.
56. The ecology manager said that, if the Council had not approved the planning application in June 2017, the developer might not have been able to remove the middle hedge in the autumn of that year without seeking the Council's approval

under the Hedgerow Removal Notice procedure. By the time the Council approved the final draft of the Construction and Environmental Management Plan (CEMP) in February 2018, the developer had already removed the middle hedge. The ecology manager said that the Council refers Hedgerow Removal applications to his service, so it can provide advice on environmental and ecological matters.

57. The ecology manager said he took an active part in producing the final draft of the CEMP that was agreed in February 2018. He said he felt able to approve it after stringent monitoring was provided to ensure better controls of work on site.

The Council's planning case officer's report and recommendation

58. The planning application was considered by a Council planning case officer, who wrote a report with his recommendations.
59. The planning case officer's report refers to the ecology service's comments. In the summary of the ecology comments, the Council said:
- 'Objection due to biodiversity loss on site and the potential impact on protected species. Require additional survey works to be carried out'.*
60. Further on, in the analysis section of the report, the planning case officer said:
- 'It is noted the [ecology service] do not object to the development, which is a strategic allocation within the emerging Local Plan. However, the Ecologists have requested that additional survey are [sic] necessary in order to establish an appropriate mitigation survey'.*
61. The planning case officer went on to say that he considers the additional survey work can be secured via a suitably worded planning condition, as the Council had done before on another housing site.
62. The planning case officer's report does not refer to:
- European and domestic law on protected species;
 - the government's guidance on protected species and biodiversity;
 - the fact that the ecology service recommended refusal or deferral; or
 - the fact that the ecology service recommended securing baseline data through a survey, before determination.
63. The planning case officer recommended that biodiversity loss caused by the development could be compensated by offsetting and this could be required in a planning obligation under a section 106 agreement.
64. This did not happen. The section 106 agreement was written and signed but included no requirement for biodiversity compensation or offsetting measures.
65. The Council accepts this was due to an oversight. It has since begun to revise its section 106 processes to ensure this error does not happen again.

The Council's planning committee meeting and planning decision

66. The Council's planning committee met to consider the application. We listened to a recording of the meeting, which is available to the public on the Council's website.
67. The planning case officer addressed the meeting, but did not mention:
- European and domestic law on protected species;
 - the government's guidance on protected species and biodiversity;

- that the ecology service recommended refusal or deferral; or
 - that the ecology service recommended securing baseline data through a survey, before determination.
68. A member of the public raised several issues in a verbal representation and told the committee that the ecology service had recommended a bat survey should be required before a planning decision was made.
69. Members of the Council's planning committee raised several questions, but none of these related to ecological issues. The application was proposed for approval and the committee voted to approve the application, subject to planning conditions.
70. One of the planning conditions required (amongst other things) that before commencement the developer should provide details on:
- a construction management plan;
 - tree protection measures; and
 - an environmental management plan, including pre-commencement checks/surveys for protected and notable species, mitigation and monitoring.

The Council's response to our enquiries

71. In its response to our enquiries and during our investigation, the Council has maintained that it did consider the ecology service's comments but said it disagreed with them. It says it considered it was acceptable to approve the application and require survey information and mitigation measures using a planning condition, without first requiring and considering a detailed bat survey.
72. Both the Council's planning officer and the manager we interviewed explained that this was one of many planning considerations which had to be weighed against others, including the pressure to provide housing and make decisions in a timely manner.
73. The Council's planning manager said that, while he knew the ecology service wanted detailed bat survey information before a decision was made, the Council did get the information the ecology service wanted eventually. The planning manager pointed out that the ecology service did eventually approve a CEMP in February 2018.
74. In response to this point, the ecology manager acknowledges a CEMP was agreed in February 2018, but says if the Council had followed their advice, the outcome might have been significantly different. The layout might have been different, the middle hedge might have remained, there might have been additional planting and the buffer zone might have been wider.
75. The ecology manager said that, while he understands this was a planning decision for the Council to make, the Council normally follows the advice his service provides. He does not know why the Council did not follow the advice requiring provision of a full bat survey to be produced before it made its decision. The ecology officer and manager do not recall any challenge or disagreement with the ecological advice they provided.
76. There is no evidence to show that planning officers disagreed with the ecology service's advice before the Council made its planning decision. Where there is disagreement we would expect to see the details recorded in the planning case officer's report and for it to be drawn to the decision-maker's attention.

77. The ecology manager pointed out that before the 2004 application (which resulted in the construction of the bat barn) was considered by the Council's planning committee and decided by the Secretary of State, the applicant had provided full bat surveys to show which species were using the site and how they were using it.

The Council's response to an earlier draft of this report

78. In response to an earlier draft of this report, the Council met with the ecology manager to discuss potential resolutions for the loss of biodiverse land.
79. The Council said it has a site it owns that might be equivalent to the 11.57 units lost. It suggested more of this land could be allocated for nature preservation.
80. The ecology manager told us he knows the site and considers it could be suitable for additional ecological provision, though his service would need to see detailed plans first.
81. The ecology manager said the Council asked him how and where it might provide improvements for bats in its area equivalent to what might have been lost on the housing site.
82. The ecology manager said he had identified a woodland where bats are known to live which is in council control and is managed in co-operation with the local Wildlife Trust. The ecology manager says he recommended between 8 to 10 hibernation boxes made from 'woodcrete', which is a durable and well insulated material that can last hundreds of years.

Consideration of neighbouring amenity

83. The planning case officer's report includes a section on the impact the development will have on nearby dwellings.
84. The planning case officer specifically refers to Mrs X's house and the nearest new dwelling and says the separation distance is 14 metres, so her amenity is adequately protected. For these reasons, the planning case officer considered the level of separation was acceptable. Mrs X says the true separation distance is 12 metres.

Conclusions

Consideration of protected species

85. Councils are obliged to keep records of planning applications and decisions on the public planning register. We need evidence in planning records to demonstrate decisions are properly made.
86. In this case, the planning case officer's report does not include several significant, material planning matters. These are:
- it referred to parts of the ecology service's response, but not all of it. It did not refer to the fact that the ecology officer had recommended refusal or deferral of the application, nor did it make it clear that the ecology officer recommended bat survey data should be provided before the application was decided;
 - there was no reference to the law and guidance on protected species in the report. Because of this, we cannot know whether the Council's planning committee was aware of the full legal and policy context of the decision it made;

- the government's guidance on protected species applications says it is essential that survey data is required *before* a planning decision is made, unless there are exceptional circumstances. This did not happen, and the Council has not explained, either in its planning case officer's report or in its responses to our enquiries, what the exceptional circumstances might be;
 - there was no baseline data on bats, their numbers, types, locations and use of the bat barn and land around it before a decision was made. There were works carried out before permission was granted and before condition details on the environmental management plan were approved. At no point during the whole process, either before or after the planning decision was made, was any survey work carried out inside the bat barn;
 - the Council said that it disagreed with the advice given by the ecology officer, but there is no reference to any disagreement in the planning case officer's report and the planning case officer made no mention of any difference of opinion in their verbal representations to the Council's planning committee. When considering complaints, if there is a conflict of evidence, we make findings based on the balance of probabilities. This means that we will weigh up the available relevant evidence and base our findings on what we think was more likely to have happened;
 - when making a planning decision before Natural England grants a European Protected Species Licence (EPSL) to carry out works that will affect a protected species, councils must decide whether there is a reasonable prospect a licence would be required. To make such a decision, councils should apply the EPSL test set out in paragraph 19 above. To consider the third part of the test requires specific information about the species and how it will be affected by the development. This did not happen.
87. These omissions had the potential to mislead the Council's planning committee about the true nature and the full extent of the Council's legal obligations and its role in safeguarding protected species. The absence of consideration of significant material planning matters during the committee meeting and in the planning case officer's report is fault.
88. The Council says its planning committee had a good appreciation of the legal and policy context and was aware of the main point of difference between its planning officers and the ecology service.
89. There is no evidence to show this. An explanation of what happened that is given after the events, either in a complaint response or during our investigations, may provide useful information, but it will not necessarily prove the Council acted without fault. In this case, we need evidence that shows the Council exercised its discretion properly at the time its decision was made, and we expect to see evidence recorded in the planning reports, minutes and other documents.
90. The Council says that the fault we have found made no difference to the outcome of its planning decision, because it was aware of the ecology service's recommendations, but did not consider it necessary to follow them. It says that in any event, it eventually provided the ecology service with the information that was needed to protect the bats.

91. We do not agree with the Council when it says the fault we have found made no difference to the outcome. We consider it is more likely than not that if the planning committee had a clear understanding of relevant government guidance and ecology officer's recommendations it would have followed her advice, and our reasons are as follows:
- The Council has not provided any evidence of exceptional circumstances to justify not following government guidance and acting as it has. If there were exceptional circumstances, we expect them to be set out in the planning case officer's report and drawn to the attention of the planning committee, but this did not happen. We cannot see any reason why the Council would not have followed government guidance in this case.
 - If there were significant disagreements between planning officers and expert advisors, we would expect them to be set out in the planning case officer's report and drawn to the attention of committee members, but this did not happen. We have not seen any reason why the Council would not have followed the ecology officer's advice.
 - At the time the Council was making its decision, Natural England had not issued an EPSL. This meant that, in making its planning decision, the Council had to decide how the development would affect the protected species and whether its population could be maintained within natural ranges. When it approved the planning application, the Council did not have species specific information that would enable it to make such a judgement. We cannot see any reason why, if asked to consider the EPSL questions set out in paragraph 19 above, the Council would not have sought the information it needed and the ecology service had recommended.
 - When the Council considered the 2004 planning application for the same site, it had a full bat survey that was provided before it made its planning decision. Its approval of the planning application included the condition recommended by the ecology officer following this bat survey. The 2017 application was for the neighbouring site, which was known to be significant for bats. The Council has not offered a convincing explanation of why its approach was different in 2017.
92. The Council made its planning decision without information required by a European Directive, recommended by the ecology service and government guidance or by asking or answering questions required by law, and this is fault.
93. A detailed survey was provided after the Council made its decision, and after site preparation work had taken place. This means we know what bat species were found on the site and how they were using it at that later date and after site clearance had begun. We also know what the ecology service would have wanted to achieve if they had this information earlier. That is a different layout, a wider buffer zone and retention of the middle hedge. This is a large site, and though access to it is restricted, we consider it is likely that other layouts would have been agreed in consultation with the ecology service.
94. We cannot know the extent of harm actually caused to bats because of the fault we have found. The Council's approach, to approve permission before the survey of protected species began, has denied us this opportunity.
95. It is reassuring that during our site visit, we found a bat occupying the barn. This might suggest the extent of harm is limited, but as the Council has no baseline information from surveys carried out before its decision was made, we will never know for sure. However, the additional measures the ecology service says it

would have recommended if it had the bat survey information it wanted sooner were intended to benefit the bats and their environment, and the absence of these measures is a loss caused by the fault we have found.

96. In its response to an earlier draft of this report, the Council questioned whether we could lawfully find that Mrs X had been caused an injustice by any fault we might find in how it protected her environment. The Council suggested that we are attempting to remedy an injustice to the environment, rather than an individual, and so have exceeded our powers as set out in section 26 of the Local Government Act 1974.
97. Where the Council's actions affect the wider public, but an individual complainant can demonstrate a personal commitment to the relevant issue, we can find they are also caused an injustice. This commitment might be shown by existing and active membership of a group or their individual actions, such as voluntary or charitable work.
98. In this case, Mrs X has demonstrated a significant level of interest and engagement in relation to the environment and bat protection in her area. Because of this, we will recommend a remedy involving improvements to bat protection measures in recognition of the injustice caused to Mrs X by the fault we have found.

Biodiversity loss

99. The Council accepts it had intended to require the developer to provide compensation and/or offsetting for biodiversity loss using a section 106 agreement, but this did not happen due to an error. This is fault.
100. Because of the fault, the natural environment of the area near Mrs X's home was harmed, and the compensation or offsetting to retain or enhance a healthy ecological environment, was not provided.
101. The Council has already begun discussing how it might use land within its control to offset the loss of biodiverse land resulting from the fault. We welcome the fact that the Council is taking significant steps to put things right.

Consideration of impact on privacy


102. Mrs X complained the Council failed to properly protect her privacy. She says the planning case officer's report incorrectly stated there was a 14-metre gap between the side of her home and the nearest new house, but the gap is only 12 metres.
103. There is no digital measuring tool on the Council's website and no scale bar on the approved layout plan, so it is difficult to tell with certainty the exact separation distance. However, there are some measurements marked on the plans, such as road widths. Using these as an indication of scale, we consider the Council's measurement is likely to be correct.
104. Most councils expect at least 11 metres between habitable room windows and blank elevations or elevations with non-habitable rooms. In these circumstances, even if Mrs X's calculation is correct, she would still have more separation distance than is normally considered satisfactory. There was no fault in the way the Council considered this matter.

Agreed actions

105. The Council must consider the report and confirm within three months the actions it has taken or proposes to take. The Council should consider the report at its full Council, Cabinet or other appropriately delegated committee of elected members and we will require evidence of this. (*Local Government Act 1974, section 31(2), as amended*)
106. In addition to the requirements set out above, to remedy the injustice caused the Council has agreed to take the following actions within three months of this report:
- apologise to Mrs X for its failure to properly protect the natural environment near her home;
 - provide us with the outcome of its review of its section 106 procedures;
 - remind officers and members involved in planning matters:
 - that planning decisions should not be made until they have all the information necessary to make their decisions;
 - that planning case officer reports should include sufficient details about significant material planning considerations, so it is clear from council records that decision-makers are properly informed, and decisions properly made;
 - that when planning officers disagree with the recommendations and advice of statutory consultees or others with relevant expertise, to ensure there is a record of their reasons for disagreement on the planning file. We would normally expect this information to be included in the planning case officer report; and
 - of details of its revised section 106 procedures that should ensure its decisions and intentions are carried out through planning conditions and planning obligations;
 - pay £1,000 to Warwickshire Bat Group to enhance or promote the environment for bats; and
 - in consultation with the ecology service, provide 8 to 10 suitable hibernation bat boxes on land within its control.

Decision

107. We have completed our investigation into this complaint. We found fault causing injustice to the complainant, which the Council should act to remedy.

 EXECUTIVE 24 August 2020		Agenda Item No. 7
Title	Park Exercise Permits	
For further information about this report please contact	Meg Smith meg.smith@warwickdc.gov.uk 01926 456225 Paddy Herlihy padraig.herlihy@warwickdc.gov.uk 01926 456228	
Wards of the District directly affected	All parks and open spaces	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	Parks Exercise Policy for WDC Parks and Open Spaces	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes – Ref No. 1,145
Equality & Sustainability Impact Assessment Undertaken	No

Officer/Councillor Approval	Date	Name
Chief Executive/Deputy Chief Executive	24 th July 2020	Chris Elliot/Andrew Jones
Head of Service	24 th July 2020	Rose Winship
CMT	28 th July 2020	Chris Elliot/Andrew Jones/Bill Hunt
Section 151 Officer	28 th July 2020	Mike Snow
Monitoring Officer	28 th July 2020	Andrew Jones
Portfolio Holder	3 rd August 2020	Councillor Mrs Grainger
Consultation & Community Engagement		
The policy has been drafted following on-going discussions with a number of providers of such services, who have approached the Council to be allowed to use the Council's parks.		
Final Decision	Yes	

1 SUMMARY

- 1.1 In 2018 the Council implemented its first test process for the use of parks, to help us monitor the use of parks and open spaces. This was intended to be used to monitor the usage of parks and open spaces by organisations and individuals such as fitness groups and personal trainers. The report seeks approval for a formal policy to replace the informal process currently in place. By introducing fees and charges within the new policy we would have a more effective monitoring system as well as being able to generate some limited income.

2 RECOMMENDATIONS

- 2.1 That Members approve the Park Exercise Policy shown as Appendix A to this report and instruct officers to implement the policy as soon as possible.
- 2.2 That Members approve the prices shown in Appendix A to this report for the period of time between the implementation of the policy and 1st January 2021.
- 2.3 That Members instruct officers to review the Park Exercise Policy and charges on an annual basis as part of the annual review of fees and charges.

3 REASONS FOR THE RECOMMENDATIONS

3.1 Recommendation 2.1

- 3.1.1 This Policy is recommended because it will encourage more park users to enjoy a healthy, active lifestyle and use our parks and open spaces to do so.
- 3.1.2 Rangers will be checking on exercise groups in the parks, groups will be asked to show their pdf permit on a phone, or a paper permit if a mobile version is not possible. This will be issued by Cultural Services when the organisation applies for a permit with us.
- 3.1.3 The Parks Exercise Policy is based on similar policies and charges set by other councils around the UK, making sure we are in line with other areas. It allows us to fully monitor the usage of our parks and open spaces as well as making some income when issuing the permits.
- 3.1.4 Having this policy will also enable officers to monitor the activities and behaviours of groups using the parks. Any mis-use of the parks or the trees, ecology or equipment within them can be more easily connected to a particular group and the mis-use stopped.

3.2 Recommendation 2.2

- 3.2.1 The Draft Policy shown in Appendix A shows proposed prices to charge the various groups and organisations. It is intended that these charges will apply from the implementation of the Policy until the annual Fees and Charges review in January 2021. Prices have been set with reference to charges in similar authorities and on our own view of the market for this service. Any annual permit allocated to a group will apply for 12 months from the time of allocation.

3.3 Recommendation 2.3

- 3.3.1 An annual review by Cultural Services allows us to update the Policy and the charges when necessary. Updates will be based on market conditions and will also consider any feedback from groups using the permits. This annual review will take place as part of the wider Review of Charges undertaken by the Council each year.

4 **POLICY FRAMEWORK**

4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. Amongst other things, the FFF Strategy contains Key Projects.

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and Anti-Social-Behaviour	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
Impacts of Proposal		
This policy will encourage people to lead active lives	The policy will encourage people to use our open spaces for exercise Exercising outdoors can use less carbon than exercising indoors	The policy will help exercise professionals to develop sustainable business models with confirmed bookings for our parks
Internal		

Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers' needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
Staff will have a method of controlling and regulating exercise in our parks	This will be a valued service for residents, especially due to the current focus on outdoor physical activity	The policy will generate a small income from our parks

4.2 **Supporting Strategies**

Whilst this policy complies with the Council's FFF Strategy it is not directly relevant to any of the supporting strategies. It is not currently covered by the Playing Pitch Strategy but if the implementation is successful, the activities it covers will be referred to in future revisions of the Playing Pitch Strategy.

4.3 **Changes to Existing Policies**

This report does not change any existing policies, but implements a new one.

4.4 **Impact Assessments**

If the policy is adopted by members, an Equalities Impact Assessment will be carried out within the first year of the policy's existence, in order to assess any positive or negative impacts on equality.

5 **BUDGETARY FRAMEWORK**

- 5.1 The proposed Parks Exercise Permits will follow the pricing structure below from the present time to the end of this financial year, when the charges will be reviewed:

1-3 Sessions Per Week	Monthly	Annual
Groups of 5 or less	£30.00	£310.00
Groups of 6 or more	£75.00	£760.00
4 or More Sessions Per Week	Monthly	Annual
Groups of 5 or less	£50.00	£510.00
Groups of 6 or more	£125.00	£1260.00

**Numbers in table exclude the trainer themselves or any staff member of the organisation.
Warwick District Council has established that these charges are exempt from VAT.*

With the size and number of groups using our test process before lockdown, we would expect to get £450 per month. We currently do not charge for groups smaller than 5. Therefore, we would expect more groups and individuals to be issued permits with the new policy, so income could exceed £450 going forward.

- 5.2 The only costs we would have when implementing the new policy is new signage in the parks to inform users of the new policy. By adding new information to existing signs we expect this to cost a maximum of £250 across our parks and we could use the initial income to pay for the new information.
- 5.3 This policy applies to:
- o A company Limited by Guarantee
 - o Sole Traders
 - o Self Employed Coaches/Trainers
 - o Any individual or company seeking to make commercial gain from the use of the above open spaces
- 5.4 If an individual or organisation meets the criteria below they will be exempt from the charges and will be issued with a permit that highlights this:
- o A Registered Charity
 - o A fully constituted Not for Profit Organisation where any surplus is reinvested directly into the organisation
 - o School/Educational Establishment
- 5.5 The above two lists are not exhaustive and the Council will consider each request for use of the parks on its merits and reserves the right to waive charges for certain events that address key Council priorities.
- 5.6 Before being issued with a permit the individual or organisation will need to provide a risk assessment for the activity taking place and a copy of their £5m public liability insurance, although Warwick District Council reserves the right to request a higher level of cover.

6 RISKS

- 6.1 There is a risk that Rangers would accidentally miss groups when checking for permits. Officers believe that this will not occur often and so it is not seen as a significant risk.
- 6.2 There is also a risk that other park users may dislike the amount of groups using the parks. However, the new policy will help officers monitor park usage and avoid over use of popular parks or areas within parks.
- 6.3 There is a risk that some current groups will dislike the pricing being introduced. Officers expect this to be a very small number as most groups already get in contact with us to see what the current policy is before training and know that the policy is currently being reviewed.

7 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 The Council could have chosen not to propose the Parks Exercise Policy and continue without a formal policy and without charging users. However, the current informal **system is not effective and the lack of groups using it doesn't** allow us to fully monitor the usage of the parks or generate any income from the current users.

8 BACKGROUND

- 8.1 The **Council's** test process for the usage of parks was introduced in 2018 due to our parks becoming more popular for fitness and personal training sessions. This, however, **has not been effective and hasn't allowed us to monitor the** sessions taking place. By introducing fees, a new formal policy will be a more effective monitoring system. By having mobile issued permits, it will be easier for Rangers to carry out random checks of groups.

Addendum to Item 7 – Park Exercise Permits

In consulting on the content of this report it has become clear that there may be other Parks and Open Spaces that serve as unofficial venues for outdoor fitness classes, apart from those listed in the proposed Policy. It is also considered possible, although unlikely, that existing classes may move from those areas covered by the Policy, in order to avoid the requirements of the Policy. It has thus been decided to propose that the Portfolio Holder for Culture and the Head of Cultural Services be delegated the **authority to add other areas of the Council's Parks and Open Spaces to the Policy** from time to time, if it is considered appropriate to do so.

The below recommendation and reasons for it to be added to the report:

Additional Recommendation

- 2.4 That Members delegate to the Portfolio Holder for Culture and the Head of Cultural Services the decision as to the future inclusion of new areas of the **Council's Parks and Open Spaces within the remit of this policy.**

Reasons for the Additional Recommendation

- 3.4 Recommendation 2.4
- 3.4.1 The Policy is currently proposed to apply to the larger Parks and Open Spaces **within the Council's ownership. This is because it is believed that these are the** main areas where these activities currently take place. However, if it becomes clear that other **areas within the Council's ownership are being used for activities** of the nature covered by the Policy, it may be necessary to include additional areas into the Policy at a later date.
- 3.4.2 It is also possible, although it is not considered likely, that existing groups might move from the major parks to smaller open spaces in order to deliberately evade the requirements of the Policy.
- 3.4.3 It is therefore proposed that authority is delegated to the Portfolio Holder for Culture and the Head of Cultural Services to add additional Parks and Open Spaces to the Policy if required to maintain consistency. This could be done as part of the annual review of the Policy, or at other times if necessary.

Appendix A



Parks Exercise Permits Usage & Charging Policy for Warwick District Council Parks & Open Spaces



Written by:

Meg Smith, Cultural Services – Warwick District Council

Please contact the Business Support Team on culturebst@warwickdc.gov.uk or 01926 456207 if you wish to discuss the policy any further.

Contents

Page number

1. Introduction	3
2. Aims and Objectives	3
3. Parks and Open Spaces	4
4. Organisations/Individuals Covered by the Policy	4
5. Exemptions	4
6. Pricing Policy	5
7. Activities in Parks and Open Spaces	5

1. Introduction

This policy has been introduced in order to ensure that the parks and open spaces within Warwick District are accessible to everyone. Increasingly, businesses are choosing our parks and open spaces to host various activities, which need regulating and should be in some cases chargeable.

In order to ensure everyone gets to enjoy our parks and open spaces it is important that we achieve a balance between the various users.

Over the last few years there has been a change in the usage of some of our parks and open spaces which has seen them used not only for informal recreation such as dog walking and more formal sports such as football, but for a wider range of group fitness activities – Boot Camps, Park Run, Buggy Fit, Circuit Training, Personal Training and Running Groups etc.

2. Aims and Objectives

This Policy aims to ensure the following:

- That our Parks and Open Spaces can be used by a wide range of clubs, organisations and individuals for formal and informal recreation
- To encourage and support activities which align with Warwick District Council's Fit for the Future Strategy

The key objectives of the Policy are:

- To support local community groups and charitable organisations in delivering healthy activities for our residents
- To promote a varied programme of activities and events
- To ensure the health and safety of activities, attendees and the wider public
- To encourage activities which promote local community participation and have strong community benefit
- To continue to maintain the parks and open spaces to a high standard ensuring their long term sustainability

3. Parks and Open Spaces

The following Parks and Open Spaces are covered by this policy:

- Harbury Lane Recreation Ground
- Newbold Comyn
- Castle Farm Recreation Ground
- St Mary's Lands
- St Nicholas Park
- Victoria Park
- Jephson Gardens
- Pump Room Gardens
- Abbey Fields
- Priory Park

4. Organisations and Individuals covered by this Policy

Organisations that utilise the areas in section 3 to conduct their business activities will be subject to paying a hirers fee, these organisations include:

- A Company Limited by Guarantee
- Sole Traders
- Self Employed coaches/trainers
- Any individual or company seeking to make commercial gain from the use of the above open spaces

5. Exemptions

If you or your organisation meets one of the following criteria, then it will be exempt from charges and issued with a permit stating that the organisation is exempt:

- A Registered Charity
- A fully constituted Not for Profit Organisation where any surplus is reinvested directly into the organisation
- School/Educational Establishment

The above list is not exhaustive and the Council will consider each request for use of the parks on its merits and reserves the right to waive charges for certain events that address key Council priorities.

6. Pricing Policy

The following prices are for the use of all Warwick District Council parks. Annual permits are available and should be paid as one payment at the beginning of the permit year. Monthly permits can be paid by direct debit.

This policy does not limit the amount of sessions per week.

1-3 Sessions Per Week	Monthly	Annual
Groups up to 5	£30.00	£310.00
Groups of 6 or more	£75.00	£760.00
4 or More Sessions Per Week	Monthly	Annual
Groups up to 5	£50.00	£510.00
Groups of 6 or more	£125.00	£1260.00

**Numbers in table exclude the trainer themselves any staff member of the organisation. Warwick District Council has established that these charges are exempt from VAT.*

The Council reserves the right to undertake head counts at activities without prior notice. If circumstances change and the initial permit is deemed incorrect by either party, then this can be amended through discussion with Warwick District Council. One calendar months' notice will be required for permit changes.

The booking entitles an organisation to non-exclusive use of parks and open spaces and does not include access to buildings.

Before being issued with a permit the individual or organisation will need to provide a risk assessment for the activity taking place and a copy of their £5m public liability insurance, although Warwick District Council reserves the right to request a higher level of cover. Once a booking has been confirmed the organisation will be issued with a confirmation email and an attached pdf permit, this must be available for inspection by Council staff when the activity is taking place. In situations where an email is not possible a permit card will be issued to the organisation.

7. Activities in Parks and Open Spaces

Warwick District Council wishes to encourage a wide range of uses and activities within our parks.

However, we reserve the right to reject any applications on the grounds of the activity being damaging to the parks directly or the environment, mis-use of equipment, spoiling the enjoyment for other park users or in direct conflict with other businesses.


All organisations using the parks and open spaces will be subject to the usual booking terms and conditions.

Note: Sports clubs such as football and cricket clubs hiring the pitches and pavilions, do not form part of this policy as they are required to book the facilities to guarantee the pitches and changing facilities along with appropriate equipment.

Please contact the Business Support Team on culturebst@warwickdc.gov.uk or 01926 456207 if you have any queries regarding the policy

Implementation Date – This policy will be implemented on 1st October 2020.

Review Date (Annually) – This policy will be reviewed as part of the Council's annual Fees and Charges review

 Executive 24 August 2020		Agenda Item No. 8
Title	Quarter 1 Budget Report	
For further information about this report please contact	Mike Snow 01926 456800 Andrew Rollins 01926 456013	
Wards of the District directly affected	N/A	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	26 February 2020	
Background Papers		

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

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	10 August 2020	Chris Elliott
Head of Service	10 August 2020	Mike Snow
CMT	10 August 2020	
Section 151 Officer	9 August 2020	Mike Snow
Monitoring Officer	10 August 2020	Andrew Jones
Finance	10 August 2020	Andre Rollins
Portfolio Holder(s)	10 August 2020	Richard Hales
Consultation & Community Engagement		
Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.		
Final Decision?		Yes/No
Suggested next steps (if not final decision please set out below)		

1. Summary

- 1.1 This report provides an update on the current financial position as at 30th June 2020, both for the current year 2020/21 at the end of Quarter 1, and for the medium term through the Financial Strategy. Key variances and changes are highlighted to inform members, with some recommendations also being put forward for their consideration.

2. Recommendation

- 2.1 That the Executive notes the latest current year Financial position for both Quarter 1 (General Fund £1,233,000 Adverse and Housing Revenue Account £833,000 Favourable) at forecast for the year (General Fund £5,676,000 Adverse and Housing Revenue Account £381,000 Favourable), with the key variations that drive these positions.
- 2.2 That Executive agree to the match funding for the CWLEP Bid as detailed in section 3.3, and for budgets to be amended and re-profiled between years to **ensure the Council's requirements as part of the** LEP funding can be fulfilled.
- 2.3 That Executive agree to appropriate the unallocated net General Fund surplus of £291,700 is appropriated to the Service Transformation Reserve.
- 2.4 That the Executive notes the impact of both current year and future years ongoing and forecast changes will have upon the Medium term Financial Strategy (MTFS), how these changes are expected to be accommodated, and where further savings / income generation need to be achieved to mitigate the deficit position to enable it to set a balanced budget for 2021/22.
- 2.5 That Executive agree to progress the savings proposals detailed in Appendix C.
- 2.6 That Executive agrees to enter into a contract extension with Suez for the provision of refuse, green waste and recycling collection services and thereby agrees that the budget shortfall for the service in the current Medium Term Financial Strategy (MTFS) will increase by £1.863m, noting the steps that officers are now taking in preparation for a new tender process, with a further one-off sum required in 2020/21 of £528k.
- 2.7 That noting the timeline for the conclusion of the tender process for the street cleansing (lot 2) and grounds maintenance (lot 3) contracts, Executive delegates authority to the Head of Finance, in consultation with the Portfolio Holder for Finance, to determine whether it would be more advantageous for the Council to purchase the vehicles necessary to deliver those contracts and that if this is the case, the capital programme is amended accordingly and reported to a subsequent Executive Committee.
- 2.8 That Executive agrees to release funding of £30,000 from the Contingency budget to enable a comprehensive analysis of Stratford Road depot options and infrastructure requirements to be undertaken.

- 2.9 That Executive notes at Appendix D the request by the Chief Executive, in accordance with his constitutional authority CE (4), and approved by the Group Leaders, to provide financial subsidy of £245,465 for the period 1st July to 31st August to Sports Leisure Management (trading as Everyone Active and hereafter referred to as EA), further noting that emergency payments for the period 1st April to 30th June of £37,000 per month had already been agreed, and agrees that the Council should provide further financial subsidy to EA for the period 1st September to 31st March 2021 in accordance with the principles set out at paragraph 3.9 and so agrees the WDC/EA contract variation at Appendix E (to follow).
- 2.10 That subject to agreeing recommendation 2.9, the funding for this financial support is dealt with as part of the overall funding shortfalls for 2020/21 funded from the Government COVID support and the use of the Business Rate Retention Volatility Reserve.
- 2.11 That Executive notes that in accordance with the Chief Executive's emergency authority CE (4), approval was given for the creation of a pandemic Emergency Response Fund financed by budgets appropriated from Community Forum Grants (£21k), Sports Grants (£17.3k), Arts Grants (11.7k), Rural / Urban Capital Improvement Scheme (RUCIS) Grants (£169.9k), VE Day 75th Anniversary Grant Fund (£8k).
- 2.12 That Executive agrees funding for lone working facilities of £26.5k per annum, with the current year funded from the Contingency Budget and future years included within the Medium Term Financial Strategy.
- 2.13 That the Executive agrees to £20,000 being reallocated from the St Mary's Lands project budget to provide a one off grant to Hill Close Gardens Trust for a year and that by Christmas 2020, the Trust be required as a condition of that grant to submit a robust business plan for the financial years 2021/22 to 2023/24 to help the Council consider any further financial support.
- 2.14 It is recommended that a sum of £250,000 is allocated from the s106 receipts for Tach Brook Country Park to support the submission of a full planning application for the country park.

3. Reasons for the Recommendation

3.1 Current year variances

3.1.1 General Fund Financial Position as at 30th June (Q1)

Variations have been identified by the Accountancy Team in conjunction with the relevant budget managers, giving an adverse variance of £1,233,000 as at 30th June, with a forecast adverse variance for 2020/21 of £5,676,000. A summary of this is provided below:

2020-21				
Service	Variation Description	Q1 Variation £'000	Forecast Full Year Variation £'000	Rec / Non-rec
General Fund	Staffing	£271 F	£500 F	Non-rec
Business (Development Services)	Town centre road closures	£16 A	-	Non-rec
	Market and Events Income	£4 A	£6 A	Non-rec
	Event Savings	-	£36 A	Non-rec
Cultural Services	Closure of Concessions	£146 A	£578 A	Non-rec
	Arts staff Furlough	£22 F	£31 F	Non-rec
	Leisure Centre Concession	£233 A	£940 A	Non-rec
	Leisure Centre Expenditure	£111 A	£943 A	Non-rec
Development Services	Building Control Income	£19 A	£334 A	Non-rec
	Planning Fee Income	£95 A	£567 A	Non-rec
Finance	Investment Interest	£50 A	£200 A	Rec
	Court Fee Revenue		£208 A	Non-rec
Neighbourhood Services	Bereavement Activity Increased	£70 F	£100 F	Non-rec
	Car park closures	£692 A	£1,820 A	Non-rec
	Additional waste collection	£190 A	£600 A	Non-rec
Strategic Leadership	Apprenticeship scheme	£13 F	£25 F	Non-rec
	COVID-19 Other Costs	£85 A	£100 A	Non-rec
TOTAL		£1,233 A	£5,676 A	

3.1.2 Vacancies across a number of teams have resulted in staffing costs being underspent by £271,100 during Q1. Key drivers of the underspend include vacancies within Neighbourhood Services for waste management and green space development, Finance for Revenues and Customer contact services, Health and Community Protection for a Community Safety Officer and Strategic leadership within ICT. Vacancy durations have increased caused by delays to recruitment as a result of COVID-19 and remote working. It is anticipated that vacancies will continue through the second quarter. Any savings are likely to be offset with the agreement of the latest pay award for staff which is currently still in negotiation.

3.1.3 Business (Development Services)

Leamington and Warwick High Streets have been closed to traffic as part of town centre social distancing measures. Traffic Stewards have been appointed to manage the closures. These additional costs (£16,300 to date) will be reimbursed by Warwickshire County Council in due course.

3.1.4 Cultural Services

Income from events and room bookings at sites including the Royal Spa Centre, Royal pump Rooms and Town Hall is significantly down due to cancelled events as a result of the national lockdown. These sites have been closed for the duration of Q1. The income lost has been offset by a reduction in expenditure costs, such as bar supplies and Art booking Fees. However, the decision to continue to pay all substantive staff 100% pay has resulted in £250k of staffing costs on services which are not currently operational, leading to a net adverse position of £146,100. While the Council has supported casual staff as part of this, the decision was made to furlough them from May, resulting in WDC receiving Grant payments for Q1 totalling £22,100. Furlough grants will continue to be claimed (estimated £60k in total) to cover most of these costs while awaiting further guidance and decisions on the reopening of sites.

A support package has been agreed to support the Leisure Centre concession provider. Payments have been made for each of the months in Q1 totalling £111,000, to cover costs not covered by other Government schemes, such as staff pay through furlough. This support package will continue throughout 2020/21, and be received by Everyone Active in conjunction to them not paying Warwick District Council any concession this financial year. More details on the agreed arrangements can be found in section 3.9.

3.1.5 Development Services

Building Control income was adversely impacted by COVID-19 during April. While this has shown signs of recovery in subsequent months, it is anticipated there will be a reduction of income in the region of 40% over the financial year.

3.1.6 Neighbourhood Services

There has been increased Bereavement activity, with levels of burials and cremations being driven by COVID-19 related deaths, giving rise to some additional income. It is forecast that this should stabilise as COVID-19 deaths reduce across the District, but at a level higher than originally budgeted for.

Car parks have been free to use since the start of lockdown, resulting in £692,200 of forecast lost income during Q1. Car parks are to remain free to use until 1st August to support the high streets by encouraging people to head back to shops and restaurants. After this date, the previously agreed charges will recommence. However, it is forecast that car park use will be down significantly against budget, with anticipated levels being 50% of usual income.

Waste collections have increased in cost as a result of more people being at home rather than at work, which has generated more waste requiring collection through our waste management contractor, at a level of approximately £15k per week. It is anticipated that this level of service will need to continue beyond the first quarter as more people continue to remain in their homes.

3.1.7 Strategic Leadership

The apprenticeship scheme is currently underspending, due to a lack of recruitment during the first quarter as a result of COVID-19. It is anticipated that this is likely to continue until September when a number of apprentice schemes commence.

A number of other COVID-19 specific costs have been incurred during the first quarter of the year, including the purchase of specific Hardship Fund and Business Rates software, the distribution of a Council newsletter to all households in the District, and the costs incurred with establishing and running the Shielding Hub. As the focus turns to recovery, it is likely more costs will be outlined in future reports.

3.1.8 Housing Revenue Account Financial Position as at 30th June (Q1)

Variations have been identified by the Accountancy Team in conjunction with the relevant budget managers, giving a favourable variance of £883,000 as at 30th June, with a forecast favourable variance for 2020/21 of £381,000. A summary of this is provided below:

2020/21				
Service	Variation Description	Q1 Variation £'000	Forecast Full Year Variation £ '000	Rec / Non-rec
HRA	Staffing	£228 F	£400 F	Non-rec
	Council Tax vacant properties	£19 A	£19 A	Non-rec
	Housing Repairs	£674 F	-	Non-rec
TOTAL		£883 F	£381 F	

3.1.9 There are currently a significant number of vacancies across the HRA, within Estates supervisors, Housing Strategy and Development, Tenancy Management, William Wallsgrove House and Lifeline services. Some of these vacancies have remained vacant following the recent Housing restructure, with COVID-19 presenting further recruitment challenges.

3.1.10 There has been an increase in void properties during the first quarter, as Housing Services were not able to re-let properties during the lockdown period as work could not be guaranteed to ensure properties were up to the necessary standard, or to ensure the properties were clean. When a property becomes void, the HRA has to bear the cost of the Council tax until a new tenant commences occupancy. This has now been resolved as lockdown restrictions have been eased, and so there is not forecast a rise in vacant properties as the year progresses.

3.1.11 Housing repairs, both major and responsive, have suffered from delays due to COVID-19 presenting issues with contractors being available to work, and with getting the necessary access to properties. It is anticipated that there will be a catch up on these works later in the year.

3.1.12 As it is early in the financial year, and owing to the fact that many external factors, predominately related to COVID-19 are continually evolving, it is possible that the forecast outturn position could change substantially. Work is on-going by officers to assess to what extent this net forecast deficit position can be accommodated within the overall budget.

3.1.13 The proposed funding of these pressures is discussed as part of the Medium Term Financial Strategy in Section 3.5.

3.2 Funding for COVID related expenditure and lost income.

3.2.1 It will be noted from the above that many of the significant additional costs falling on the Council and reduced income are as a result of the current pandemic.

3.2.2 In response to much lobbying by local government, the Government has announced some packages of support to local authorities. The Council has received the following grants which are non-ring-fenced.:-

	Total Local Authority support £	Warwick District Council support £
Tranche 1	1,600,000,000	60,705
Tranche 2	1,600,000,000	1,423,355
Tranche 3	500,000,000	199,729
Total	3,700,000,000	1,683,789

These grants have been allocated to go towards the overall revenue deficit projected for the year.

3.2.3 Income funding

It will be seen from the significant variances detailed in paragraph 3.1.1, that the most significant drivers of the Council's shortfall in the current year are income reductions, mainly from fees and charges. This is in common with most district councils.

The Government has recently announced an income loss scheme. From the initial details:-

- The local authority will absorb the first 5% of the loss
- The Government will fund 75% of the loss thereafter.
- The losses are in respect of sales, fees and charges that are not recoverable.
- Rents, commercial income and interest receipts are excluded.
- It is understood that the concession that the Council was due to receive from Everyone Active (c£940k in 2020/21) is eligible as a loss of income.

It is expected that claims for the support will need to be made retrospectively, **based on the actual losses against the Council's budgeted income for the year**; further details are currently awaited.

3.2.4 Within the Medium Term Financial Strategy, estimated income in respect of this scheme of £3.1m has been included for 2020/21. Until there are definitive details of the scheme are made available alongside the Council losses, the actual amount that can be claimed will remain uncertain.

3.2.5 All the funding packages announced are in respect of the current year. Whilst local authorities will undoubtedly continue to incur additional costs and reduced income as a consequence of the pandemic, the Government has not intimated that any further funding will be available.

3.3. Commonwealth Games Funding

3.3.1 In July 2019 Executive agreed a funding package to support a bid for funding from Coventry and Warwickshire Local Economic Partnership (CWLEP). That bid was successful with Council being awarded £1,798,255 to be spent by 31 March 2021.

3.3.2 Following the sign off of the original bid it became apparent that not all schemes within the overall bid were deliverable within the CWLEP timescales. The CWLEP project cost plan is included as Appendix A.

More recently, in April 2020, as a consequence of the pandemic and concerns about its impact on project deliverability, CWLEP requested that Warwick District Council review and amend its bid again to ensure that any projects that would be majority grant-funded could, despite COVID-19 be completed by March 2021.

Following a review of the original bid the following projects were removed from the delivery plan due to the high-risk of being unable to achieve completion of these projects by March 2021;

- Bike Hire Hub Facilities
- Electric bus services
- Access bridge across River Leam

The removal of these projects from the delivery plan reduced grant-funded capital costs amount by £971,975 and overall project costs (excluding professional fees and contingencies) to £4,194,152.

Given the reduced claim for grant-funding, a proportionate reduction in the match-funding contribution towards the projects was considered appropriate when resubmitting the bid. Consequently, the project programme was further reviewed and the following projects were considered appropriate to remove from the CWLEP delivery agreement;

- Lighting in Victoria Park
- Commonwealth Park proposals for development
- Branded car parking and signage and signage Leamington Town Centre

The removal of these projects from the programme reduced the total capital project costs to £3,137, 478 and total project costs allowing for fees and contingency to £3,733,219 (48% of which is to grant funded through CWLEP and 52% of which is match-funding from Warwick District Council and other partners). The amended bid was submitted in April 2020 and agreed by CWLEP in May 2020.

3.3.3 As a result of the successful bid, the Council needs to provide match funding of £1,934,964. Most of this funding will come from pre-agreed budgets. It is proposed that the following sources of match funding are now agreed: -

	£
WCC Contribution	60,000
PPM budget 2020/21	392,410
Capitalisation of WDC Project Support	350,000
WDC Grant - paid to Sustrans	50,000
Royal Priors - wayfinding (2018) as match	2,000
B'ham 2022	15,000
Community Project Reserve	280,000
Car Park Displacement Reserve	484,824
Commonwealth Games (Bowls) reserve	£47,911
CIL - "wayfinding in Leamington"	32,000
Pavilion café (completed)	20,000
Service Transformation Reserve	200,820
Total	1,934,964

3.3.4 Specific points relating to changes in funding are detailed below

- The Pre-Planned Maintenance (PPM) funding was allowed for within the PPM Programme agreed in February.
- The Community Projects Reserve funding was agreed by Executive in July 2019, as part of agreeing the CWLEP bid, as funding the installation of charging infrastructure for an electric bus scheme. This scheme is not now progressing due to the project being undeliverable before the end of March 2021 – the deadline for defrayment of grant funding from CWLEP. The funding is still required as part of the match funding.
- Within the Bid the Car Park Displacement Reserve was to fund £225,800 Blue badge holder car parking in Victoria Park and improve parking Archery Road and Princes Drive. The sum now requested to be used from the Car Park Displacement Reserve is £484,824. This represents the unallocated balance on that reserve on the basis that the other projected originally intended to be funded to support the proposed temporary closure of Covent Garden Car Park are not required.
- For the Council to come up with the overall match funding, a further £200,820 is required. This is proposed to come from the Service Transformation Reserve. The balance and use of this reserve is discussed in more detail within paragraph 3.4.3.

3.3.5 With the intention for the LEP funding to be all spent by 31 March 2021, the LEP funding projects are having to take priority. It is therefore intended that the Council funding is primarily used for the projects in 2021/22. It is therefore necessary for some expenditure on schemes and funding thereof, to be **pre-profiled within years within the Council's Budgets.**

3.4 Reserves

3.4.1 Appendix B sets out the unallocated balances on the General Fund Reserves. Each of these reserves has been allocated for specific purposes.

3.4.2 Business Rate Retention Volatility Reserve.

This is one of the Council's most significant reserves. As discussed below (para 3.5.6) much of this reserve has been agreed to support the General Fund in forth-coming years pending the Council securing revenue budget savings. With changes planned to the Business Rate Retention Scheme, and the difficulties many businesses may have in forthcoming years, it is not considered prudent to allocate further sums from this reserve at present.

3.4.3 Service Transformation Reserve

Within the February 2020 Budget report, the Service Transformation Reserve was shown as having an unallocated balance of £916k. This was on the basis of the Council Tax Referendum taking place and having a successful outcome. With the Referendum not taking place, it has meant the Council has not incurred the cost of the ballot (estimated £300k), but has had to fund the cost of council tax re-billing (estimate £63,000). The latest unallocated balance on the Service Transformation Reserve is shown below: -

Service Transformation Reserve	£000
Balance Executive February 2020	916
Net previous allocations returned	101
Less Allocation agreed in main Budget Report	-707
Add allocation in alternate Budget Report	189
Add Referendum funding not required	300
Reduced cost of re-billing	137
COVID-19 £15k 120 RSA Tokens	-15
Kenilworth Leisure additional funding. July 13 Exec	-391
£48k for HR support June Exec	-48
HS2 Bridge - CE delegated	-60
Racing Club Warwick	-60
CWRT loan - underwriting - July 20 Exec.	-250
Kenilworth Rugby Football Club £3k - June 20 Exec.	-3
NS Project Officers - 3 years at £30.4k	-91
Current Unallocated Balance	18

3.4.4 The Final Accounts 2019/20 report was considered by the Executive in July. This showed a General Fund surplus of £782.4k, with £490.7k agreed to be returned to the Corporate Assets Reserve, leaving an unallocated net surplus of £291.7k. It is now proposed that this balance is allocated to the Service Transformation Reserve to meet forth-coming funding requests that are anticipated in future months.

- 3.4.5 Taking into account the above appropriation, the proposed funding of the Commonwealth Games (£200,820, para 3.3.4) and other recently approved allocations, the unallocated balance on the Service Transformation Reserve will be £60,000, as set out below.

Service Transformation Reserve	£000
Current Unallocated Balance	18
General Fund Surplus 2019/20	292
New Balance	310
Newbold Comyn Masterplan - CE delegated	-14
Commonwealth Games	-201
Local Government Review	-35
Balance	60

- 3.4.5 It will be noted that some of the reserves are forecast to be over-committed within the next 5 years based on expected commitments. If these commitments are to be met, funding will need to be found to be allocated to these reserves. **In recent years some of the Council's allocations of New Homes Bonus has been** allocated to specific reserves. The future of New Homes Bonus remains uncertain, with expectations that from next year allocations will reduce considerably, or potentially cease altogether. More detailed are expected as part of the Local Government Settlement in December.
- 3.4.6 The Covent Garden Multi Storey Car Park Reserve was set up to fund the income losses whilst the car park was redeveloped and the debt charges until the income stream re-commenced. With this project currently on hold, it would be possible for this funding to be used for alternative purposes. This should be considered as part of a future Budget report to Executive.
- 3.4.7 Within the 2020/21, £370k was allocated to the Leisure Options Reserve. This was to fund the cost of the operator and initial debt charges whilst Kenilworth Leisure Centres were re-developed. It was planned for a further £370k to be similarly allocated to this reserve in 2021/22. This project is planned to be paused once it reaches RIBA 4, as reported to Executive in July 2020. Consequently, it is possible for the £370k allocated to this reserve to be re-directed to alternative uses. This should be considered as part of a future Budget report to Executive. If this project is eventually funded from capital receipts as reported to Executive, it will still be necessary to find funding to compensate the leisure centre operator during the closures.
- 3.4.8 In addition to the various reserves, the Council also holds a Contingency Budget for unplanned items of expenditure. At the start of the year £200k was allocated here. To date, the unallocated balance is £192.5k. As discussed in para 3.8.2, £30k is proposed to be allocated for a comprehensive analysis of Stratford Road depot options and infrastructure requirements, and £26.5k for Lone Workings (paragraph 3.11). This will reduce the balance on the Contingency to £136k.

3.5 Medium Term Financial Strategy

- 3.5.1 The MTFS was last formally reported to members in February as part of the 2020/21 Budget setting. At that stage to profile of revenue savings to be found was as follows: -

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

- 3.5.2 This profile of savings reflected net £6.245m contribution from the Business Rate Retention Volatility Reserve to support the General Fund over the period 2020/21 to 2024/25.
- 3.5.3 In addition to the Q1 variations, and their full year forecasts presented in section 3.1, there have been further changes to the Strategy.
- 3.5.4 Waste Contract

While negotiations are ongoing with the contractor regarding an extension for 2021/22, it has become clear the additional budget requirements identified in the February MTFS would not be sufficient. Therefore, an additional £1.863m has been allocated on a recurrent basis, and one-off costs in the current year of £528k. The waste contract is discussed in further detail in section 3.6.

3.5.5 Street Cleansing and Grounds Maintenance Contracts

Whilst the procurement of these contracts is still taking place, figures received to date suggest it is possible to reduce the budget for these works by £127k; this has been included as a recurrent saving from 2021/22 within the MTFS. There is the potential for greater savings. Members will be informed of the outcome of the tender process in due course.

3.5.6 Car parking

Car parking income has been reduced for future years by £750k p.a. to reflect the reduced demand for parking in the district expected as a consequence to the current crisis, and people expected to change their travel and working arrangements in future years.

3.5.7 Investment Income

Following the two changes introduced in March, interest rates were reduced from 0.75% to 0.1%. This has impacted the expected yield from our financial investments during the year. Reserve balances are invested in money market

and equity funds to maximise their return while they are not being utilised. It is anticipated that this will reduce income by £200k recurrently from 2020/21.

3.5.8 Council Tax

Budgeted Council Tax income for 2020/21 is £107.7m, with the majority of this **due to WCC, and the District Council's element being £9.6m. The Council tax** expected to be collected in the current year is being impacted in several ways as a result of the pandemic.

- Council Tax Support. The level of Council Tax Support was estimated to be c£7m for the year within the tax base calculations. With increased claimants to date, this has increased to £8m. This figure is expected to increase further in forthcoming months as unemployment increases as a result of the ending of the furlough scheme.
- Growth in new properties. With house moves having been put on hold for some of this year, and due to broader economic impacts of the pandemic, the number of new properties have not increased in the year to date as originally estimated, and is unlikely to increase at the expected rate for the rest of this year.
- Non-payment. Many council tax payers have opted to shift their instalments from April-January to June –March. To date there has not been evidence of significant non-payment, although this remains a possibility.

3.5.9 Taking into account all these factors, it is estimated that there may be a deficit in council tax for the current year of c£2.4m. This will be shared between the County Council, the Police and Crime Commissioner and the District Council. **This Council's share is estimated at £300k.** Normally this balance would need to be recovered in the subsequent year. However, due to the magnitude of the balances expected by local authorities, the Government has announced that these balances can be spread over 3 years. This has been reflected within the MTFS with £100k being charged to each year 2021/22 to 2023/24.

3.5.10 With the increase in Council Tax support and delays to new properties, the council tax base is significantly below the estimated figure for the current year of 55,851 by over 1,000. This will impact on the tax base for 2021/22 and future years. Previously within the MTFS, the tax base had been forecast to increase by 2% each year. This has now been re-based further downwards to reflect the current position. Consequently, the forecast tax base for next year is below that for the current year. This means that the council tax income due to the district council, based on forecast council tax levels will be c£200k less than previously estimated for 2021/22, and increasing thereafter. This reduction is carried through each year of the MTFS. The tax base for 2021/22 is due to be formally agreed in the Autumn.

3.5.11 Taking into account the above two paragraphs, there is a net cost to the MTFS of £650k in 2021/22 to 2023/24, and £550k per annum thereafter.

3.5.12 The MTFS still relies upon £6.245m support from the Business Rate Volatility Reserve, as referred to in paragraph 3.5.2. However, in view of the increased financial pressures being incurred by the Council in the current year and next year, it has been necessary to bring forward the use of this reserve. Whilst the BRRVR was previously allowing the Council to have some time to get savings initiatives in place, this is no longer the case. It is by the use of this reserve

that the Council is able to maintain its going concern status. Without this, the Council may have been in the position of having to consider S114 notices, as some authorities have encountered in recent months as a consequence of the financial impact of the pandemic. The use of this reserve is enabling the Council to show a balanced budget for the current year taking into account all the changes discussed within sections 3.1 and 3.5.

3.5.13 Updated Medium Term Financial Strategy

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

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£'000	£'000	£'000	£'000	£'000	£'000
Deficit-Savings Req(+)/Surplus (-) future years	0	3,190	6,139	5,701	5,355	5,306
Change on previous year		3,190	2,949	-438	-346	-49

3.5.14 It will be noted that 2020/21 presents a balanced position. This takes account of all the budget pressures detailed in section 3.1, the Covid funding from the Government (section 3.2), the one –off costs of the waste contract (paragraph 3.6.6) and the additional payments to Everyone Active (section 3.9). With the re-profiling the use of the Business Rate Retention Volatility Reserve to support 2020/21 (paragraph 3.5.6), it has been possible to accommodate these significant budget pressures so as to give the neutral position shown in the table for this year. For 2021/22, without the use of the Business Rate Retention Volatility Reserve, the deficit for that year would be far greater.

3.5.15 The figures in the above table are the estimated level of savings that the Council needs to find out of its General Fund revenue account. The gross expenditure on the General Fund, excluding recharges, Benefits and capital charges, over which the Council has control is estimated at £35m. It will be noted that £3.2m savings need to be secured to enable the Council to be able to set a balanced budget for 2021/22.

3.5.16 Appendix C details proposed projects and savings which should assist the Council to reduce the above deficit. It will be noted that the savings in Appendix C, if they all materialise at the levels quoted will not be sufficient to remove the forecast deficit. Further projects and initiatives need to be agreed in forthcoming months to seek to enable the budgeted deficit to be eradicated. Members are asked to agree these proposals within Appendix C for officers to progress as soon as possible. It will be noted that some savings relate to the Council working with Stratford on Avon District Council. Work is already on-going in terms of sharing some heads of service. Green waste charges have been included on the basis if the Council jointly re-procures for the waste service with Stratford, it will be necessary for the service provisions to be closer aligned.

3.5.17 With such a significant saving to be found for 2021/22, and increasing thereafter, it would be wrong for the Council to commit future resources to any project that has limited prospect of payback, or with the potential to be a **further draw on the Council's finances. The reserves referred to in paragraphs 3.4.6 and 3.4.7 should be held back to support the General Fund in the 2021/22 Budget if necessary.**

3.6 Waste Contract

3.6.1 **With effect from the 31st March 2021, the Council's contracts for its major public realm contracts are due to end. These contracts cover many of the services that are most visible to the District's residents and therefore** preparation for OJEU (Official Journal of the European Union) compliant tender processes commenced over 18 months ago. The tenders were broken down into three lots:

- Waste collection (lot 1)
- Street cleansing (lot 2)
- Grounds maintenance (lot 3)

3.6.2 The process for lots 2 and 3 has gone relatively smoothly and the remaining timeline for the process sees final tender submissions by 31st August and tender evaluation completed and contract awarded by 30th September. Based on the information received from bidders thus far, it is anticipated that the bids will be within budget and that no further Executive approvals are required.

3.6.3 With regard to lot 1 for the reasons described in the confidential note (Item y on this agenda), officers have worked closely with a Leader established Councillor Working Party (Councillors Grainger, Hales and Matecki) to determine the next steps. Concluding that it was untenable to continue the lot 1 procurement process, officers were asked to request a contract extension of 18 months (with the option of a further year) from the current service provider Suez.

3.6.4 Prior to Councillors making this decision, the erstwhile Head of Neighbourhood Services had requested a contract extension quote from Suez as a contingency should the procurement process be hampered by the pandemic. Suez had provided a quote of £5,290,610 which was £1,768,407 greater than in the **Council's indicative budget for 2021/22**. Whilst this amount would bring **significant challenges to the Council's finances for the period of the extension**, it was felt that it would be sensible to recommence the procurement process afresh and revisit the parameters upon which the process was launched to determine whether a less expensive long-term contract could be achieved. Councillors are keen to use the contract extension period to explore options around co-mingling, Materials Recovery Facilities (MRFs) options, a joint contract with Stratford and service redesign. Officers have already commenced this work.

3.6.5 Discussions have now concluded with Suez and the cost of a contract extension will be £5.823m. There is no alternative other than to accept this offer as the procurement process for lot 1 has now ended and there would be no time to commence and conclude a new process in time for the new contract period from April 2021. Councils are able to deliver waste collection services themselves but with no relevant in-house experience and the limited time left before the current contract ends, it is just not feasible to have a service up-and-running.

Under the new contract the Council would retain the income from the sale of recyclables, estimated at £315k per annum, making the net cost to the Council of £5.507m. however, this figure will vary as the values of the recyclables can be highly volatile.

- 3.6.6 Under the contract, the Council will need to agree to £328k works to Stratford Road depot and other one-off costs of £200k.

3.7 Grounds Maintenance and Street Cleaning Contracts

- 3.7.1 Within the tender documents for lots 2 and 3, there is a request for bidders to provide costs for delivery of services with electric vehicles up to 3.5 tonnes in weight. To enable an objective tender evaluation to take place, bidders had been asked to provide a pricing schedule A, where there is no requirement for electric vehicles and schedule B where electric vehicles are included. Following discussions with the bidders, the following issues were identified which have since been discussed with the Working Party:

- **3.5t vehicles are available but bidders are not confident** in their reliability and performance
- **Concerns about contractual and reputational risk if the Council specifies 3.5t** electric vehicles from contract start
- **Capacity of electrical supply to Council's depot is unknown (see later recommendation)** and bidders may struggle to put together a comprehensive proposal in time for tender submission

- 3.7.2 Bidders requested a phased approach to introduction of electric vehicles and the Working Party therefore concluded that there should be 2 costed bids: (i) Schedule A - standard fleet; and (ii) Schedule B - electric fleet up to and including 3.5t vehicles. Schedule B would allow a phased approach with introduction of electric vehicles from 1st April 2024.

- 3.7.3 As advised in the previous recommendation, the final bids will not be available before 31st August. Having considered the detail of those bids, it may be the case that if the Council was to finance the purchase of vehicles above 3.5t there could be a cost saving. Should the Council go down this route then there will need to be capital financing. As the extent of that potential financing is not known at this point, it is recommended that authority is delegated to the Head of Finance, in consultation with the Portfolio Holder for Finance, to determine whether it is appropriate and if so amends the capital programme accordingly with Executive updated in a subsequent report.

3.8 Stratford Road Land

- 3.8.1 **Within Warwick District Council's Local Plan 2011-2029**, there is a land allocation off Stratford Road, Warwick for employment use. The land is owned in various parcels by this Council, Severn Trent and a private individual. The parties have been discussing over a period of time how to bring the land forward for development. Among other issues is the fact that part of the land **houses a depot for the Council's waste and ground maintenance contractors**. Despite best efforts by bidders and officers to find an alternative site from which the contractors could operate this has not proven possible. It has

therefore been necessary to give a commitment to the bidders that Stratford Road would be available as a depot for the life of the new contract.

- 3.8.2 The location of the depot is at the entrance to the site which in land value terms is the most attractive. Officers are therefore working with Severn Trent to appraise various options for relocating the depot on the site. This work will **feed into the overall master planning of the site and given the Council's climate change commitment and desire to see the contractors using electric vehicles where possible, the planning work will need to consider the electric infrastructure requirements.** To undertake this master planning work and potential negotiations it is estimated that a budget of £30,000 is required, which is proposed to be funded from the Contingency Budget (see paragraph 3.4.8).

3.9 Everyone Active

- 3.9.1 Members will note from the information contained in Appendix D that since the Government imposed its lockdown measures in response to the pandemic, the **Council's leisure operator has been unable to generate any income as service delivery had to cease.** As soon as the measures came into force, officers started discussions with EA to consider what steps could be taken to ensure that when the lockdown was either relaxed or removed, EA was in a position to recommence the delivery of the service. Initially, Group Leaders agreed that payments of £37,000 per month should be made to ensure that the buildings did not need to be mothballed and that when the measures were relaxed, the leisure centres could reopen as soon as possible.
- 3.9.2 The Government announced in week commencing 13th July that it would allow gym and fitness classes, swimming and other indoor leisure activities to recommence from 25th July. Due to the initial financial support that the Council had provided, EA had been able to thoroughly prepare for the reopening of the **leisure centres within a "covid-safe" environment with effect from 25th July in** respect of gyms and sports halls and from 1st August for indoor swimming pools. To reopen the buildings EA required a further subsidy of £245,465 for the period 1st July to 31st August which was agreed by Group Leaders under the **Chief Executive's emergency powers.**
- 3.9.3 During the lockdown period not only had officers been working with EA on the practicalities of reopening the leisure but also on the financial business plan which would be needed to support the recommencement of the service. A cross-Council project team led by DCX (AJ) was established to oversee the negotiations, whose work ultimately led to a draft variation of the underlying contract between this Council and EA. The variation is commercially sensitive but can be found at item Appendix E (to follow) on this agenda.
- 3.9.4 During the course of the negotiations, officers discussed the situation with Executive members to get a steer on what outcomes the Council was looking for. It was clear that having just invested c£16m in new facilities at Newbold Comyn and St Nicholas Park members wanted to reopen the facilities right across the District as soon as possible but also wanted to do this in a way that limited the cost to the taxpayer as much as possible.
- 3.9.5 Therefore the following principles of negotiation were summarised by the Council Leader:

- That the Council recognises that EA and WDC have shared values with both valuing the public service ethos each brings to their service delivery and that this underlying ethos should govern how negotiations are conducted;
- That the Council recognises that the situation is fast changing and that if the relationship is to endure then there needs to be complete transparency from each party;
- That the Council recognises that it is not impossible that EA could go insolvent and therefore there must be due diligence of EA's financial status with officers drawing-up a framework for Plan B should EA cease trading;
- That the Council recognises that to support EA it will require a significant financial subsidy and so financial monitoring of the contract must be on an open book basis and that subsidy must not include any element of profit;
- That the Council will require weekly performance management information to be provided by EA;
- That whilst negotiations are ongoing, officers must continue to talk with other Councils to ensure that by-and-large they are in-step with what the sector is doing and to be alive to any evidence to suggest that EA may be in financial difficulty that could ultimately threaten the survival of the parent company;
- That specifically the Head of Service ensures that she is aware of how negotiations between EA and Stratford District Council (SDC) are progressing.

3.9.6 In line with these parameters, officers have continued their negotiations with EA and are able to recommend the business plan at Appendix F (to follow). This business plan will require a Council subsidy of up to £x (to follow) for the period up to 31st March although it is important to note that this is a capped figure and should EA perform better than anticipated then EA will require less subsidy.

3.9.7 Officers have also undertaken the following activities:

- **Ensured that the Council's negotiations have been supported by Warwickshire Legal Services;**
- **Ensured that EA's financial position is properly understood by reference to a Creditsafe enquiry;**
- **Drawn-up a framework for Plan B which has been approved by the Council's Leader and Deputy Leader;**
- **Has put processes in place to monitor EA's financial performance on a monthly basis and activity performance on a weekly basis through an open-book approach;**
- Maintained regular liaison with Councils throughout the County and further afield including with SDC;
- Continued to lobby the Local Government Association and other bodies for a comprehensive financial rescue package for the leisure industry.

3.9.8 Members should note that the Government has produced an income compensation scheme for Councils which should allow the Council to recover an element of the concession fee it was due from EA (as discussed in paragraph 3.2.3). Whereas the Council was due to receive £940k the scheme should enable it to recover £669k in 2020/21.

3.9.9 The MTFS till is based on EA being able to pay the Council the full concession as within the original contract. The position here will be kept under review, with there being a risk that this will not be possible.

3.10 Emergency Response Fund

- 3.10.1 Following the Government's instruction that the country went into "lockdown", officers considered all the practical and financial support the Council could potentially provide for local residents. Among many initiatives, an Emergency Response Fund was established following Group Leader approval to support various organisations who were providing financial support to vulnerable residents. The fund was established through the aggregation of budgets from Community Forum Grants (£21k), Sports Grants (£17.3k), Arts Grants (£11.7k), Rural / Urban Capital Improvement Scheme (RUCIS) Grants (£169.9k), VE Day 75th Anniversary Grant Fund (£8k). The future of the scheme is currently being reviewed to consider its effectiveness.

3.11 Lone Working

- 3.11.1 Following a review of Council's lone working procedures has taken place and identified that current system is outdated and no longer meets the needs of the council. As a result, research of the available systems on the Market including product trials have taken place. This has allowed the council to identify a specification which meets the needs of the various lone worker employees. Subject to agreement of the budget purchase of the lone worker system will be subject to a procurement exercise. Accordingly, it is recommended that £26.5k recurring budget is agreed from 2020/21 to fund this, funded in the current year from the Contingency Budget, and future years to be included within the Medium Term Financial Strategy.

3.12 Hill Close Gardens

- 3.12.1 Hill Close Gardens Trust run a well-regarded facility on a lease from the Council. The Trust has benefited in previous years from a grant from the Council but this expired at the end of the last financial year. The Trust has sought a renewed grant from the Council of £20,000 especially in the context of the impact on visitor numbers from the Covid 19 emergency. Given the risk that should the Trust fold then the job and the cost of maintaining the Gardens would fall to the Council, at a cost greater than £20,000 per year, it is suggested that from **within the existing St Mary's Lands project budget £20,000 is reallocated as a one off grant to the Trust on condition that before the end of the calendar year, the Trust submits a robust 3 year business plan upon which the Council could then consider any ongoing financial support in the form of a Service Level Agreement.**

3.13 Tach Brook Country Park Planning Application

- 3.13.1 The development of the Tach Brook Country Park is being progressed working with a consultant to an agreed budget. This work has been varied to accommodate proposed additions to the project and continues.
- 3.13.2 Two elements of the project have altered since the original specification for the project work was agreed:
1. The development of a school adjacent to the country park is on-going and a planning application is required to be submitted for the school in Spring 2021. In parallel, a planning application for the country park

would need to be submitted at the same time as that for the school to ensure that links between the sites are properly considered and approved.

2. At the outset of the project, it was not anticipated that a full planning application would be required for the country park. However, the Planning Authority has now confirmed that a full planning application will be required. The completion of all the necessary supporting information and development of the full planning application is therefore a new and unplanned element to the Tach Brook Country Park project.

3.13.3 Costs have been estimated following soft market research and information from previous similar activity procured by the Council. The final figure will be subject to the completion of a procurement exercise **in accordance with the Council's Code of Procurement Practice**. The costs are proposed to be funded from S106 receipts which currently total in excess of £1.2m. This funding is specifically for the delivery and maintenance of the Country park and the obligations set out in the Agreements.

4. Policy Framework

4.1 Fit for the Future (FFF)

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

The use of the highlighted part is dependent upon the report being about a key project.

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

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

4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and the relevant one for this proposal is the Financial Strategy as reported to Executive as part of the Budget report in February 2020.

4.3 **Changes to Existing Policies**

This Section should address if the This report does not propose any changes to the Council's existing policies.

5. Budgetary Framework

- 5.1 Officers review current year budgets on a monthly basis at the same time as considering implications for the medium term. Members are updated on a quarterly basis.
- 5.2 The Budget Review Process provides a planning tool to ensure resources are **directed to the Council's priorities. Alongside the Council's own activities**, external factors influencing its finances are also taken into consideration, for example Central Government Financing, the Business Rates Retention scheme, changes in legislation and the economy.
- 5.3 The Council maintains its Reserves to deliver Capital and other projects, and to ensure that there are sufficient resources available to manage unforeseen demands and continue to deliver its services. Close monitoring of these Reserve balances and Capital Programme, together with plans to replenish them will preserve the financial stability of the organisation for future years.
- 5.4 Members will note the significant savings that need to be secured to enable it to set a balanced budget for 2021/22 if there is to be no reduction in the level of service provision by the Council.
- 5.5 The figures included within this report for the balances on the Contingency Budget and the Service Transformation Reserve are subject to proposed further allocations within the WDC Post Covid 19 Recovery Strategy - Back to the Future report, also on this agenda.

6. Risks

- 6.1 The February Budget report details the main financial risks facing the Council. Many of these relate to local authority funding, notably Business Rate Retention and New Homes Bonus.
- 6.2 The current pandemic has brought **many risks to the Council's finances**, relating to income and expenditure. Whilst it is believed the figures within this report present prudent yet reasonable estimates, it is possible that the financial position for the current year and future years is worse than forecast.
- 6.3 Many controls and mitigations are in place to help manage the financial risks facing the Council. These include: -
 - The comprehensive Budget Review process. This entails all budget managers reviewing their budgets on at least a monthly basis, considering previous, current and future years, along with any possible issues that may impact upon their budgets. As part of this process, regular Budget Review reports are issued to the Executive and Senior Management Team.

- Financial Planning with the MTFS/financial projections, bringing together **all issues that will impact on the Council's finances in the medium term.**
- Financial controls, including the Codes of Financial and Procurement Practice, system controls, reconciliations, audit (internal and external).
- Project Management and associated controls.
- Trained staff and access to appropriate professional advice (e.g. WCC Legal).
- Risk Management process across the Council, including the on-going review and maintenance of risk registers.
- **Scrutiny by members of the Council's finances, including Budget Reports,** and the financial implications of all proposals.
- Within the 2020/21 Budget there was a Contingency Budget, originally of £200,000 for any unplanned unavoidable expenditure, the balance of this being discussed further within this report.
- Reserves – The Council holds reserves as discussed within section 3.4. Whilst much of these reserves have already been earmarked for specific projects, it is important that reserves are held for any unforeseen demands. The use of the Business Rate Retention Volatility Reserve as discussed in 3.4.2 and 3.5.6, does reduce the forecast balance on this reserve to around £1m. This balance should not be allowed to go below this level.
- The General Fund Balance is £1.5m. This is available to accommodate any unplanned expenditure, or to make up any shortfall in income. However, the Council should seek to maintain the balance at this level.
- The specific causes of reductions to income or increased expenditure should continue to be managed by the relevant Service Area as part of **managing the risks within each Service Risk Register. Each Service Area's** Risk Register is presented to Finance and Audit Scrutiny Committee annually on a rolling basis for scrutiny.

7. Alternative Option(s) considered

- 7.1 No alternative options are presented for consideration. Members may choose to not accept all of the recommendations within the report.

Addendum to Item 8

Executive, 24 August 2020

Addendum to Item 8 – Quarter 1 Budget Report

The “To follow” details in paragraph 3.9.6 in the report are now available. The additional text is **in bold** below.

3.9.6 In line with these parameters, officers have continued their negotiations with EA and are able to recommend the business plan at Appendix F (~~to follow~~ **now available online**). This business plan will require a Council subsidy of up to **£1,049,194** (~~to follow~~) for the period **1st April 2020** up to 31st March **2021** although it is important to note that this is a capped figure and should EA perform better than anticipated then EA will require less subsidy.

Appendix A

Commonwealth Games Bowls Event, Leamington Spa - with station gateway improvements – Project Costplan

PART 1 - CWG Bowls Venue, Victoria Park with last mile public, cycle, pedestrian transport and green parks legacy		
Ref	Intervention	Cost / estimate
A	Bowls Venue Victoria Park - main venue interventions and capital costs	
A1	Upgrade main competition bowling green surfaces x 4	£200,000
A2	Green and pathway access equipment ParaBowls	£15,000
A3	Floodlighting to championship bowling green A	£20,000
A4	Improvements to power supply to meet CWG event and media demand	£30,000
A5	Improvements to mains drainage to/from site	£45,000
A6	Bowls pavilion / clubhouse upgrade works	£147,950
A6a	Pavilion indoor short mat bowls - new facility	£10,000
A6b	Pavilion café	£20,000
A7	Data and telecoms upgrade	£10,000
A9	Greens maintenance equipment upgrade	£10,000
A10	Security facilities - fencing, lighting, CCTV	£27,550
A12	Sound/ public address systems bowls venue	£10,000
A13	Replacement of hoop top fencing west perimeter of bowling green	£120,000
A14	Capitalisation of WDC's CWG support project (revenue)	£350,000
C3	Tennis pavilion - media centre for CWG	£153,000
A	SUB-TOTAL	£1,168,500
B	Access and transport to/from Victoria Park - main interventions and capital costs	
B3	York Walk pedestrian route - replanting and tree replacement	£32,500
B3a	Resurface York Walk to Pump Room Gardens river bridge	£68,000
B4	Commonwealth Park Gateway - Princes Drive	£10,000
B8	Victoria Park car parking improvements Archery Road and Princes Drive	£225,800
B10	Better Points Sustainable Travel Programme Leamington Spa	£52,600
B11	E-taxis for Leamington - Pay-to-Change Study (Electric Blue) and installation of 2 rapid chargers	£52,000
B	SUB-TOTAL	£440,900
C	Green Parks Enhancements ~ CWG legacy - main interventions and capital cost	
C1	Gates, trees, fences, benches Victoria Park	£10,500

C4	Park enhancements - children's play area; pathways; access/DDA improvements	£190,000
C4a	Park enhancements - new lighting, signage linking Archery Road and Princes Drive car parks	£30,000
C5	Victoria Park public toilets	£3,000
C6	Victoria Park tennis court short term repairs ahead of CWG - inc acrylic surface binder and lines	£37,414
C6a	Beauchamp tennis courts upgrade for VP Tennis Club relocation	£54,850
C9	Re-route National Cycle Route 41 through Victoria and Commonwealth Parks (with Sustrans)	£50,000
C	SUB-TOTAL	£375,764
ABC	SUB TOTAL SECTIONS A+B+C	£1,985,164
D	Other costs	
D1	Professional fees, preliminaries, surveys at 12.5%	£248,145.50
D2	Contingency at 5%	£99,258.20
D	SUB-TOTAL	£347,404
ABCD	TOTAL COSTS PROJECTED A + B + C + D (WDC June 2019 bid)	£2,332,568

PART 2 - Leamington Rail station forecourt, underpass, wayfinding and cycle improvements ~ PROJECTED COSTS

Ref	Intervention	Cost / estimate
E	Station Forecourt	
E1	Preliminaries	£112,708
E2	Site clearance	£12,056
E3	Drainage	£32,197
E4	Earthworks	£107,998
E5	Pavements	£142,534
E6	Kerbs, footways, blockpaving	£192,500
E7	Lining and signing	£6,798
E8	Shelters, seating, bollards	£52,228
E9	Bike Hire Hub	£27,500
E10	Lighting & electrical installation	£27,500
E11	Electric vehicle charging points and power upgrade	£57,200
E12	Station facility improvements (now completed by Chiltern)	£0
E13	Removal of buildings on adjacent car park	£110,000
E	SUB-TOTAL	£881,219
F	Station Underpass	
F1	Preliminaries	£17,919
F2	Works	£71,676
F3	Board designs - works	£5,500

F	SUB-TOTAL	£95,095
G	Wayfinding	
G1	3D digital maps/signs/totems/stickers	£110,000
G	SUB-TOTAL	£110,000
H	Cycle improvements	
H1	Cycle improvements / bike share infrastructure	£66,000
H	SUB-TOTAL	£66,000
J	Other Costs	
J1	Project Management, design and procurement	£66,000
J2	Project management	£22,000
J3	Contingency @ 20% for works costs	£160,337
H	SUB-TOTAL	£248,337
EFGHJ	Total rail station forecourt / wayfinding / underpass / cycle improvement costs E + F + G + H + J	£1,400,651
	TOTAL COSTS PROJECTED A + B + C + D + E + F + G + H + J	£3,733,219

Additional Project Contingency Allowance

£0

CWG Bid with rail station improvements ~ PROJECTED SOURCES OF FUNDING		
	TOTAL COSTS PROJECTED A + B + C + D + E + F + G + H + J	£3,733,219
	WDC - Capital Funds (MATCH) reduced due to revised 20/21 projects	£1,825,964
	WDC - Wayfinding (2018) as match	£32,000
	WCC - cycle improvements / station bike hub (2018) as match	£60,000
	Royal Priors - wayfinding (2018) as match	£2,000
	Chiltern Railways - forecourt improvements (2018) as match	£0
	Other - match contributions	£15,000
	TOTAL MATCH FUNDING	£1,934,964
	CWLEP CWG Growth Fund request (GRANT)	£1,798,255
	CWLEP grant request %	48.17%
	Match Fund %	51.83%

General Fund Reserves

Appendix B

RESERVES	Balance 1/4/2020 £000	Balance 1/4/2021 £000	Balance 1/4/2022 £000	Balance 1/4/2023 £000	Balance 1/4/2024 £000	Less commitments not yet included £000	Uncommitted Balance £000
Art Gallery Gift Reserve	131.68	132.78	133.88	134.98	136.08	-	136.08
Building Control Reserve	214.13	197.73	181.33	164.93	148.53	-56.00	92.53
Business Rate Retention Volatility Reserve	7,521.68	2,694.39	1,452.37	1,422.18	1,361.21	-	1,361.21
Capital Investment Reserve	1,153.42	979.14	979.14	979.14	979.14	-214.00	765.14
Car Park Displacement Reserve	484.82	324.82	324.82	324.82	324.82	-	324.82
Car Parking Repairs & Maintenance Reserve	201.27	53.47	53.47	53.47	53.47	-	53.47
Cemetery Land Purchase Reserve	15.95	15.95	15.95	15.95	15.95	-	15.95
Climate Change Reserve	-	-	-	-	-	-	-
Commonwealth Games (Bowls) Reserve	47.91	47.91	47.91	47.91	47.91	-	47.91
Community Forums Reserve	-	-	-	-	-	-	-
Community Projects Reserve	1,919.29	444.07	318.77	318.77	318.77	-315.50	3.27
Corporate Assets Reserve	1,173.62	514.92	514.92	514.92	514.92	-	514.92
Council Tax Reserve	-	-	-	-	-	-	-
Covent Garden MSCP Reserve	900.00	900.00	900.00	900.00	900.00	-	900.00
Digital By Default Reserve	130.40	44.10	44.10	44.10	44.10	-	44.10
Earmarked Balances Reserve	732.20	732.20	732.20	732.20	732.20	-	732.20
Election Expenses Reserve	4.82	39.82	74.82	109.82	4.82	-	4.82
Enterprise Projects Reserve	237.61	284.01	330.41	376.81	423.21	-	423.21
Equipment Renewal Reserve	683.60	568.31	533.03	611.84	711.84	-1,411.00	-699.16
GF Early Retirements Reserve	58.09	73.09	73.09	73.09	73.09	-	73.09
Harbury Lane Reserve	83.80	83.80	83.80	83.80	83.80	-	83.80
Hill Close Gardens Reserve	-	-	-	-	-	-	-
Homelessness Prevention Reserve	482.46	482.46	482.46	482.46	482.46	-40.00	442.46
ICT Replacement Reserve	93.78	-44.93	-199.33	-353.73	-496.21	-220.00	-716.21
Insurance Reserve	273.95	273.95	273.95	273.95	273.95	-	273.95
Investment Volatility Reserve	100.00	100.00	100.00	100.00	100.00	-	100.00
Leisure Options Reserve	25.62	395.62	395.62	395.62	395.62	-	395.62
Local Plan Delivery Reserve	44.41	0.41	0.41	0.41	0.41	-5.00	-4.59
Other Commuted Sums Reserve	390.02	361.27	332.52	304.96	277.39	-	277.39
Planning & Investment Reserve	110.54	272.14	436.04	599.94	763.84	-	763.84
Planning Appeal Reserve	475.04	443.20	443.20	443.20	443.20	-38.00	405.20
Public Amenity Reserve	107.49	143.02	143.02	143.02	143.02	-	143.02
Public Open Spaces Planning Gain Reserve	462.06	84.88	86.23	87.58	88.93	-	88.93
Rev Grants Rec'd in Advance	436.08	436.08	436.08	436.08	436.08	-	436.08
Riverside House Maintenance Reserve	-	-	-	-	-	-	-
Services Transformation Reserve	1,086.87	560.03	166.76	4.51	4.51	-0.10	4.41
Tourism Reserve	27.43	27.43	27.43	27.43	27.43	-2.00	25.43
TOTAL GENERAL FUND RESERVES	19,810.05	11,666.08	9,918.41	9,854.17	9,814.50	-2,301.60	7,512.90

Potential Savings Opportunities

	Savings Proposal	Description	Potential annual savings £000
1	Reducing Member civic duty support and activities	Proposals such as, but not limited to, not replacing the civic car could be taken to Members for their consideration.	
2	Corporate Support Team redesign	A review is ongoing which may lead to a reduction in the number of posts required recognising some current vacancies.	30
3	Amend service delivery of facilities	Examination of business cases around tendering of tennis courts and contracting out management of pavilions/changing rooms	
4	Outsource pest control service to CCC	Operate under a Teckel agreement	100
5	Front Line Reception	Cease Warwickshire Direct Partnership, amalgamate remaining Front Line Team with Revs/Bens Customer Service (telephone) Team	100
6	Collection of Bowls car park by in house staff	End arrangement for cash collection external and bring in house	50
7	Cash collection from Pay and Display	Bring in house	part of above
8	Increase long stay car parking charge	Increase from £5 to £6	100
9	Charge for Newbld Comyn parking	Introduce charges	TBC
10	Review public toilets	Close Brunswick Street?	30
11	Energy savings on high use buildings	Implement more of the Midlands Energy Hub proposals	??
12	Changes to linear charges for car parks - banding		tbc
13	Assume in-year underspend	Procurement savings; Vacancy Drag; Miscellaneous	500
14	Digital Transformation	Service redesigns to be supported by digital transformation and associated service delivery changes	500
15	CIL Admin Fee	Max out the 5% CIL admin fee	75
16	S106 monitoring fee	Could be reviewed to consider whether a higher monitoring fee could be charged	tbc
17	Charging for events	Attract more commercial events and consider higher fees for all events to cover costs	30
18	Voluntary Sector Grants	Pay from capital than revenue	300
19	Town Hall Savings	WDC operations could be removed from Town Hall	tbc
20	Regeneration of Covent Garden and creation of Community Hub	Hub involving Surgeries, WDC reception possible smaller office space	tbc
21	KLC revenue cost paid for by capital receipts	Other suggestions propose capital receipts so use them to pay for KLC and avoid revenue hit	500
22	SMT Integration with SDC	Sharing of vacant posts	500
23	Charge for Green Bin collection	introduce annual fee to collect green bin waste	1,000
24	Climate Change savings as per WP 2	investment in a range of energy and other resource changes	300
25	Reduction in Apprenticeship budget	Due to challenges of COVID and recruitment 2020/21	tbc
26	Income generation proposals	Select investments as part of overall economic strategy	tbc
	Total	Excludes "tbc" etc.	4,115

Dear Councillors

You will be aware that when the country went into lockdown, the Government instructed that all leisure centres should close. To ensure that the leisure centres in the District were not simply “mothballed” but maintained to enable a swift reopening when the Government eased its lockdown instruction, the Executive agreed to make emergency payments of £37k per month to Everyone Active (EA). These payments have enabled EA to work on its recovery plan and there have been ongoing discussions with officers over the last three months. Informally, the Executive has now agreed to support EA with its recovery plan the details of which will be recommended for formal approval at the August Executive but the plan will require financial support in the region of £1.5-1.8m over a twelve-month period to 31 March 2021. This includes the management fee of £940k which EA are due to pay the Council for the current year. There may be further financial support required for 2021/22 and future years.

Last week the Government announced that gyms could reopen from 25th July and swimming pools from 1st August. There will therefore be a period of one month before the Executive can formally consider this matter on the 24th August. To reopen the facilities in line with the Government’s permission, EA needs surety that its costs will be met from the 1st July. It has been agreed with officers that there will be no element of profit for Everyone Active but Group Leaders are asked to approve financial support for the net costs of reopening the District’s leisure centres can open on time.

Members should note that intense lobbying at a national level is ongoing to ensure that the leisure industry is financially sustainable. A compensation scheme for lost Council sales, fees and charges income has been announced by Government. From the details provided so far, it is uncertain whether the Council will be able to recover an element of its financial support proposed for EA.

It should also be noted that Government’s Procurement Policy Note - Supplier relief due to COVID-19 Action Note PPN 04/20 states that: “Where contracts are primarily revenue-generating and payment relief is not available within existing budgets, for example concession contracts, contracting authorities should work with these suppliers to identify commercial solutions that are specific and appropriate to the contract.” The very clear message from Government to contracting authorities (local councils in this instance) is that they should do what they can to support their suppliers.

The cost of the subsidy to Everyone Active for the period 1st July to 31st August will be £245,465.00. This can be funded from the Business Rate Retention Volatility Reserve. Should agreement not be forthcoming then EA will not be able to reopen the leisure centres until the beginning of September as the Group’s Board will not sanction reopening without a signed agreement in place.

The overall impact of the recovery package will be considered further within the Q1 Budget report to the Executive in August. Within the Medium Term Financial Strategy reported to members in February, funding from the Business Rate Retention Volatility Reserve (BRRVR) was previously profiled to be used over the period 2021/22 to 2023/24, over which time the Council would have to

secure financial savings then estimated at £1.8m. The updated Medium Term Financial Strategy will take into account the impact of Coronavirus, including the payments proposed here and the loss of the concession. It should be possible to fund the resultant deficit in the current year by bringing forward the use of the BRRVR. However, this will mean that the Council will need to find substantial savings ahead of setting its Budget for 2021/22.

Officers can confirm that should the request be agreed, the centres will reopen in accordance with all the latest guidance and regulation issued by Government.

Kind Regards

Chris

Forecast

Centre	Contract
--------	----------

Assumptions & Comments

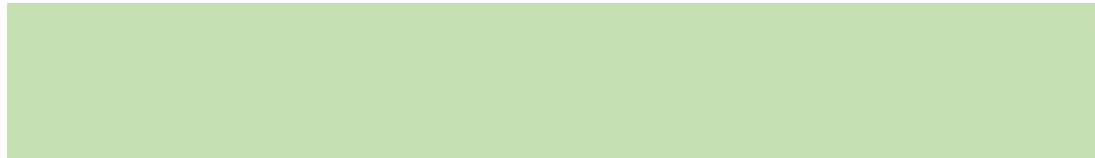
July & August Adjusted
Management Fee shown as removed for the year

Summary	Code	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Income		(1,898)	(1,898)	(1,898)	(10,254)	(105,941)
Expenditure		195,206	185,870	185,508	116,180	213,959
Contract Costs & Management Fee		12,608	12,608	12,608	15,760	15,760
Funding & Recharges		(158,895)	(158,895)	(158,895)	-	-
Total Position (Surplus)/Deficit		47,020	37,684	37,322	121,687	123,779

Income	Code	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Aquatics	AQU001	(232)	(232)	(232)	(232)	(15,755)
Activity Centre	ACT001	-	-	-	-	-
Climbing	CLI001	-	-	-	-	-
Community	COM001	-	-	-	-	-
Fitness	FIT001	(1,656)	(1,656)	(1,656)	(10,012)	(89,279)
Food & Bev	FOO001	-	-	-	-	-
Golf	GOL001	-	-	-	-	-
Health	HEA001	-	-	-	-	-
Ice	ICE001	-	-	-	-	-
Indoor Sports	IND001	(10)	(10)	(10)	(10)	(907)
Museum	MUS001	-	-	-	-	-
Operations	OPE001	-	-	-	-	-
Outdoor	OUT001	-	-	-	-	-
Snowsports	SNO001	-	-	-	-	-
Spa	SPA001	-	-	-	-	-
Total Income		(1,898)	(1,898)	(1,898)	(10,254)	(105,941)

Expenditure	Code	Apr-20	May-20	Jun-20	Jul-20	Aug-20
Cost of Sales	PLCS	8,534	-	-	-	-
Colleague Costs	PLCC	139,998	139,998	139,998	23,000	115,201
Lifecycle Costs	PLLC	4,484	3,711	3,295	10,000	12,781
OH & expenses	PLOH	-	-	-	-	-
Facilities Management	PLFM	-	-	-	3,000	8,421
Premises Costs	PLPC	13,967	14,337	14,285	35,000	37,524
IT Costs	PLIT	7,244	6,845	6,952	7,085	7,085
Marketing	PLMK	-	-	-	10,948	5,474
Professional Services	PLPF	-	-	-	2,723	2,880
Administration Expenses	PLAD	-	-	-	1,238	1,370
Banking & Finance	PLBF	-	-	-	2,207	2,244
Fixed Asset Costs	PLFA	20,979	20,979	20,979	20,979	20,979
Total Operational Expenditure		195,206	185,870	185,508	116,180	213,959

Contract Costs		Apr-20	May-20	Jun-20	Jul-20	Aug-20
Management Fee	*	-	-	-	-	-
Contract Costs	PLCO	12,608	12,608	12,608	15,760	15,760
Total Contract Costs		12,608	12,608	12,608	15,760	15,760
Operating (Profit)/Loss		205,916	196,579	196,218	121,687	123,779
Funding & Recharges		Apr-20	May-20	Jun-20	Jul-20	Aug-20
HMRC Furlough Reclaim	*	(121,895)	(121,895)	(121,895)	-	-
Management Fee	*	-	-	-	-	-
Additional Funding	*	(37,000)	(37,000)	(37,000)	-	-
Total Funding & Recharges		(158,895)	(158,895)	(158,895)	-	-
Total Position (Surplus)/Deficit		47,020	37,684	37,322	121,687	123,779




Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
(146,921)	(154,194)	(168,250)	(165,266)	(222,142)	(216,369)	(221,705)	(1,416,736)
221,344	233,752	251,626	261,012	266,180	260,327	260,984	2,651,948
15,760	15,760	15,760	15,760	15,760	15,760	15,760	179,667
-	-	-	-	-	-	-	(476,686)
90,184	95,319	99,136	111,507	59,798	59,719	55,039	938,193

Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
(48,990)	(50,206)	(54,037)	(51,561)	(64,425)	(65,211)	(67,236)	(418,347)
-	-	-	-	-	-	-	-
(550)	(1,063)	(840)	(900)	(1,125)	(1,425)	(1,125)	(7,028)
-	-	-	-	-	-	-	-
(93,877)	(99,195)	(108,522)	(108,946)	(133,863)	(127,999)	(130,627)	(907,287)
(1,502)	(1,123)	(1,900)	(1,786)	(8,649)	(8,796)	(8,437)	(32,192)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(2,002)	(2,608)	(2,952)	(2,073)	(3,334)	(3,102)	(3,187)	(20,207)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	(10,746)	(9,836)	(11,093)	(31,675)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(146,921)	(154,194)	(168,250)	(165,266)	(222,142)	(216,369)	(221,705)	(1,416,736)

Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
5,938	6,103	5,868	5,818	7,931	7,736	7,454	55,383
122,579	136,825	161,108	166,127	164,040	162,180	163,839	1,634,893
11,291	10,322	6,013	7,812	10,614	7,819	6,457	94,597
-	-	-	-	-	-	-	-
7,051	7,652	7,327	7,702	7,045	7,950	7,040	63,190
33,154	33,104	31,695	33,376	36,806	35,058	36,308	354,613
8,360	7,085	7,085	7,085	7,085	7,085	7,084	86,077
5,474	5,474	5,474	5,474	5,474	5,474	5,474	54,740
3,274	2,723	2,723	3,174	2,723	2,723	3,219	26,165
1,038	1,313	1,188	1,408	1,238	1,113	1,038	10,943
2,206	2,172	2,166	2,057	2,246	2,211	2,216	19,725
20,979	20,979	20,979	20,979	20,979	20,979	20,855	251,620
221,344	233,752	251,626	261,012	266,180	260,327	260,984	2,651,948

Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
-	-	-	-	-	-	-	-
15,760	15,760	15,760	15,760	15,760	15,760	15,760	179,667
15,760	15,760	15,760	15,760	15,760	15,760	15,760	179,667
90,184	95,319	99,136	111,507	59,798	59,719	55,039	1,414,879
Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Total
-	-	-	-	-	-	-	(365,686)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(111,000)
-	-	-	-	-	-	-	(476,686)
90,184	95,319	99,136	111,507	59,798	59,719	55,039	938,193

 Executive 24 August 2020		Agenda Item No. 9
Title	WDC Post Covid 19 Recovery Strategy - Back to the Future	
For further information about this report please contact	Chris Elliott Chief Executive 01926 456003 chris.elliott@warwickdc.gov.uk	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	N/A	
Background Papers	N/A	

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

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive	03.08.20	Chris Elliott
Heads of Service		All
CMT	03.08.20	Chris Elliott, Andy Jones, Bill Hunt, Dave Barber
Programme Director for Climate Change	03.08.20	Dave Barber
Section 151 Officer	03.08.20	Mike Snow
Monitoring Officer	03.08.20	Andrew Jones
Finance	03.08.20	Mike Snow
Portfolio Holder(s)	03.08.20	Councillor Andrew Day, Leader
Consultation & Community Engagement		
N/A		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1 Summary

- 1.1 This report sets out and seeks support for the high level **WDC Post Covid 19 Recovery Strategy for the Council – Back to the Future**, based on the 3 threads of – Organisational Recovery, Economic Recovery and Community Recovery.
- 1.2 The report then focuses on the implementation steps for the Organisational Recovery thread around the operations based at Riverside House and seeks approval for funding for those steps.
- 1.3 The report also suggests further reports on progress of the 3 threads at regular intervals.

2 Recommendations

- 2.1 The Executive supports the Back to the Future Recovery Strategy attached at Appendix 1 to this report.
- 2.2 The Executive agrees to the broad implementation steps set out in Appendix 2 to this report, including the mothballing of Floor 4.
- 2.3 The Executive agrees to fund the total estimated cost of the implementation steps of £203,000 to be funded as detailed in Section 5.
- 2.4 That further reports be brought on the 3 threads of the Recovery Strategy.

3 Reasons for the Recommendations

Recommendation 2.1

- 3.1 In preparing for the recovery phase of the Covid 19 Emergency, a strategy has been prepared as set out in Appendix 1 to this report which is based on the 3 threads of Organisational Recovery, Economic Recovery and Community Recovery. The first of these threads is necessarily internally focussed while the other 2 relate to the support the Council can give economically and socially to the wider community in the District.
- 3.2 The Strategy reflects the experience as an organisation and as individuals we have all been and indeed, are still going through. The experience has changed the organisation and us as individuals and it means that there is not a situation we can return to as an organisation; we cannot unlearn or undo our experience, nor should we try to. Rather, as we restore our services we recognise the learning points including the many positive lessons and seek to incorporate them into our future pattern of service delivery and ways of working. This means that what we deliver going forward is and will be different in many ways compared to the Pre Covid 19 period.

Recommendation 2.2

- 3.3 Throughout the lockdown period Riverside House which represents the main work place for WDC staff, has had only 20 members of staff working there on a regular basis. On average another 20 per day have dropped in for specific items. Most RH staff have been able to work at home, albeit some under difficult circumstances.
- 3.4 Officers have worked up an implementation plan for Riverside House as part of the Organisational Recovery thread having been informed by dialogue with the

Executive and the Leaders Coordinating Group; it is also based on an assessment of all staff, of their needs, experiences, etc. This plan is attached at Appendix 2 to this report. The key elements of it are:

- i) that given the continued uncertainty over the pattern of infection that to ensure the health and safety of staff, the emphasis is to support staff being able to continue to work at home where and if they can;
- ii) that circa 40 existing staff overall have been identified who are unable to continue to work at home for a variety of reasons and need therefore to be able to work at Riverside House (RH);
- iii) that in order to be able to accommodate those members of staff working at RH safely, taking account of social distancing, a radical reorganisation of the layout of office furniture is required, as are measures to further control entry and exit. This will also enable the mothballing of Floor 4 of RH;
- iv) that further minor alterations will be required to enable safe but inevitably limited public access.
- v) that future provision for some occasional use, staff meetings and so on will be catered for.

3.5 There are of course other locations used by the Council as workplaces and these will need to be assessed in greater detail.

3.6 This process has had to be communicated in advance to members of staff and the message and a FAQ is attached at Appendix 3.

Recommendation 2.3

3.7 The cost of the proposals totals £203,000 made up of:

£154,000* for ICT provisions (mainly laptops) to support people working at home

£26,000* for desks and chairs for people working at home

£23,000* minor alterations to RH to help make it safe for those people working there

* subject to an update

3.8 To offset this cost Floor 4 can be mothballed for a year which will save the Council approximately £100,000. It is envisaged that the mothballing would commence from 1st October so saving £50,000 this current financial year which can be used to cover part of the abovementioned costs.

3.9 The overall funding is detailed in Section 5.

Recommendation 2.4

3.10 The work to date only takes the Council up to a certain point in time and only on certain fronts. Work is being done on the other elements which will need reporting and considering by Members perhaps involving the new PABs before being formally considered by the Scrutiny and Executive Committees. In particular, there is a stage 3 to the future for RH.

4 Policy Framework

4.1 Fit for the Future (FFF)

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several key projects.

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

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all. Housing needs for all met. Impressive cultural and sports activities. Cohesive and active communities.	<u>Intended outcomes:</u> Becoming a net-zero carbon organisation by 2025 Total carbon emissions within Warwick District are as close to zero as possible by 2030 Area has well looked after public spaces. All communities have access to decent open space. Improved air quality. Low levels of crime and ASB.	<u>Intended outcomes:</u> Dynamic and diverse local economy. Vibrant town centres. Improved performance/ productivity of local economy. Increased employment and income levels.
Impacts of Proposal		
This proposal will support the health and well-being of Council staff.	The proposal will help to reduce emissions by reducing the usable area of RH	Not applicable.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained. All staff have the appropriate tools. All staff are engaged, empowered and supported. The right people are in the right job with the right skills and right	<u>Intended outcomes:</u> Focusing on our customers' needs . Continuously improve our processes. Increase the digital provision of services.	<u>Intended outcomes:</u> Better return/use of our assets. Full Cost accounting. Continued cost management. Maximise income earning opportunities. Seek best value for money.

behaviours.		
Impacts of Proposal		
The proposal will give staff the better tools and environment to working in a more agile and flexible way.	This proposal will enable the Council to continue to deliver services in a safe way.	The proposal will help the Council to deliver better use of its main asset – RH.

4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies and of relevance here is the People, ICT and Asset Mgt Strategy. They are mutually supportive with this proposal.

4.3 Changes to Existing Policies

This report does seek the support for a Recovery Strategy and in that sense is new but it does not **fundamentally affect the Council's overarching** Business Strategy and if anything allows it to accelerate significantly.

The proposal within this report does though also suggest that the Council will need to address issues around the social glue for the organisation as par tof its approach to both supporting helath and safety and of maintaining a sense of belonging and of a common organisational culture.

4.4 Impact Assessments

To Follow.

5 Budgetary Framework

5.1 The total costs within Section 3 are £203k. These are proposed to be funded as follows: -

Funding of Proposals	Service Transformation Reserve	Contingency Budget	2020/21 Business Rates saving on Riverside House	Total
	£000	£000	£000	£000
Desks /Chairs	26			26
Minor Alterations/equipment	23			23
ICT Provision	11	93	50	154
Total	60	93	50	203
Funding available	60	136	50	
Balance carried forward	0	43	0	

5.2 The balances on the Service Transformation Reserve and the Contingency Budget are considered within the Q1 Budget report on this Executive agenda.

As discussed within Section 3, by mothballing level 4 or Riverside House, the Council should be able to make savings in business rates for 12 months (estimated £100k for one year), along with energy savings. Assuming Level 4 is vacant by the end of September, the estimated saving for the current year should be able to fund some of the costs above.

6 Risks

- 6.1 The proposals amount to a significant transformation step for the Council. Such transformation is also accompanied by risks, most of which are about the steps being taken on board by staff. In addition, there are the more usual risks associated with meeting the tight timetable for implementation and remaining within budget. To mitigate these risks SMT will monitor progress at its now weekly meetings and reports will be made on progress to the LCG with any indications of deviation from the intended outcomes or timetable highlighted and acted upon.
- 6.2 In addition to this, must be added the risks now associated with the Covid 19 emergency and the possibility of further outbreaks and ensuing local, regional or national lockdowns and/or shielding of staff involved.
- 6.3 If there are delays to vacating level 4, there is the risk that the business rates saving will not be made. The £100k is an estimate of the rates that should be saved. These will be subject to the final assessment by the Valuation Office.
- 6.4 Whilst in the short term the council has taken measures enable staff to work at home. Such rapid deployment has highlighted health and safety risks which the Council as an employer is required to control/mitigate. This report seeks to provide the funding to allow the mitigations to be implemented. Failure implement any mitigation could be considered a criminal offence and there are recent examples of significant fines being applied to local authorities who have been deemed not to comply with legislation.

7 Alternative Option(s) considered

- 7.1 Not adopting this Strategy would require the Council to recommence work on a new Strategy and would require Councillor Guidance on what that should be if the one proposed is not acceptable.
- 7.2 Not adopting or funding the implementation plan would leave the Council unable to do much to help staff in the short term who are not able to continue to work at home and would therefore leave the Council exposed on health and safety matters.

Addendum to Item 9 – WDC Post Covid 19 Recovery Strategy – Back to the Future

1 Summary

- 1.1 This Addendum provides a further update to the total estimated cost of the implementation steps of the Back to the Future Strategy. This was previously outlined in Section 5 of the original report.

2 Recommendations

- 2.1 The Executive agrees to fund the total estimated cost of the implementation steps of £292,600, to be funded as detailed in Section 3.
- 2.2 The Executive agrees to the latest version General Fund Capital programme, last agreed by executive as part of the 2020/21 General Fund Budget and Council Tax Report.

3 Reasons for the Recommendations

Recommendation 2.1

- 3.1 The cost of the capital proposals total £286,300, with a revenue proposal of £6,300, and are made up of:
- £237,300 for ICT provisions (mainly laptops) to support people working at home.
 - £26,000 for desks and chairs for people working at home.
 - £23,000 minor alterations to Riverside House to help make it safe for those people working there.
 - £6,300 annually for Remote Desktop Services Licenses.
- 3.2 These are proposed to be funded as follows: -

Funding of Proposals	Service Transformation Reserve	Contingency Budget	2020/21 Business Rates saving on Riverside House	Business Rate Retention Volatility Reserve	Total
	£000	£000	£000	£000	£000
Desks /Chairs	26				26
Minor Alterations/equipment	23				23
ICT Provision	31	73	50	83	237
RDS CALs		6			6
Total	80	79	50	83	292
Funding available	80	136	50	-	
Balance carried forward	0	57	0	-	

- 3.3 The use of the Business rate Retention Volatility Reserve is considered as part of the Q1 Budget report on this Executive agenda.

Recommendation 2.2

- 3.4 The latest General Fund Capital Programme can be found at Appendix A, with Appendix B outlining the Financing requirements. This includes the proposals outlined above.

General Fund Capital Programme

Appendix A

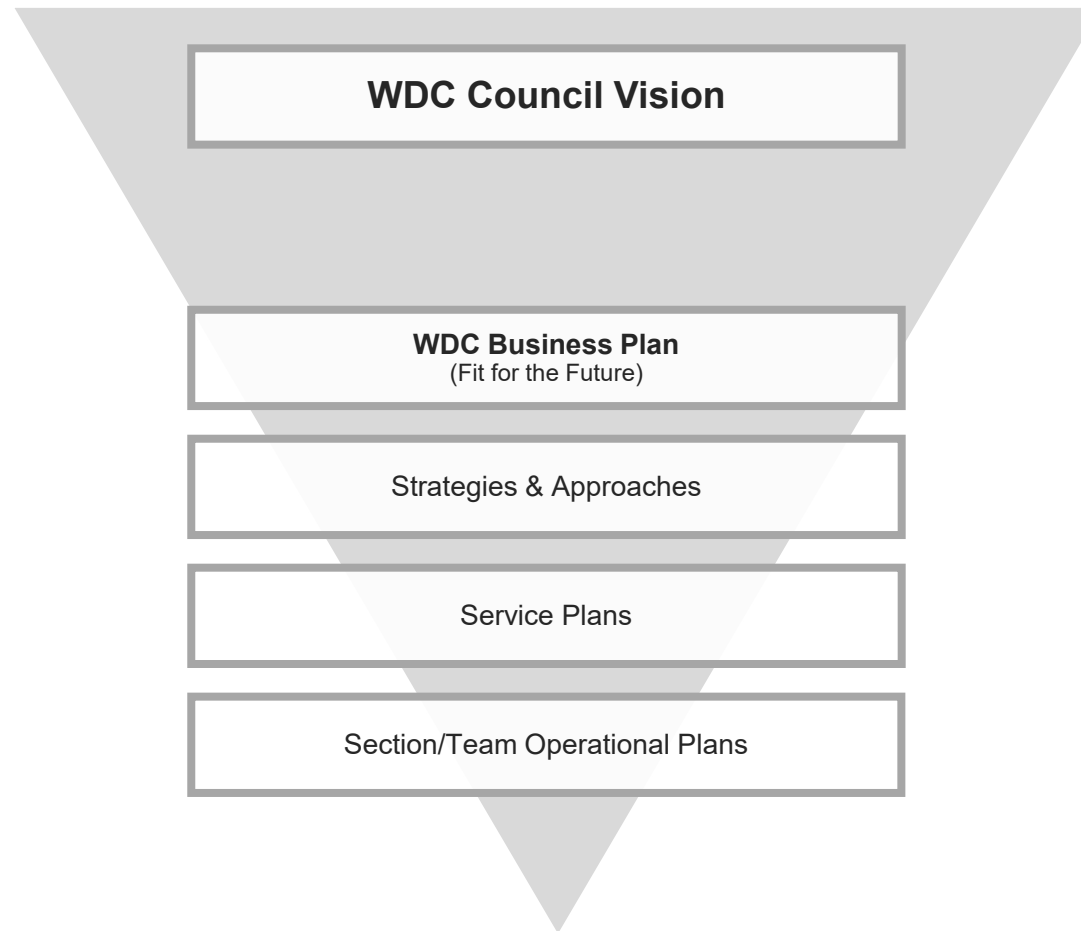
	Proposed Expend. 2020/21 £'000	Proposed Expend. 2021/22 £'000	Proposed Expend. 2022/23 £'000	Proposed Expend. 2023/24 £'000	TOTAL 2019/20 to 2023/24 £'000
CAPITAL PROGRAMME SUMMARY					
Strategic Leadership & CWLEP	336.5	398.0	277.0	257.0	1,268.5
Health & Community Protection	2,810.3	23.7	15.7		2,849.7
Culture Portfolio	1,099.1	23.7	15.8		1,138.6
Finance Portfolio	769.9	150.0	150.0	150.0	1,219.9
Neighbourhood Portfolio	1,051.8	2,160.7	80.0	80.0	3,372.5
Development Portfolio	11,798.2	286.4	76.0		12,160.6
TOTAL GENERAL FUND CAPITAL PROGRAMME	17,865.8	3,042.5	614.5	487.0	22,009.8
STRATEGIC LEADERSHIP & CWLEP					
Desktop infrastructure	27.0	30.0	30.0	48.0	135.0
Infrastructure replacement				60.0	60.0
Infrastructure general	13.5	13.5	13.5	14.5	55.0
Backup solution				100.0	100.0
Voice of IP telephone system		75.0			75.0
Storage Area Network (SAN)		170.0			170.0
Network devices LAN & WAN	10.0	63.5	233.5	14.5	321.5
Contact Centre		8.0			8.0
Physical server replacement		26.0		20.0	46.0
UPS		12.0			12.0
Recovery Minor alterations / equipment / furniture	49.0				49.0
Recovery ICT Provision	237.0				237.0
TOTAL STRATEGIC LEADERSHIP & CWLEP PORTFOLIO	336.5	398.0	277.0	257.0	1,268.5
HEALTH & COMMUNITY PROTECTION					
St John's flood alleviation	100.0				100.0
CCTV replacement system	391.5				391.5
Whitnash Community Hub	2,018.8	23.7	15.8		2,058.3
Health & Community Protection IT system	300.0				300.0
TOTAL HEALTH & COMMUNITY PROTECTION PORTFOLIO	2,810.3	23.7	15.8		2,849.8
CULTURE PORTFOLIO					
Castle Farm sports pitch drainage	73.0				73.0
Leisure centre refurb phase 2 Kenilworth	666.4	23.7	15.8		705.9
Local football facilities	139.1				139.1
AV system in Council Chamber at Town Hall	80.0				80.0
Bowling Greens - Commonwealth Games	140.6				140.6
TOTAL CULTURE PORTFOLIO	1,099.1	23.7	15.8		1,138.6
FINANCE PORTFOLIO					
Rural & Urban Initiatives	169.9	150.0	150.0	150.0	619.9
Financial Management System	600.0				600.0
TOTAL FINANCE PORTFOLIO	769.9	150.0	150.0	150.0	1,219.9
NEIGHBOURHOOD PORTFOLIO					
Leamington parking displacement	159.5				159.5
Car park pay & display machines	17.5				17.5
Recycling and refuse containers	60.6	80.0	80.0	80.0	300.6
Play area improvement programme	593.4				593.4
Pump Rooms Gardens restoration	83.0				83.0
Tach Brook Country Park	45.8	2,080.7			2,126.5
Purser Drive path	2.0				2.0
Commonwealth Games cycleway upgrade	50.0				50.0
Skate park in St. Nicholas Park	40.0				40.0
TOTAL NEIGHBOURHOOD PORTFOLIO	1,051.8	2,160.7	80.0	80.0	3,372.5
DEVELOPMENT PORTFOLIO					
Warwick Town Wall		100.0			100.0
2nd Warwick Sea Scouts' headquarters	350.0				350.0
Norton Lindsey Community Hub	38.5				38.5
Kenilworth Wardens relocation	312.2				312.2
Kenilworth Rugby Football Club Relocation	300.0				300.0
Community Stadium project	121.4	86.4	76.0		283.8
Europa Way option to buy former farmhouse (Heathcote Farm)	996.9				996.9
CFS Aeroproducts relocation to Warwick loan	200.0	100.0			300.0
Kenilworth School loan	2,000.0				2,000.0
Kenilworth School HIF grant	6,015.1				6,015.1
St Mary's lands masterplan - cycleway	285.0				285.0
St Mary's lands masterplan - MUGA @ RCW					
St Mary's lands masterplan - extension to Bread & Meat Close car park	83.0				83.0
St Mary's lands masterplan - main entrance improvements	45.0				45.0
St Mary's lands masterplan - reservoir enhancement	5.0				5.0
St Mary's lands masterplan - Jubilee Wood improvements	5.0				5.0
St Mary's lands masterplan - improve drainage to playing fields	15.0				15.0
St Mary's lands masterplan - maintenance & management plan	40.0				40.0
Leper Hospital regeneration	986.1				986.1
TOTAL DEVELOPMENT PORTFOLIO	11,798.2	286.4	76.0		12,160.6

General Fund Capital Programme Financing 2020/21 to 2023/24

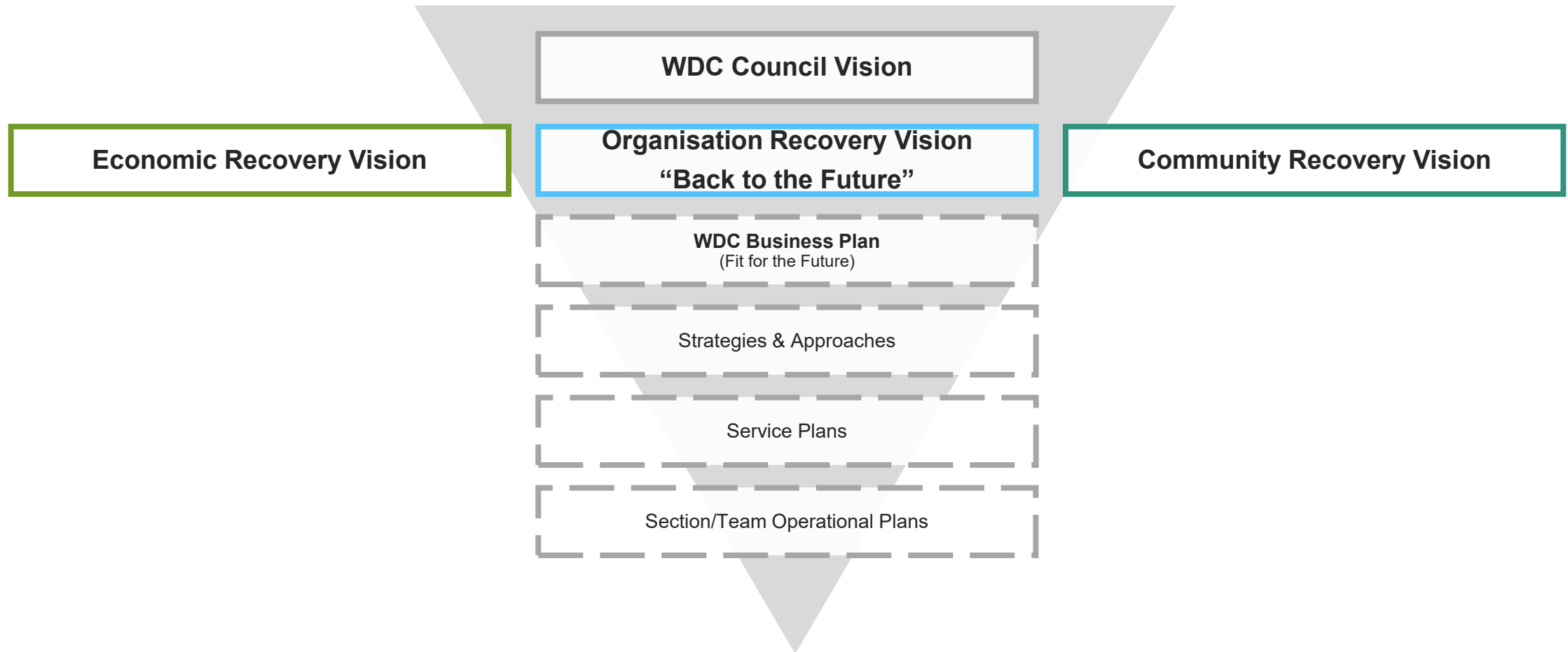
Appendix B

Source	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	Total £'000
Internal / External Borrowing	3,348.2	1,072.8	76.0		4,497.0
Capital Receipts	251.7				251.7
External Contributions	10,091.4	1,192.5			11,283.9
Revenue Contributions to Capital Outlay	516.2	80.0	80.0	80.0	756.2
Service Transformation Reserve	558.4	47.4	31.6		637.4
Equipment Renewal Reserve	80.0				80.0
Public Amenity Reserve	105.3				105.3
Planning Public Open Space Reserve	496.8				496.8
Local Plan Delivery Reserve	45.8	1.8			47.6
Community Projects Reserve	1,718.6	100.0			1,818.6
Car Parks R & M Reserve	62.5				62.5
Business Rates Volatility Reserve	83.0				83.0
Corporate Assets Reserve					-
Parking Displacement Reserve	114.5				114.5
ICT Replacement Reserve	50.5	398.0	277.0	257.0	982.5
Capital Investment Reserve	342.9	150.0	150.0	150.0	792.9
Total General Fund Capital Funding	17,865.8	3,042.5	614.6	487.0	22,009.9

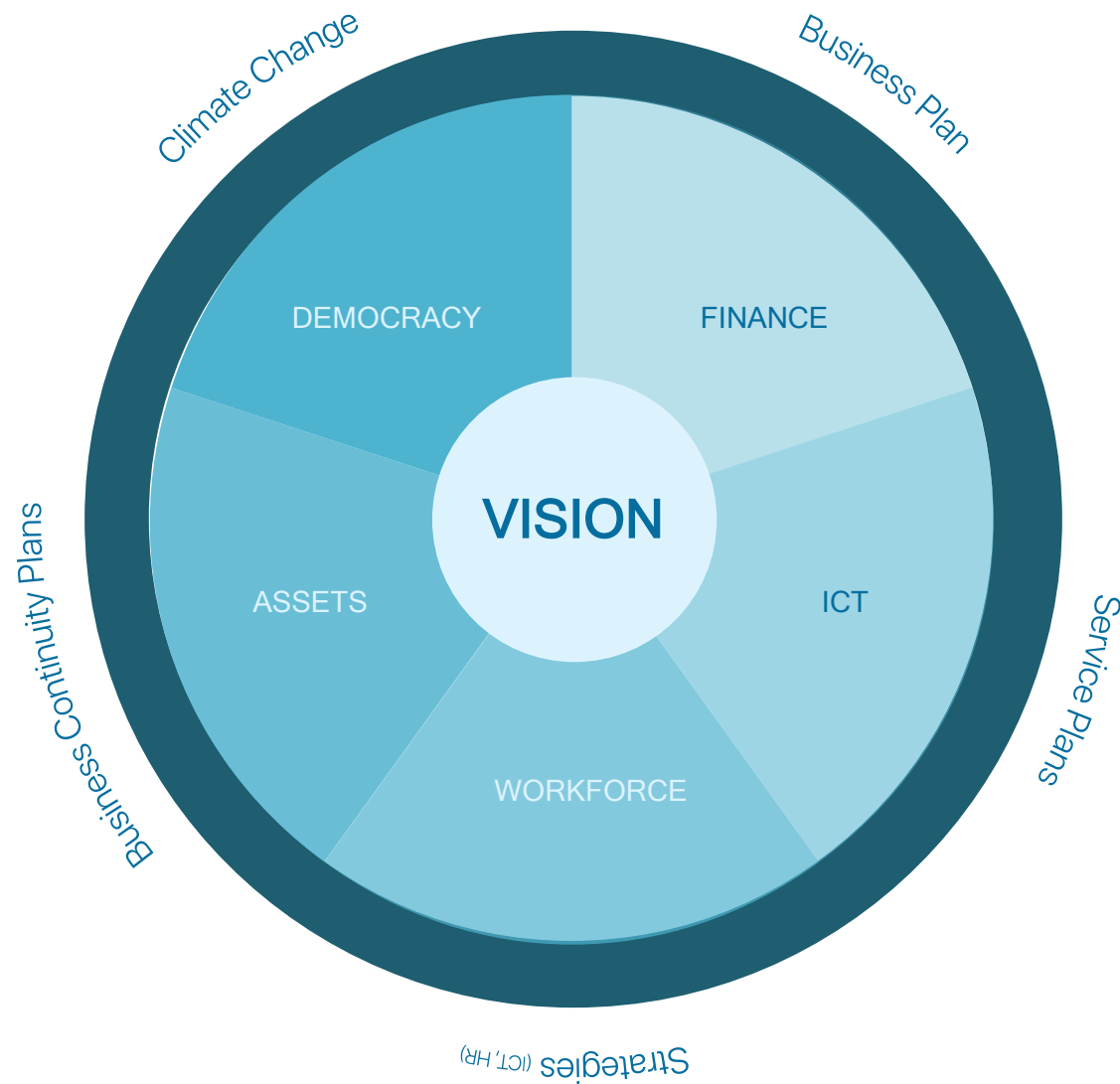
Normal Business Hierarchy (Pre Covid 19) of Forward Planning



COVID 19 Recovery Hierarchy of Forward Planning



Organisational Recovery



Organisational Recovery Vision:

Learning from our pandemic experiences:-

WDC is an organisation which ensures customer service is at the forefront of what we do, moving at pace to be agile and responsive, with easy accessible and effective services, staffed by competent professionals who work with flexible processes and procedures to deliver organisational requirements and are supported in their individual needs (health, safety and wellbeing).

Goals:

Climate change, decentralised working arrangements and acting within existing budget constraints are givens

Assets are used to:

- Collaborative spaces
- Front interface
- Equipment and infrastructure hubs
- Mapped network of touch downs spaces

Workforce are:

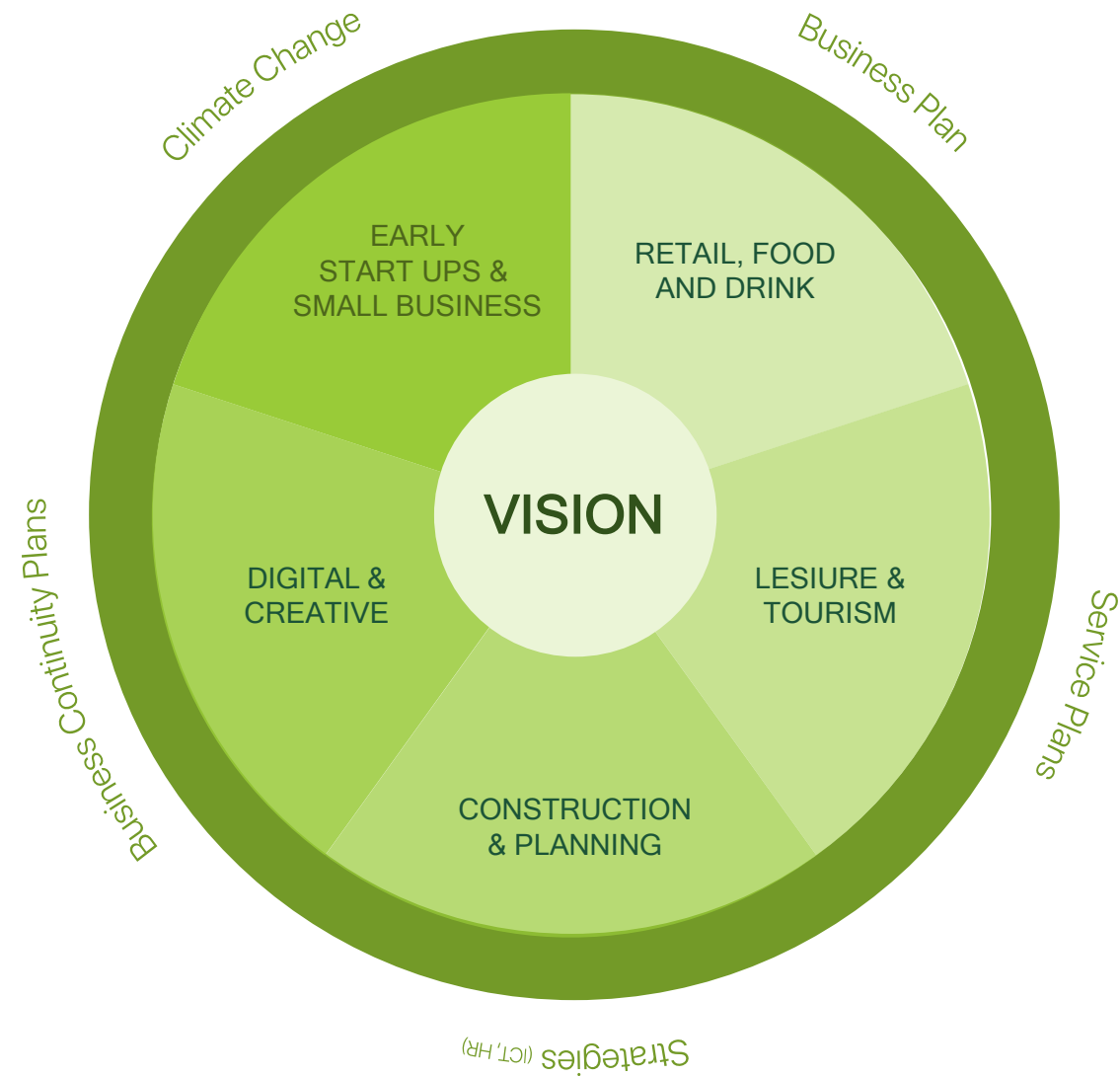
- Safety & health is important
- Agile and adaptable
- Recognition of the importance of social glue

ICT is used to:

- Support & transforming service delivery
- Allow agile working
- The right equipment to do the role/task.
- Allow customers to self serve

The full organisation plan is defined in terms of short, medium and long term actions. Whilst this plan only covers the current time, the vision describes a future up to possibly 5 years in advance. The current situation makes planning all actions over this period difficult and therefore it is accepted that the plan will need to be regularly reviewed and updated.

Economic Recovery



Community Recovery



Appendix 2: Implementation Plan

There are three stages to enable the continued use of Riverside House (RH) during the ongoing pandemic and beyond; these can be summarised as follows:

1. **Stage 1:** Review and update of existing management procedures and building usage; implement updated procedures as necessary.
2. **Stage 2 (A-D):** Implement medium-term operational management arrangements enabling a limited number of officers to work safely within RH on the basis of operational and health and wellbeing requirements. Clearance and mothballing of Level 4. Facilitation of safe working spaces and practices for future accommodation of occasional-users (Levels 3 to 1) and the potential resumption of face-to-face service delivery.
3. **Stage 3:** Long-term operational management of RH; review and implementation of measures post-COVID-19 as far as may be possible, with potential changes to the work from home policy.

SMT discussions over the lockdown period resulted in agreement that:

- All of the proposals and costs would be subject to political consideration and approval at an early opportunity.
- Home working should be facilitated though the provision of a desk, table, chair where required and based on the available information this was estimated at £26,600. Existing equipment to be used where possible.
- A move to a laptop based operation for those employees not working permanently from RH. From the analysis, the headline figure of 217 laptops was produced and at a current cost of around £520 each, a total estimated cost of £112,840 was noted. Additional costs of keyboards, mice and other sundries were estimated at £5,000 and an additional £36,000 for laptop docks. The total estimated cost for ICT equipment was £154,000.
- The Asset Steering Group (ASG) to be asked to look at rules in detail on the basis of a Permit to Access system.
- ASG to look at options for revoking visitors passes, including consideration of the need for access by Members and external tenants using Level 2.
- A floor level should be mothballed to allow business rates savings to be achieved. Managers Forum to be used to position this new way of working and a communications plan to be developed. ASG to look at the detailed requirements around which floor is best to mothball.
- A small working group from those services that previously offered customer facing services at RH should be convened and their recommendations discussed when available.

Update position 10th August 2020:

Stage 1: Here and Now - aiming to migrate to Stage 2 as soon as reasonably practicable

Adjustments have been made to the office cleaning regime for the short period to implementation of Stage 2. These are being reviewed fortnightly. There is now a cleaner in place based on an AM and PM shift system between 7.30am and 5.00pm and that cleaner tours the building cleaning touch points and communal facilities using COVID-19 compliant materials. There is an additional cost for this under the contract and the wider cleaning regime of vacuuming etc. operates in the evening.

We have formally notified the cleaning contractor of our future requirements arising from Stage 2 below, in order to re-allocate their cleaning resources currently contracted to RH.

All contractor and visitor passes (not cleaners) providing access into RH are to be suspended (by agreement) and alternative arrangements put in place.

Stage 2:

A. Facilitate safe working spaces and practices for those falling within Operational or Health & Wellbeing criteria (OHW Group) to return to RSH

Appendix 1 to this report is an Action Planning table encompassing the main deliverables within Stage 2. Key to the implementation of this is the early appointment of an on-site Building/Facilities Manager, reporting to the Head of Assets with the authority to manage access to the building under the Permit to Access system; liaise with line managers; ensure the safety and wellbeing of the OHW Group and later the transient / visitor individuals; carry out employee induction on access and safe ways of working; day to day liaison with cleaners; coordination of fire and first aid wardens; ensure an adequate stock of cleaning and PPE for people in the building; implementation and management of energy saving measures and also supervise the clearing of Level 4 and its subsequent mothballing.

This person needs to be process driven. An existing employee with the appropriate skill set has been identified and discussions are underway as to how quickly they can move into the new role.

A new cleaning regime has been agreed in principle with our Cleaning Contractor, Churchill based on the following understanding:

Level 4 – Closed. No need to clean on a routine basis, may need a one off clean following the clearing of documents and other items at some later point.

Level 3 – Occupied with OHW Group and later occasional-use employees - need to agree a COVID-19 procedure with our contractor and a permanent day time cleaner required for disinfection

Level 2 – Cleaning of The Space, CST area, Tenant floor areas i.e. Bowls England and potentially the front facing reception area at some point in the future, with the requirement for routine disinfection of high touch areas. This can be covered by the day time cleaner

Level 1 – Occupied by ICT and Post Room – again covered by full time cleaner

Further discussions on the detail of the new arrangements are scheduled during w/b 10/8 to discuss the potential additional costs or savings relating to the modification of the cleaning regimen over Stages 2A to D.

An updated Risk Assessment and Method Statement for updated working practices will be undertaken. We are also aware that Churchill will need to undertake some consultation with staff, although this is unlikely to delay the deployment of new approach.

An appropriate signage and information plan is being developed together with **Media and using the “Back to the Future”** theme throughout the building and indicative layouts are shown in Appendix 2 to this report.

Signs will be procured for Stage 2A from a specialist design operator (in consultation with Media team) and sourced via our existing maintenance contractor. There is an estimated cost of £6,000 for this. In addition, there is a further cost of circa £8,000 for Perspex screens to be installed between clusters of desks to permit safe working of the OHW Group (desks or areas not in use to be clearly marked) with a further £4,000 for hand sanitiser stations and other safety equipment. There will be additional costs for stocking and maintenance of the sanitiser stations and related safety equipment requiring a further provision of £2000 for the balance of 2020.

Dorguard systems to allow opening of fire doors to give line of sight and reduce touch points will cost circa £2,500.

B. Clear Level 4: Relocate essential items to Level 3, 2 and 1

In accordance with the decision of 13 July, Asset Steering Group considered the mothballing of a floor and, having taken all factors in to account, decided that it would be Floor 4 that would be mothballed as part of Stage 2B

The consequent actions for this stage are set out in outline in Appendix 1 to this report. Detailed measures are within the Action Planning spreadsheet.

Associated costs TBC

C. Facilitate safe working spaces and practices for occasional-users working in RSH

The consequent actions for this stage are set out in outline in Appendix 1 to this report. Detailed measures are within the Action Planning spreadsheet.

Associated costs TBC but likely not to exceed £20,000.

D. Facilitate safe working spaces and practices for Reception and Customer Service Area to enable face to face service delivery

A small group of staff are working on this issue and are gathering information through Managers Forum

Associated costs TBC.

Stage 3:

This will need significant planning and research co-terminus and significantly beyond Stages 1 and 2 and also linked to the SDC programme.

Home Working

As highlighted earlier in the report, costs for the provision of desks, tables and office chairs have been identified to support staff with health and well-being issues identified from the checklist. Communication has been prepared for w/c 10.8.20 to complete this action and has been agreed by the Leadership Coordination Group.

Workforce Steering Group (WSG)/Communication strategy

The Workforce/ Assets/ICT Steering Groups have aligned to ensure there is a cohesive approach to managing the recovery. Through the Managers and Staff surveys followed by the checklist has ensured we are constantly engaging with staff relating to feedback on the impact on COVID-19 and different ways of working.

With recent discussions at WSG it has been identified that there is a gap in communications between the route we are taking and staff awareness. The setting the scene **FAQ's** document (set out as Appendix Three to the Executive report) **will address some of these areas in the short term with a 'roadmap'** for the vision of where we are aiming to be, being prepared as part of the overall communications strategy for recovery.

ICT position

Confirmed the position re ICT kit moving to a laptop based estate. Further research has been carried out regarding the wider consequences of making this change and a paper will go to DCE (AJ) to go to SMT and then Members.

In terms of interim arrangements discussions are underway to confirm arrangements to start bringing people back who have an urgent need (the OHW

Group). This has included clarification of the cleaning arrangements for kit being **returned having previously been in people's homes.**

Clarification has been sought on the working locations to be used and how and when these will be ready to accept users. One possibility is the use of a mix of O-Clients and laptop docs tailored to the OHW Group to enable practical deployment of these desks.

Appendix 1:

This is a distilled set of headline tasks taken from the detailed RSH Operational Planning control sheet (<L:\Work Groups\RSH OP Plan\RSH Operational Planning.xlsx>)

STAGE	Task	Indicative Date for Completion:
STAGE 1	Here and Now - aiming to migrate to Stage 2 as soon as reasonably practicable	Now
	Additional cleaning put in place as set out above	Completed
	Terminate all contractor and visitor passes (not cleaners) to RSH and alternative arrangements put in place	Ongoing Dodds no longer using RH. New HRA key handover process being agreed to eliminate the need for Axis to enter the building. Discussions underway with building tenants. Bowls England have confirmed they would not return to the building prior to Jan 2021.
STAGE 2	Intermediate Measures	

STAGE 2A	Facilitate safe working spaces and practices for those falling within Operational or Health & Wellbeing criteria (OHW Group) to return to RSH	
	Stage 1 and 2A budget figures and general process/ timeline to SMT for signoff	Completed
	Appoint Building Manager and appropriate cover	14.08.20
	Complete design of standard signage etc.	14.08.20
	Complete Permit to Access Process and Standard Operating Procedures document (to reflect completed risk assessment L:\Work Groups\RSH OP Plan\Risk Assessment) and implement	21.08.20
	Complete design of bespoke signage and messaging	21.08.20
	Update Permit to Access and Standard Operating Procedures to control and manage occasional visitors to RSH	28.08.20
	Ensure Track and Trace system accounts for all individuals accessing RSH	28.08.20
	Clear desks in Safe Working Space Area, Level 3. Requires management and comms with existing 'desk owners' to safely to enter RSH by appointment and clear desk/ desk drawers	28.08.20
	Ensure measures in place for OHW Group (first aid, fire evacuation, personal evacuation plans)	28.08.20

	Installation of Social Distancing signage, wayfinding, screens, sanitisation stations etc.	04.09.20
	Commence induction of OHW Group into RSH	07.09.20

STAGE 2B	Clear Level 4: Relocate essential items to Level 3, 2 and 1	
	Identify quantity of essential equipment and files to be relocated to Levels 3, 2, 1 as necessary	TBC
	Space plan relocation of equipment and files	TBC
	Plan and timetable removal of personal items (clear desks, shelves, drawers, lockers) from Level 4	TBC
	Plan and timetable removal of personal items (clear desks, shelves, drawers, lockers) from remainder of Levels 3, 2 and 1	TBC
	Undertake relocation of equipment and files from Level 4 to lower levels, as required.	TBC
	Relocate paperwork and files from Level 4 to store, scan or dispose	TBC
	Remove IT equipment from Level 4	TBC
	Undertake energy saving measures (reduced lighting, equipment and heating)	TBC

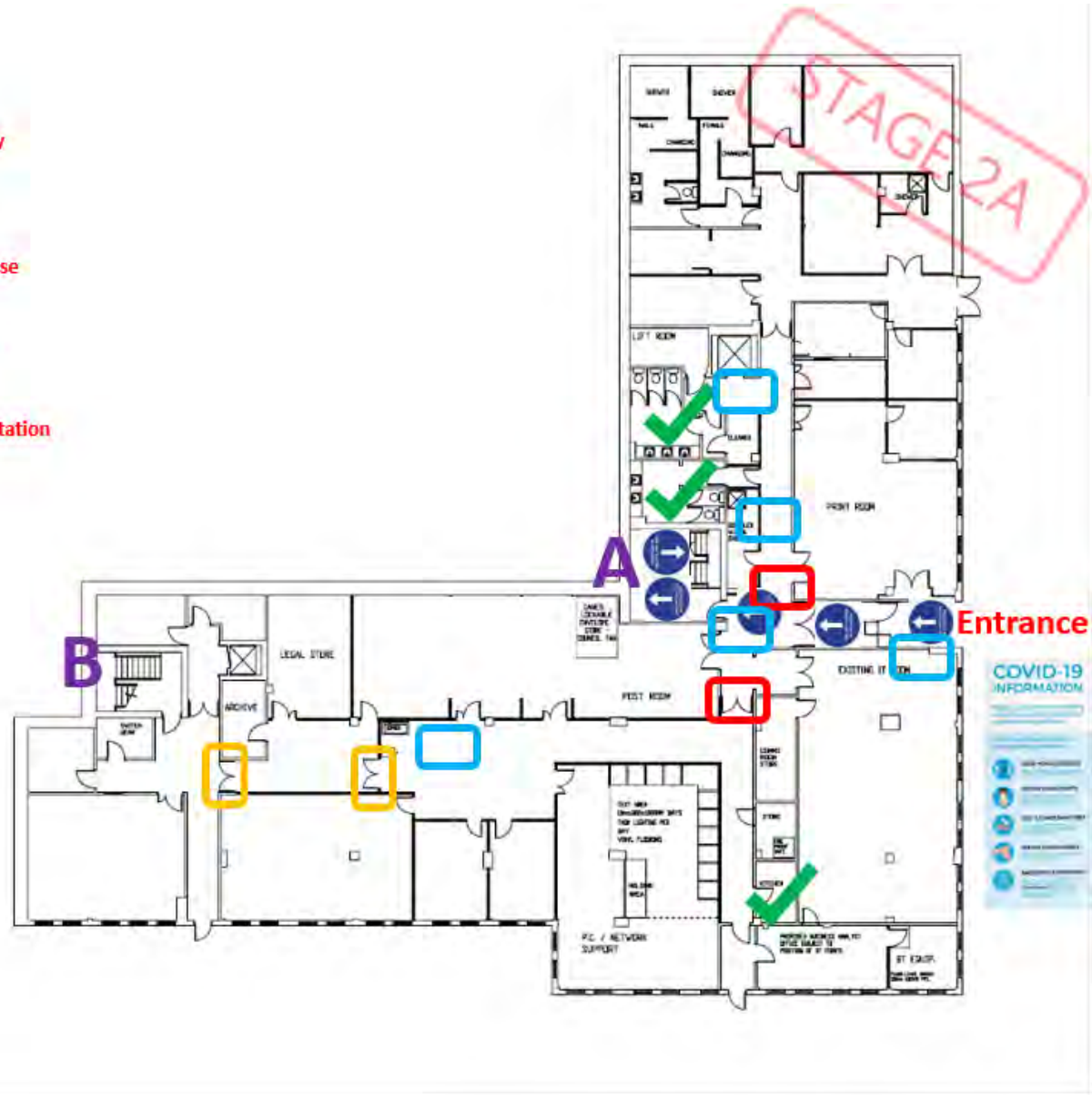
STAGE 2C	Facilitate safe working spaces and practices for occasional working at RSH	
	Identify requirement for occasional working	TBC
	Liaise with Level 1 tenants and approach to reoccupation of tenanted areas as required	TBC
	Identify specific additional Safe Working Spaces	TBC
	Plan use of meeting rooms	TBC
	Plan use of the Space	TBC
	Undertake energy saving measures (reduced lighting, equipment and heating)	TBC
STAGE 2D	Facilitate safe working spaces and practices for Reception and Customer Service Area to enable face to face service delivery	TBC
STAGE 3	TBC – Longer term HQ strategy required	TBC

Appendix 2:

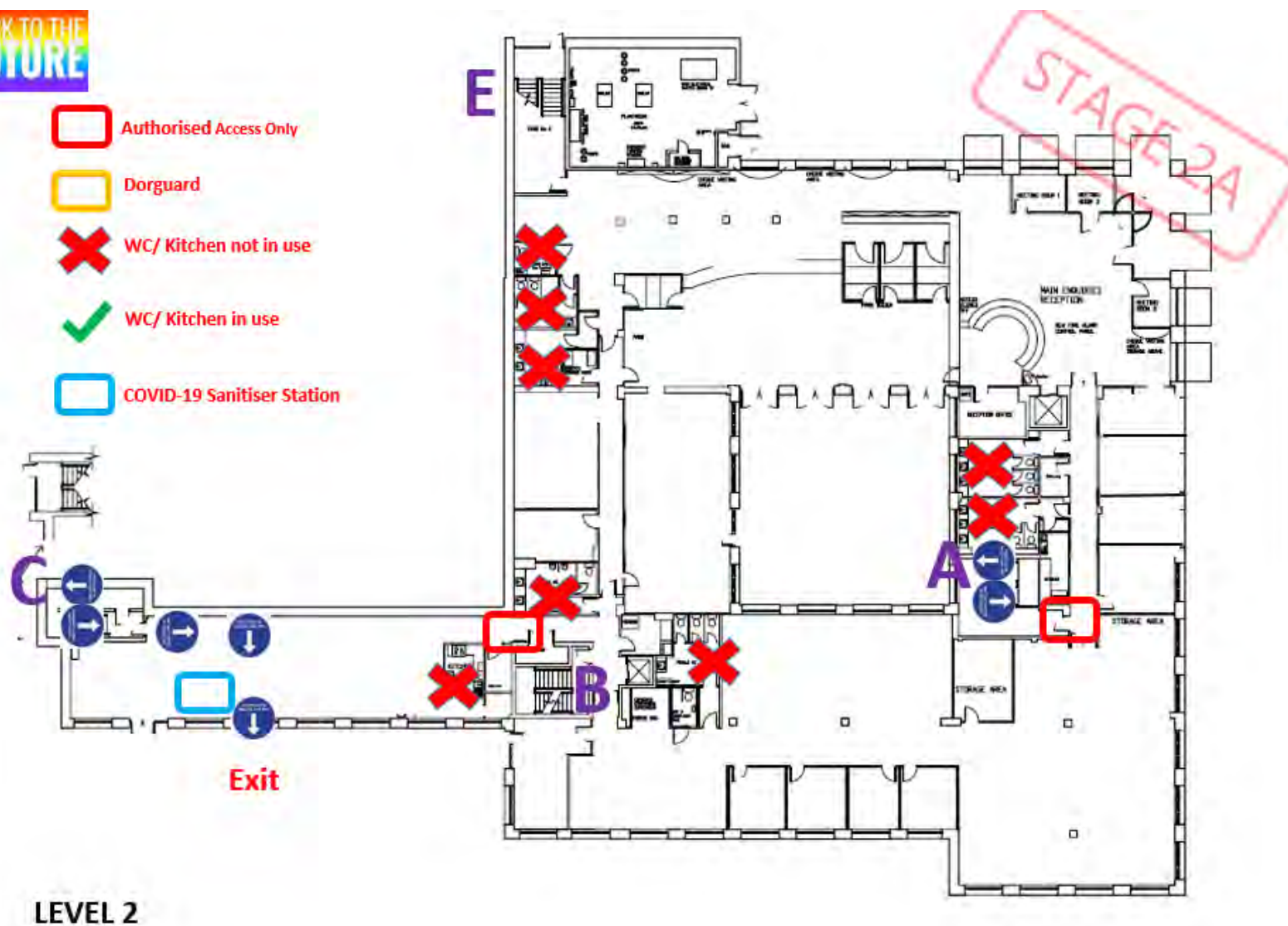
Draft operational layout plans for Stage 2A (work in progress documents to facilitate roll-out)



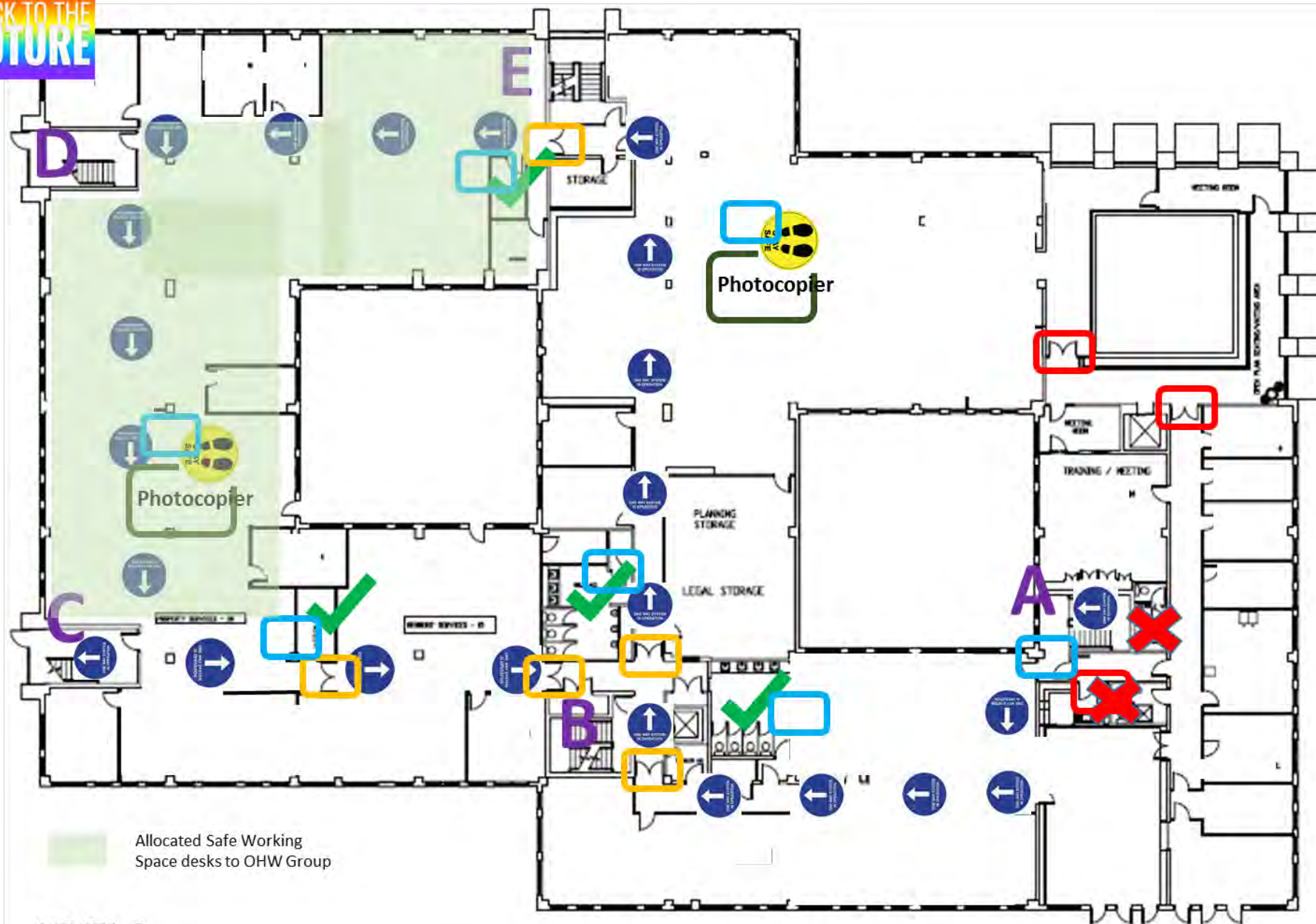
-  Authorised Access Only
-  Dorguard
-  WC/ Kitchen not in use
-  WC/ Kitchen in use
-  COVID-19 Sanitiser Station



- Authorised Access Only
- Dorguard
- ✗ WC/ Kitchen not in use
- ✓ WC/ Kitchen in use
- COVID-19 Sanitiser Station



LEVEL 2





LEVEL 4



STAGE 2A

COVID-19 INFORMATION

Please be assured, we are doing everything possible to keep our customers and staff safe.

To help us, please adhere to the following guidelines:

- KEEP YOUR DISTANCE**
Stay a minimum of 2m (6ft) from other customers at all times.
- COVER YOUR MOUTH**
If you need to cough or sneeze, please cover your mouth with a tissue or your elbow.
- USE A HAND SANITISER**
If you have a hand sanitiser with you, please use it when entering and leaving the store.
- WASH YOUR HANDS**
Wash your hands thoroughly when you return home.
- SHOWING SYMPTOMS?**
If you are showing symptoms of Coronavirus (COVID-19), please **DO NOT ENTER** the store. Please stay at home and follow Government and local authority advice.



Setting the Scene

As you know, there has been a great deal of work going on behind the scenes planning and preparing for the way forward, or **Back to the Future**, for Warwick District Council. There is still more work to be done, but based on our current situation and the information we have from your surveys and checklists, I'm now in a position to share our plans for the next steps we will be taking.

What do we know so far?

1. We know that coronavirus is still out there, it's still a threat and so your protection from the virus continues to be our priority. The Government advises a return to work where it is safe to do so. We do not have the necessary safety measures in place at Riverside House currently, so my instruction for you to continue to work from home where you can, has not changed and will not change for the foreseeable future.
2. We know from the staff survey and from your checklists that some of you have found it difficult to work from home, either through lack of space, circumstances or the impact on your wellbeing. We have worked through your comments and are addressing your issues within our steering groups:
 - ICT steering group is managing the requirements for ICT equipment
 - Workforce steering group is co-ordinating desks and office furniture and liaising with staff whose wellbeing has been impacted
 - Asset Steering Group is carrying out risk assessments and devising ways to make it safe for accessing and social distancing inside Riverside House and our other buildings.

Riverside House

We've taken the opportunity to review the purpose of our HQ building, indeed many of you asked about the building in your survey responses. We don't have an agreed long term vision at this stage, we are working with current insight and the current situation, but I expect that as both evolve and with your input, we will find ourselves working towards agreeing a shared vision for the future.

Based on your checklists, which we used to analyse in more detail your survey responses, we have found that around 40 staff need to work from the office, which leaves a great deal more office space in Riverside House than we currently need. On that basis, we have taken the decision to close off the fourth floor; to "mothball" it.

This means that although we will still own that floor, we will no longer be able to use it. This will enable us to make savings on our business rates and energy bills at a time when we are receiving no funding from the Government and need to manage our own budgets efficiently.

Next steps

We have identified an area on level 3 which can be managed as a safe working space for those staff that need to return, which needs to be cleared. The clear out will be planned in two phases:

Stage 1 - clear the desks within the safe working space on level 3 for staff who need to work from the office for an operational or health and wellbeing requirement. This means getting these specific desk 'owners' in first. Once cleared and health and safety measures are in place, those staff identified to initially work in RSH (approx. 40) can return.

Stage 2 - clear space to allow the mothballing of level 4 and to facilitate this we will co-ordinate by appointment, your safely managed access into the building to collect any personal belongings. In addition, we will need to carefully manage the categorisation of files and paperwork (keep, scan, dispose etc) – which will be a large task.

So in summary our priorities at the moment are:

- Get the 40 identified staff back into Riverside House.
- Get level 4 cleared as soon as possible, ready for mothballing

To be clear, Riverside House is still our work base, it's still our building. But we will be setting up those staff that need to work there first, whilst putting in place safety procedures for social distancing and managing the number of staff in the building at any one time. I will provide more detailed information on this along with the timescales for our clear out and collect programme in my next update.

We know that many of you miss the people, the office environment and all the social interaction and support groups that make Warwick District Council a great place to work. **I miss the cake; you won't be surprised to hear.** But all the good things we stand for and enjoy as part of our working day, don't just exist when we are in the office, they do not belong to the building, they belong to you the people, the teams that bring them to life through the work that you do, and the relationships you build. We are developing our social networks and our communication to ensure that you continue to feel that you belong to the community that is Warwick District Council while you work remotely.

I realise this is a lot of information and I don't have all the details yet that you may want to know about, but please have a read through the FAQs attached and then we will continue to update these as our plans develop.

Once again I must thank you all for your continued commitment and dedication **to your work and for supporting our residents at a time when they've needed us most - we've come a long way on our journey *Back to the Future!***

Chris Elliott

FAQS

1. What are the timescales for the next step?

We are working on ensuring there are safe working practices in place in RSH with a proposed plan for those we have identified through either operational of health and well-being requirements to return to the office by the end of August. Your Head of Service will provide further details of how this will be managed to your Line Manager to discuss with you e.g. you will need to go through a safe working practices induction to return to the office.

2. Can I still come into Riverside house as I usually do for forms/photocopying/signatures?

Only with prior permission through your Line Manager. A formal process is now being set up to ensure we are aware at all times how many staff are in the building at any one time.

3. Are we selling Riverside House?

There are no plans in place at present to sell Riverside House

4. Are Stratford DC still working from home?

Stratford is also reviewing safe working practices, the safety of staff is at the forefront of all preparations for WDC and SDC.

5. Is this to prepare for a merger?

The steps being proposed are nothing to do with a merger. They are very simply about making sure we can ensure your health and safety and enable you to do your job effectively.

At this stage, our joint work with SDC is looking at the vacancies we both have at SMT level and at the opportunity to do joint work around our major contracts and our Local Plan reviews. We may though consider other joint working opportunities as they arise.

6. Where will my desk go?

Obviously with social distancing guidelines and safe working practices we will be reviewing the arrangement/layout of the office. This will probably mean that those returning to the office will not have the same desk prior to lockdown. Your manager will have more information for you on this once details have been worked through.

7. How do I collect my stuff?

This will be through a managed and phased approach. Initially we will be asking those that have desks that have been allocated in the 'Safe Working Space' area to clear their desks. This will then be phased to other areas to do

the same. The timeline for this is being worked up and will be shared in due course/via line managers.

8. Why can't I stay in my own area?

We have a legal duty to consider the safety of staff, put in appropriate cleaning arrangements and the financial impact that can be gained by giving up a floor. Its simply not possible for us to leave things as they are and enable staff to work safely in the building.

9. How do I meet up with my team if we can't sit together?

Once we have the initial staff identified working in the office, the next phase planned for the beginning of September will be to identify the requirements for occasional working in the office and the use of meeting rooms to allow 1-1's and team meetings where possible. We will also be looking at our other buildings to identify the 'space' that people can meet in.

10. What happens to my specialist kit I need?

You can review this with your Line Manager how this can be managed.

11. Is anyone else going to be sitting at my desk?

Possibly dependant on the area identified as the safe working space.

12. How will I know if it's clean or not?

Measures are being introduced to ensure a safe working environment. For those returning to the office to work or visit and an induction to the safe working practices in the office will be provided.

13. What if I change my mind about working from home and want to work in the office, will there be room?

COVID-19 is still with us and we are following government guidelines for staff to continue to work from home where possible. If your situation changes either operationally or through your own health and well-being you must inform your Line manager immediately. Following further review, we will be investigating the opportunity for 'occasional working' areas when required.

14. What if I want to do both, can I?

Sorry but no, it would not be safe to do that.

15. Why can't you sit teams together?

Where possible we will aim to sit teams together but with only 40 staff being catered for initially, its unlikely that number will include all of a team.

16. Will you be renting out the 4th floor?

If we could do it safely and if there was interest and there was a better financial impact than leaving it mothballed we would be sensible to consider that as an option but it is not currently planned.

17. I work off-site – how will this affect me?

By and large it won't affect you but we would want you to continue to discuss with your Line Manager safe working practices with your role and the requirements you need.

18. Will our passes still work at RSH?

Only when you have requested through your line manager so we are aware of how many staff are in the building at any one time. We are looking at a 'Permit to Access' system to ensure those that need to go into the office for specific operational reasons still can.

19. Why are you making the changes now, when we're coming out of lockdown and want to go back to the office?

With effect from 1 August the government is no longer telling people to work from home if they can. However, employers have the discretion to ask employees who have been working from home to return to the workplace, provided they have taken steps to ensure the workplace is COVID-19 secure and social distancing measures are in place. The government has emphasised that employers have the discretion to make decisions about how their staff can work safely, which could mean continuing to work from home.

Warwick District Council has taken the decision that those who are currently working from home should continue to do so, whilst we are still maintaining social distance and protection against coronavirus. Work is being undertaken to ensure all Warwick District Council workplaces are COVID-19 secure and we have identified and are prioritising those members of staff that have to return to the workplace. However, if you are unable to carry out your duties from home, or you feel your physical or mental wellbeing is adversely impacted by working from home please discuss with your line manager. Priority will be given for staff to return to the office if they are recommended to do so by Occupational Health or are not able to do their job from home.

20. Where is my work base now then, I'm confused!

Your administrative base is still Riverside House (if that's where you were based previously). Although the Council does not pay home working allowances directly, HMRC has confirmed that it will consider claims directly from employees who are required to work at home because their usual workplace has been closed owing to coronavirus measures.

Remember, you can [contact the HMRC to claim tax relief](#) for working from home.

21. Am I officially a working from home now?

All employees have a work base. Your work base is classed as where you go to attend meetings, even if infrequently, for example: team meetings, training, appraisals, 1-2-1's. **This applies even if you are working from home.** Where those that can work from home continue to do so we will be providing the 'kit' you need to continue. **We don't know how long COVID-19 will be a threat so we are preparing for the long term.** This also has allowed us to

review our agile working approach and how different ways of working can support our operational services to our customers, which we have many positive examples of.

22. How do I get the kit I need at home?

Managers have been sent guidance to help with co-ordinating this and they will discuss your requirements with you.

23. Will you pay my mileage if I drive into the office for a meeting?

All employees have a work base. Your work base is classed as where you go to attend meetings, even if infrequently, for example: team meetings, training, appraisals, 1-2-1's. **This applies even if you are classed as a home worker.**

Your work base has not changed and is still Riverside House (if that's where you were based previously). You can claim for any excess miles undertaken for the purposes of work related travel (business travel or travel for training purposes).

Normal home to work mileage, e.g. from home to the employee's contractual work base, should be deducted on each occasion. Where it is more beneficial for an employee to travel direct from home to a work appointment, or vice versa, rather than call into the workplace first, only mileage in excess of the normal 'home to work' mileage can be claimed. Contact your manager if you need to discuss further.

24. Do I record mileage to attend meetings with external agencies or customers from my home to the venue?

The response to Question 23 applies here.

25. What do I need to do if I worked on level 1,2,3? (Do I need to collect my stuff)

Access will be through a managed and phased approach. Initially we will be asking those that have desks that have **been allocated in the 'Safe Working Space' area to clear their desks.** This will then be phased to other areas to do the same. The timeline for this is being worked up and will be shared in due course/via line managers.

26. What about my personal locker do I still have that?

Not really. Access will be through a managed and phased approach. Initially we will be asking those that have desks that have **been allocated in the 'Safe Working Space' area to clear their desks.** This will then be phased to other areas to do the same. The timeline for this is being worked up and will be shared in due course/via line managers.

27. We note the concern about our personal belongings but what about all the work stored on level 4 where does that go?

This is part of the review and further details will be provided to managers when we are at that stage.