

 Executive Report 13 January 2016		Agenda Item No. 15
Title	Review of the Historic Building Grants Scheme	
For further information about this report please contact	Nick Corbett, Principal Conservation Officer	
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Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?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		

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 & Sustainability Impact Assessment Undertaken	Yes/No (If No state why below)
There are no implications for Equality and Sustainability	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	30.11.2015	Bill Hunt
Head of Service	30.11.2015	Tracy Darke
CMT	30.11.2015	
Section 151 Officer	22.12.015	Mike Snow
Monitoring Officer	30.11.2015	Andy Jones
Finance	22.12.2015	Karen Allison
Portfolio Holder(s)	30.11.2015	Councillor Stephen Cross
Consultation & Community Engagement		
The proposals have been discussed with the Portfolio Holder, Councillor Stephen Cross, and with the Corporate Management Team.		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. **SUMMARY**

- 1.1 The purpose of this report is to update Executive on the findings of a review of the Historic Buildings Grants scheme and to make recommendations concerning the cessation of the scheme and the transfer of the outstanding budget to a specific heritage project.

2. **RECOMMENDATION**

- 2.1 That Executive authorises the discontinuance of the current Historic Building Grants scheme.
- 2.2 That Executive agrees to the investigation of further Article 4 Directions within the District's Conservation Areas to control potentially harmful development.
- 2.3 That Executive authorises the transfer of the unspent 2015/16 budget from the Historic Building Grant scheme and the allocated budget for 2016/17 to contribute to the cost of the delivery of a project to repair a dilapidated, visually prominent Listed wall that marks the boundary between Wellesbourne Road (the A429), and the Locally Registered Park and Garden forming the setting of the Grade II* Listed Barford House.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 The current review of the Historic Building Grants Scheme identifies that resources could be more effectively deployed to protect the district's historic built environment.
- 3.2 The principal objective of the Conservation Building Grants scheme is to preserve and enhance the historic environment of Warwick District. The justification for the grants scheme is that it assists householders to update and repair Listed Buildings and other buildings within Conservation Areas in an historically appropriate manner rather than choose other potentially more harmful solutions, for example, the repair of historic sash windows using a grant as a contribution towards the cost rather than replacing them with UPVC windows.
- 3.3 However, it is considered that whilst the grants scheme has been of assistance in bringing forward the appropriate updating and repair of historic buildings, in practical terms the level of grant offered is often a small proportion of the total cost of the works which are likely to have been undertaken in the same way in any case without the grant assistance.
- 3.4 Further, although the Historic Building Grant scheme is available for Listed Buildings and historic buildings within Conservation Areas across the whole of Warwick District, the current review has identified that over the last two years, 73% of all grants have been awarded within the Royal Leamington Spa Conservation Area rather than more widely across the District.
- 3.5 In addition and as identified in section 5 below, there has also been a significant under-spend in the allocation of grants over recent years.
- 3.6 The consideration of the above factors has therefore led officers to the conclusion that the continuing operation of the grants scheme is becoming

increasingly ineffective in contributing to the protection of the historic environment in the manner in which it was intended.

- 3.7 It is also relevant to consider that the protection of the historic environment from inappropriate repairs and other works may also now be secured through other, more cost effective means, for example through the provision of an Article 4 Direction within a Conservation Area, which gives the Local Planning Authority greater control over potentially harmful alterations, including replacement windows.
- 3.8 The Council has already approved the introduction of a new Article 4 Direction for the whole of the Royal Leamington Spa Conservation Area, and this will be implemented in 2016. That Direction will ensure that unsympathetic alterations are resisted without the need to offer financial assistance through grants. The potential establishment of further Article 4 Directions in appropriate areas within the District will further reduce any justification or need for grants.
- 3.9 Some members may be aware of the current issues relating to the condition of a dilapidated, highly prominent Listed wall which makes a significant contribution to the character of the Barford Conservation Area and marks the boundary between Wellesbourne Road (the A429), and the Locally Registered Park and Garden forming the setting of the Grade II* Listed Barford House.
- 3.10 On 31st March 2015, under powers arising from the Planning (Listed Building and Conservation Area) Act 1990, your Planning Committee authorised the issue of a Section 54 Notice requiring the owner to repair the wall. In view of the urgency with which repairs to the wall need to be brought forward, at that meeting the Committee also authorised the Head of Development Services to take all necessary steps to implement the works required to repair the wall and to recover the cost from the owner of the land.
- 3.11 The cost of the repair works is estimated to be a minimum of £70,000.
- 3.12 In accordance with the usual protocol in seeking to recover those funds, a charge is to be placed on the land on which the wall is located, in order that when (and if) the land is sold, the Council will be reimbursed its full costs from the proceeds of the land sale.
- 3.13 However, the likelihood of any such sale taking place at any time in the future is unknown and therefore in seeking to bring those works forward, it is necessary to identify a budget from which the funds can be drawn down.
- 3.14 Rather than do so by identifying that budget from the Planning Reserve, it is suggested that this would be an appropriate use of the outstanding unspent 2015/16 budget from the Historic Building Grant scheme and the allocated budget for 2016/17 the total of which equates to the current estimate of the cost of the repair works.
- 3.15 The historic wall in question is a highly prominent feature within the Barford village and Conservation Area and its increasingly dilapidated state continues to impact on the character of that area. The use of the outstanding and remaining grants budget to facilitate the repair of this wall will, perhaps in contrast to its previous use to contribute funding towards small scale projects, have a significant positive impact on the historic character of Barford and is considered to comprise a practical and effective use of these funds.

4. POLICY FRAMEWORK

- 4.1 The protection of the Historic Environment is a key and integral objective of the National Planning Policy Framework and both the current and emerging Warwick District Council Local Plans.
- 4.2 The adoption of a proactive, coordinated and cost effective approach to conservation positively contributes to the Council's 'Fit for the Future' programme and specifically the vision for making Warwick District a great place to live, work and visit.

5. BUDGETARY FRAMEWORK

- 5.1 The allocated budget for Conservation Building Grants in 2015/16 is £50,000, in addition to the carry-over of unspent grant budget from the previous financial year (£38,621) giving a total available budget of £88,621.
- 5.2 During the last financial year the average grant awarded amounted to £987.00, (the lowest grant was for £41 and the maximum was £2,000) and it is estimated that the cost in terms of officer time to administer each grant is approximately £250.
- 5.3 In addition to the factors identified above, it is also therefore considered that the cost of delivering the grant scheme is disproportionate to the benefits attributed to it such that the scheme is not considered to be delivering effective value for money.
- 5.4 To date, within the current financial year (2015/16), 41 grant applications have been received/remain committed from 2014/15, (30 in Leamington, 7 in Warwick, and 4 in Kenilworth and the rural areas) resulting in a current uncommitted surplus of £20,381.
- 5.5 On the basis of current estimates, that amount, when combined with the allocated budget of £50,000 for the next financial year (2016/17) is sufficient to address the estimated cost of repairing the listed wall identified above.
- 5.6 Within the Council's current Capital Programme, the scheme is funded up to 2016/17. The Fit for the Future report to members on 1 September identified a package of savings that would enable the scheme to continue for future years. If the scheme is to stop after 2015/16, the £50,000 earmarked for the scheme from 2017/18 will be reflected in the Council's Medium Term Financial Strategy which is due to be considered by members in February. With further savings expected to be required, ceasing the scheme will help the Council's overall financial position.
- 5.7 A proposed revenue budget will be created from 2016/17 for the next five years at £4,000 per annum, i.e £20,000 in total to cover heritage open day expenditure.

6. RISKS

- 6.1 There is a risk that should grants be no longer available, unsympathetic works may be undertaken to historic buildings, including in Conservation Areas to the detriment of the protection of the historic environment.

- 6.2 However, as identified above, it is considered that the incentive provided by the offer of a grant may be relatively low, as evidenced by the considerable underspend experienced in recent years. It also remains an offence to undertake unauthorised works to a Listed Building and the proposed introduction of Article 4 Directions as set out above will provide additional controls over potentially harmful development.

7. ALTERNATIVE OPTION(S) CONSIDERED

- 7.1 An alternative option would be to reduce the funding of the current grant scheme, or to phase it out gradually, however this would result in the continuation of a scheme which is underperforming in terms of the benefits to the historic environment and which is not achieving effective value for money at a time when all public services are under pressure.
- 7.2 The current review has considered whether a relatively small grant (maximum £2,000) in practical terms incentivises works to be undertaken that would not otherwise occur, or if it significantly increases the likelihood of works being undertaken in a historically appropriate way with the conclusion is that it does not.
- 7.3 Grants are frequently awarded to parties who have recently purchased high-value property and who are already motivated to undertake a historic building restoration project. This combined with the fact that the total value of works to historic buildings frequently amount to tens of thousands of pounds brings into question the extent to which a maximum grant of £2,000 is a significant motivating factor.
- 7.4 The review has also considered whether administering the grant scheme is an effective deployment of staff time. It has concluded that should the grant scheme remain, the level of staff resources devoted to it is likely to be such as to impact upon other core areas of the service.
- 7.5 Should it be considered appropriate, a further possible option for future consideration would be the introduction of an area-based historic building grants scheme funded by the Heritage Lottery Fund. However, it is unlikely that the reintroduction of such an approach could operate in a manner which would omit all of the factors arising from the current scheme which have led officers to the recommendations in this report.

8. BACKGROUND

- 8.1 The District Council has for many years provided Historic Buildings Grants to assist property owners in repairing and restoring Listed Buildings and non-Listed historic buildings in Conservation Areas.
- 8.2 Grants are offered in accordance with the Planning (Listed Building and Conservation Areas) Act 1990 which makes provision for Local Authorities to make Historic Buildings Grants. The grants are available for all Listed Buildings and also for non-Listed buildings in Conservation Areas which make a significant contribution to the Conservation Area. Grants are usually offered at a level of 25% of the cost of works to a maximum of £2,000 per property.

- 8.3 The principal of this grant aid is to assist with the additional cost of materials and skilled labour required for historic building work. Without the facility to offer grant aid, it has been suggested that historic buildings might remain in a state of disrepair or inferior work might be carried out to the District's important stock of historic buildings. It has also been suggested that, without such a scheme, there may be no incentive to encourage historic building owners to replace unsympathetic works which have been undertaken in the past.
- 8.4 A capital allocation for historic buildings grants across the District for 2015/16 was agreed at £50,000). This budget is allocated to specific grant schemes which are described below:
- 8.5 **Leamington Spa Grants** – This scheme is available to all Listed and non-Listed buildings in the Royal Leamington Spa Conservation Area. At your meeting in February, it was agreed that the budget of £11,000 be allocated for 2015/16, plus part of the the surplus arising from the underspend from the previous year amounting to £24,583.
- 8.6 **Warwick Town Grants** – This scheme is available to all Listed and non-Listed Buildings in the Warwick Conservation Area. A budget allocation of £11,000 was agreed for the current financial year, plus part of the surplus arising from the underspend from the previous year amounting to £3,532.
- 8.7 **Kenilworth and Rural Areas** – This scheme is available to all Listed and non-Listed Buildings in Kenilworth, Whitnash and Rural Conservation Areas together with individual Listed Buildings that are not eligible for grant aid from the Leamington or Warwick grant schemes. An allocation of £11,000 was agreed for the current financial year, part of the surplus arising from the underspend from the previous year amounting to of £10,506.