

Cabinet

Minutes of the meeting held on Wednesday 6 July 2022 in the Town Hall, Royal Leamington Spa at 6.00 pm.

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

Also Present: Councillors: Boad (Liberal Democrat Group Observer), Cullinan (Labour Group Observer), and Milton (Chair of Overview & Scrutiny Committee).

9. **Apologies for Absence**

There were no apologies for absence received.

10. **Declarations of Interest**

Councillor Falp declared interests in the following items:

- a) Item 6 – Continuation of the Hydrogen Hub Project – as she was a Whitnash Town Councillor;
- b) Item 9 – Appendix B – Supporting Our Communities – as a member of her family worked for Warwick District Council; and
- c) Item 12 – Progress on the provision of the Community Stadium Scheme, Fusiliers Way, Warwick – as a member of her family was a shareholder of Leamington Football Club.

It was decided that she would remain in the chamber for the debate but would not vote on these items.

11. **Minutes**

The minutes of the meeting held on 25 May 2022 were taken as read and signed by the Chairman as a correct record.

The minutes of the 11 February 2021 meeting were corrected and approved by Cabinet.

Part 2

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

12. **Programme Advisory Boards**

The Cabinet considered a report from Democratic Services which brought forward proposals for revised areas of responsibility for the Programme Advisory Boards.

Programme Advisory Boards (PABs) had now been in place for over 18 months and generally these had operated well and added value. This said, when the proposal to review the scrutiny arrangements for the Council were brought to Cabinet, Councillors provided additional views on how PABs could be further enhanced.

It was recognised that some PABs had met more often than others. From August 2021 to May 2022 there were the following meetings, where minutes had been passed to Committee Services to publish:

- Climate Change - 5
- Community protection - 4
- Culture Tourism & Leisure - 5
- Homes, Health & Wellbeing - 3
- Place & Economy - 2
- Planning – 0
- Resources - 2
- Strategic Leadership - 4
- Transformation - 2

This was understandable based on the current purpose of the PABS, below, as workloads could be variable within service areas:

"To act in advisory capacity, or providing guidance, in developing and delivering the projects/policies of Warwick District Council and in so doing, enabling backbench members to have greater involvement in shaping Cabinet decisions of the Council, particularly on services, key projects and programmes (but not day to day operations). This also helps to utilise the skills, knowledge and talent of all Councillors in a more effective way. They will not be a decision-making Group or be scrutinising service or policy delivery as these will remain the responsibility of Council/Cabinet and Scrutiny respectively"

In addition to the PABs, there were also the South Warwickshire Local Plan Advisory Group and the DPD Climate Change and Sustainable Buildings Working Group, and the integration work with Stratford-on-Avon District Council also impacted on the delivery of PABs.

Moving forward, it was recognised that the approaches of the PABs varied, and greater emphasis would be made on consistency of approach and the responsibility of the PAB Chairman. The Leader would personally review this in October and address any issues with Chairman of any specific PAB as required. Subtle changes to emphasise were made within Appendix 1 to the report and the Leader would also hold a briefing session with the Chairs of the PAB's and Senior Leadership Team to explain this.

Councillors requested that officers investigate the potential for the PAB agendas and minutes to be made public. Officers were mindful that Working Parties and now PAB's were seen as a safe space for discussion on matters which may or may not formally progress. Traditionally these had never been in the public domain to enable a more informed and open discussion. It was considered at this time that this should continue to encourage a more productive and open dialogue. However, Members were reminded that any information held by the Council could be subject to a request for information under three different pieces of legislation.

With the change in areas of responsibility for Portfolio Holders came the change in remit of the PABs. To avoid confusion all Councillors would be given the opportunity to volunteer to sit on any PAB (each PAB would

have six seats) and be involved. These should start to operate from 18 July 2022.

At this time no alternatives had been considered as the proposals were based upon the requests from Members and detail enhancements to the current arrangements.

The Group Observers praised the PABs and were pleased to see that their functions had now been formalised.

Councillors felt that PABs should remain exempt from public domain, noting that PABs were meant for discussing ideas at an early stage so it would not be appropriate to release information earlier than necessary and could hinder debate amongst Members.

The Leader stated that PABs had been a key mechanism in strengthening the cross-party work of the Council. He then proposed the report as laid out.

Resolved that

- (1) the areas of responsibility for the Programme Advisory Boards (PABs) and remits as set out at Appendix 1 to the report, be approved; and
- (2) the membership of the PABs, to be reported to Council in July, as set out at Appendix 3 to the report, be noted.

(The Portfolio Holder for this item was Councillor Day)

13. New Projects for the Leisure Development Programme

The Cabinet considered a report from Culture, Tourism & Leisure. The Leisure Development Programme had already seen the redevelopment of the Newbold Comyn and St Nicholas Park Leisure Centres and the construction of a new artificial turf pitch on Council land at Racing Club Warwick as well as project management of the Whitnash Civic Centre and Library on behalf of Whitnash Town Council. The demolition and reconstruction of Abbey Fields Swimming Pool and Castle Farm Recreation Centre, both in Kenilworth, were now underway or in final preparation.

The Leisure Development Programme included the work to establish the Community Stadium at Fusiliers Way, which was subject to a separate report to this meeting of the Cabinet – Minute Number 154.

The report proposed that finance and officers' time should now be committed to the development of four new projects for the Leisure Development Programme. This was to ensure that the Programme continued to provide a portfolio of excellent sport and leisure facilities in the District to encourage healthy and active lifestyles for at least the next 30 years. In order to deliver these projects, it would be necessary to extend the fixed term project management resource within the Leisure Development Programme staff team. In order to do this, it would be

necessary to make a sum available in the General Fund Balance in case one or more of the projects did not proceed, and therefore the salary could not be capitalised.

For each of the projects recommended to be commenced the next stages of the development of the project would include such tasks as; the preparation of designs; the carrying out of site surveys; preparation of a project timetable and risk register; a detailed assessment of costs; applications for grants; legal discussions with stakeholders and landowners where required; the preparation of planning applications where required; the procurement of preferred contractors (without signing any construction contracts) and sundry other tasks.

The Leisure Development Programme delivered a number of high-quality sport and leisure facilities for the District. That work was continuing with two major projects in Kenilworth at present. The report proposed that four more projects within the Leisure Development Programme should be permitted to move to the project development stage, with a view to preparing sufficient information on each project to bring a firm and costed proposal back to Cabinet in due course to seek permission to move to the delivery phase. If the Acre Close MUGA could be delivered from existing resources this project could move straight to the delivery phase without coming back to Cabinet for approval.

The development of these four projects would continue to develop the Council's growing reputation for high-quality leisure projects and, more importantly, would continue to encourage the District's residents and visitors to adopt active and healthy lifestyles.

The alternative option with regard to the athletics facility would be to refurbish the existing facility at Edmondscote Sports Ground. This would fail to take advantage of the locational benefits of the new site over the existing site, as shown in paragraphs 1.5.2 and 1.5.3 in the report. It would mean that the existing site could not be used as a riverside walk and public open space.

The alternative option with regard to the Myton Path would be to not proceed with this proposal. The benefits of the proposal for sustainable travel and the relief of traffic congestion were made clear in section 1.6.3 to 1.6.5 in the report.

The two alternative options to the construction of an Artificial Turf Pitch at Newbold Comyn would be to either not construct an ATP, or to construct it in a different location. If the ATP was not constructed, then the Council might fail to meet the targets for new ATPs in the Playing Pitch Strategy. If another location was chosen, then the benefits of this location as shown in paragraph 1.7.3 in the report could not be realised.

The two alternatives to the refurbishment of the MUGA in Acre Close Park was to either not refurbish the existing facility, or to wait to include the project within a wider portfolio of MUGA projects across the District. If the facility was not refurbished it would not serve as a suitable facility to promote healthy lifestyles and it would not be of a similar standard to other facilities on the site. If it was not used as a 'pathfinder project' it

would not be possible to learn the lessons of this project in submitting a wider project for MUGA refurbishment and creation to the Football Foundation at a later date.

The Overview & Scrutiny Committee supported the recommendations in the report. Members were keen to ensure the individual projects were referred to the Programme Advisory Boards.

Some broad comments were made about the provision of sports facilities across the District and the Committee recommended to Cabinet that these should be discussed at the Programme Advisory Boards (PAB's).

The Committee wanted to see the ongoing use of project management reviewed and expressed a keenness to ensure these will be looked at to help deliver a range of projects moving forward.

The Group Observers noted that the proposals to build these facilities were ambitious, which was a great thing in theory, but concerns were raised about the financial viability of these projects.

Councillor Grainger understood these concerns but noted that the report needed to be approved in order to find out whether these projects were economically viable or not.

The Leader stated that Warwick District Council was an ambitious Council that was prepared to take risks for the long-term benefit of residents.

Councillor Grainger proposed the report as laid out, subject to the additional recommendation from the Overview & Scrutiny Committee.

Resolved that

- (1) the expenditure of a sum not to exceed £225,000 from CIL funding received by the Council on project development activities in support of the project to construct a new athletics facility on land close to Fusiliers Way in Warwick, be approved, such that a further report can be made to Cabinet to seek funding for the fully prepared scheme in due course;
- (2) the expenditure of a sum not to exceed £150,000 from CIL funding on project development activities in support of the project to construct a new footpath and cycleway from Myton Road to Fusiliers Way in Warwick, be approved, such that a further report can be made to Cabinet to seek funding for the fully prepared scheme in due course;
- (3) the expenditure of a sum not to exceed £60,000 from s106 funds received by the Council on project development activities in support of the project to construct a new

artificial turf pitch (ATP) for football at the Newbold Comyn football pitch site, be approved, such that a further report can be made to Cabinet to seek funding for the fully prepared scheme in due course;

- (4) the use of up to £25,000 from the Community Centre Acre Close Feasibility Reserve for project activities to completely refurbish the Multi-Use Games Area (MUGA) at Acre Close Whitnash, be approved, recognising that this work will be owned by Whitnash Town Council and supported by officers within the Leisure Development Programme and that a grant agreement will be entered into with Whitnash Town Council for utilisation of this funding;
- (5) the release of £202,470 from the General Fund Balance to provide funding for the development and management of the projects identified in this report by the extension of the three fixed-term posts in the Leisure Development Programme Team from 31 December 2022 to 1 September 2024, be agreed on the basis that these posts will be capitalised if the projects proceed and instructs officers to keep the staff resources available to the team under review at appropriate times during the intervening period; and
- (6) the provision of sports facilities across the district be referred to and discussed at the Programme Advisory Boards meetings.

(The Portfolio Holder for this item was Councillor Grainger)
Forward Plan Reference 1,290

14. Continuation of Hydrogen Hub Project

The Cabinet considered a report from the Programme Director for Climate Change which sought approval to progress the potential development of a Hydrogen Hub in Warwick District to the next stages, based upon recommendations in the Hydrogen Hub Feasibility Study Executive Summary attached at Appendix 1 to the report and full (confidential) Feasibility Study at Appendix 2 to the report.

The report set out the way forward for the next stage towards the development of a hydrogen hub. In particular, for the reasons set out in section 1 of the report, it sought agreement to procure specialist advice to progress the concept and to bring a development partner on board. The funding for these next steps could be accommodated from within the existing Climate Action Fund budget.

Regarding recommendation 1, as detailed in Section 1.1 in the report, the Feasibility Study had produced a promising outlook on the potential opportunity that was the addition of a Hydrogen Hub in Warwick District. Key findings, taken from the full Executive Summary in Appendix 1 to the report, were as follows:

- A green hydrogen production facility and distribution station would produce hydrogen for the supply of fuel to zero carbon refuse collection vehicles (RCVs) owned by the Council and currently operated by the Council's waste collection contractor.
- There were retrofit technologies that could be applied to the existing RCV fleet to commence decarbonisation once the hydrogen hub was available and operational.
- To fuel the RCV fleet, WDC would require a 1MW electrolyser (1 MW electrical input). This would be capable of over-production by about 20%, which would be absorbable within the business case without external hydrogen sales.
- A 1MW facility would cost around £2.1m to deliver whereas a 3MW plant would cost around £3.7m.
- A 3MW facility would reduce the cost of hydrogen from £12.09 to £8.11 per kg, which in the context of the anticipated upsurge in demand for hydrogen over the coming years may be worth considering. Further increases in production might potentially reduce the cost of hydrogen further.
- It would be possible to produce and supply hydrogen profitably whilst maintaining or reducing the cost of fuel for the fleet.
- Hydrogen could only be considered 'green' or zero carbon if all of the power utilised to drive the electrolysis process was renewable. This would likely need to be supplied through a mix of grid delivered power purchase agreements and locally generated electricity delivered through the grid or directly connected renewable generation. The cost of such delivery reduced significantly with direct connection.
- There were a number of known potential solar PV developments in the area and WDC was in discussion with the main protagonists regarding potential offtake and / or acquisition.
- Government policy was currently very supportive of low carbon hydrogen production and there were a number of subsidy schemes that WDC could benefit from in the delivery of a hydrogen hub (detailed in Appendix 1 to the report).
- Delivering a hydrogen hub would require significant engagement with a relatively new industry in the UK but contracting structures and processes were well understood and discussions to date indicated that there were a number of potential private sector partners that could work with WDC.

- In terms of location, the following sites were considered: the Stratford Road depot, Harbury Lane playing fields and Greys Mallory (on the site of the proposed New House Farm development). Greys Mallory / New House Farm was identified as the preferred site given its location close to the strategic road network (between junctions 13 and 14 of the M40), access to the grid and local renewable generation, and current plans for the local area.
- The local benefits of developing a hydrogen facility would be a mixture of financial, economic, social, and environmental. The facility would provide a solid financial return to WDC in whichever capacity the council chooses to participate.
- It was recommended that the potential hydrogen hub development proposed by WDC progresses to the next business case stage. Further discussion with market was also recommended with a view to identifying potential development partners and participants in terms of vehicle provision and retrofit, power systems and renewable electricity, technology providers, dispensers and operators.

Given the key steps outlined above from the Feasibility Study, it was recommended that these were taken as the basis for progressing a hydrogen hub proposal to the next stages.

Regarding Recommendation 2, given that the Council remained ambitious to deliver a green hydrogen hub to fuel our own fleet vehicles and if viable to provide green hydrogen to the market, it would be necessary to partner with a commercial partner to provide expertise and finance that was beyond the scope of the Council. Given that this was a new type of venture for Warwick District Council, it was recommended that WDC procures specialist commercial partnership advice to support a compliant and effective process for bringing this commercial partner on board. At this stage, officers were of the view that the process for doing this and the partnership model to plan and deliver the Hub should be flexible. The adviser would initially work with the Council to scope out options for the process and the partnership vehicle before then acting alongside the Council in the procurement and/or negotiation process. This would not only ensure an effective and compliant partnership/collaboration but would also ensure the Council's best interests were served and risks to the Council were minimised.

In tandem with work alongside internal legal and procurement officers, this advisor would help WDC to construct a form of partnership, or a 'delivery vehicle', through which the Hydrogen Hub proposal could be driven forward, in partnership with a private sector company.

It was acknowledged that developing and managing a Hydrogen Hub were not areas of expertise for the Council. It was therefore assumed that some form of partnership with industry specialists would always be required, but the design of how an arrangement like this might be structured to best protect the Council's interests in the proposal moving forward was where an advisor experienced in this area would be best placed to assist.

Subject to Recommendation 2 being agreed, a sum of up to £50,000 was recommended (see Recommendation 3) to be set aside from the 2022/23 Climate Action Fund for this specialist role. No additional funding from other budgets would be requested for this piece of work. It was expected that the cost of the initial advice would be substantially less than £50,000. However, it was not currently known to what extent the Council would require ongoing support in negotiations with prospective development partners. In the event that these negotiations were complex, there could be a requirement for ongoing advice. Flexibility had therefore been built into the costs to allow for this.

Prior to any commitment to progress to the development a hydrogen hub, a further report would be brought to Cabinet in due course (see Recommendation 4). This timing and precise content of the report would largely depend on the outcome of the advisor's assistance, the further work carried out by the specialist hydrogen consultants, Kingscote Enterprises (as set out in para 1.6.1 to 1.6.4 in the report) and any dialogue with potential commercial partners.

While we had already received the Feasibility Study and Strategic Outline Case for the Hydrogen Hub from Kingscote Enterprises, of which both contained useful information around the practicalities of the development of a Hydrogen Hub, there remained a great deal of further exploration required to be able to confidently say that a Hydrogen Hub in Warwick District would be a good investment.

Technical details such as the effective running of a private wire from a local solar farm to the Hydrogen Hub site, grid connections (and capacity) and negotiations with other renewable energy providers in the local area are all areas which need exploring by those with technical expertise.

It was for this reason that it was recommended (see Recommendation 5) that the original consultancy contract with Kingscote Enterprises was extended for a further 18 months (until approx. end of 2023) for a maximum sum of £40,000. These funds would come from the Climate Action Fund, meaning there was no request to be made to release funds from another budget.

It was anticipated that, once a Development Partner came on board, the requirement for specialist consultancy in this area might lessen. However, until the partnership model had been worked through and WDC had a clear idea of how the relationship would work, it was recommended that the current consultants' contract be extended up to the end of 2023. The consultants' work would be on a call-off basis.

Kingscote Enterprises was originally awarded a contract for phase 1 for a value of up to £50,000 by exemption. An extension of this contract by 18 months up to an additional maximum sum of £40,000 increased the contract award to £90,000. In accordance with the Code of Procurement Practice, a contract increase above £50,000 required an exemption to be granted by Members. It was therefore requested that an exemption was granted to the Council's Codes of Procurement Practice to enable an increase in value to the contract awarded to Kingscote Enterprises, to £90,000.

The alternative to procuring an advisor experienced in the field of public/private sector commercial partnerships would be for Cabinet to recommend that officers independently attempt to bring on board a Development Partner for the Hydrogen Hub, without any specialist knowledge. Nonetheless, within this scenario, officers would still be advised by a solicitor on legal matters.

The alternative to granting an exemption to the procurement code of practice in relation to the contract with Kingscote Enterprises would be for Cabinet to recommend that officers do not extend this contract and instead pause this stage of technical research, until an underdetermined future point. This would delay progress to the Hydrogen Hub proposal, as there would still be unanswered questions by the time a Development Partner could be onboarded, which would cause a knock-on delay to the next stage of work.

The Overview & Scrutiny Committee supported the work going forward and was keen to see the business case develop, particularly relating to the return on investment and the case for electric vehicles vs hydrogen vehicles and how these technologies evolve over time.

The Group Observers supported the report but suggested that the Council keep an eye on how both hydrogen and electric technologies were developing on a wider scale to ensure that this project was being undertaken as cheaply and as effectively as possible.

Councillor Rhead stated that the study showed that the development of a hydrogen hub producing green hydrogen was indeed feasible and could offer significant benefits to Warwick District, not only in terms of decarbonisation but also commercially. One of the other reasons for the development of the hub would be to fuel the Council's refuse collection vehicles (RCVs) to help achieve the climate action ambitions. The study went on to say that it would be possible to produce and supply hydrogen profitably, although further information on that would be provided in the business case. However, he acknowledged that this project would require a significant amount of engagement with a relatively new industry in the UK, and that the business case would look at potential partners to provide expertise. He, along with the Programme Director for Climate Change and the Project Manager, had arranged to meet up with Aberdeen Council to learn from their two-year experience of developing a hydrogen hub.

He then proposed the report as laid out.

Resolved that

- (1) the findings of the Hydrogen Hub feasibility study as set out in section 1.2.1 in the report, be noted as the basis for progressing a hydrogen hub proposal to the next stages;
- (2) specialist commercial partnership advice, be procured to establish effective and compliant processes to enable the Council to bring on

board a development partner (or partners) to deliver the Hydrogen Hub;

- (3) a budget of up to £50,000 be set aside from the Climate Action Fund to procure the specialist commercial partnership advice proposed in Recommendation 2;
- (4) once a preferred development partner has been identified, a further report will be brought to Cabinet to seek approval to proceed with the development of a hydrogen hub, including the detail of the financial arrangements and implications of its delivery and ongoing management; and
- (5) an exemption from the procurement code of practice, be agreed as set out in paragraphs 1.6.1 to 1.6.5 in the report to enable ongoing consultancy advice to be provided by Kingscote Enterprises, for a further 18 months (until approximately the end of 2023) for a maximum sum of £40,000, on the hydrogen hub and associated matters such as power supply.

(The Portfolio Holder for this item was Councillor Rhead)
Forward Plan Reference 1,293

15. **South Warwickshire Electric Vehicle Charging (EV) Strategy**

The Cabinet considered a report from the Department for Climate Change which sought to provide an overview of what was required within South Warwickshire to meet our responsibilities in supporting South Warwickshire residents to make the change from petrol and diesel to Electric Vehicles (EVs).

It presented a report from Cenex, which anticipated the required number of EV chargers needed within the area on land owned by both Warwick District Council (WDC) and Stratford District Council (SDC). It also illustrated the indirect cost savings and emissions reductions if the requirements were fulfilled.

It also sought approval for a joint WDC/SDC working Group to provide an operational approach to the findings of the report, which would enable and deploy charging infrastructure in South Warwickshire. This work would be in collaboration with Warwickshire County Council (WCC) to ensure that we fulfilled our responsibilities in delivering a portfolio of sites for chargers for the two tiers of authority.

The report asked Cabinet to note the findings within the Cenex report and agree to the production of a delivery plan of its findings. This would provide a framework for installing electric vehicle charge-points across the area to support the uptake of electric vehicles which in turn would

contribute to the reduction in carbon emissions and improvement in local air quality.

In terms of alternative options, the Cabinet could consider the do-nothing option and leave the market to install charge points in South Warwickshire. However, there were areas of South Warwickshire that were not commercially attractive at present. Large conurbations attracted the most interest from private sector installers. The latter were also less likely to provide charge-points for residents in areas without the ability to charge at home.

The report to be presented to Cabinet during Q3 of 2022/23 would present the potential procurement models outside the do-nothing option.

South Warwickshire could install charging points on an ad-hoc basis. Some years ago, with the first wave of EV funding this had been the approach taken in many instances, but this ran the risk of the assets being underutilised, poorly maintained, and no longer fit for purpose.

To avoid the issues raised in Section 2.3 in the report, the preferred approach would be to develop a delivery plan that was clear on long-term ambition, priorities for action and clear on Council requirements.

The Overview & Scrutiny Committee recommended that this item continue to be discussed by the Climate Change Programme Advisory Board (PAB) in order to shape the strategy before it returns to Cabinet.

Councillor Rhead explained that Cenex's projects for South Warwickshire showed that by 2025 there would be 23,000 plug-in vehicles, which would require 900 sockets. This would go up to 70,000 by 2030, requiring 2900 sockets. For this reason, it was important to look at how this infrastructure would be developed, particularly in areas that were rural or less attractive to private companies. He then proposed the report as laid out, subject to the additional recommendation from the Overview & Scrutiny Committee.

Resolved that

- (1) the key outcomes from the report entitled "South Warwickshire Electric Vehicle (EV) Strategy" that can be found in Appendix 1 to the report, be noted;
- (2) subject to the same being agreed by SDC, the development of a Joint Strategy and Procurement exercise with Stratford-on-Avon District Council to deliver EV charging infrastructure within Council facilities including a detailed options appraisal for the delivery and operation of an electric charging network, be agreed, and a further report is presented to Cabinet in Q3 of 2022/23; and

- (3) this item continues to be discussed by the Climate Change Programme Advisory Board (PAB) in order to shape the strategy before it returns to Cabinet.

(The Portfolio Holder for this item was Councillor Rhead)
Forward Plan Reference 1,264

16. **Future Funding of Shakespeare's England**

The Cabinet considered a report from Development Services which presented the interim funding arrangements for Shakespeare's England for the funding period 1 September 2022 to 31 August 2024. The proposal included a set of grant conditions that Shakespeare's England would be monitored against and held accountable for.

The report set out the proposed interim funding arrangements for Shakespeare's England following the earlier in-principle confirmation of funding as part of the Council's budget setting process. In particular, it sought to broaden the reach of Shakespeare's England by introducing a free web listing as well as set a number of grant conditions to effectively monitor the continued success of Shakespeare's England and ensure that Council priorities were met.

Shakespeare's England Ltd was set up in 2012 as a "not for profit" joint public-private sector partnership to be the official Destination Management Organisation (DMO) for South Warwickshire (incorporating important partners from the surrounding area). Shakespeare's England activity was principally within the following areas:

- Outward facing marketing.
- Development and steering of the Destination Management Plan process.
- Lobbying.
- Company development.
- Increasing membership to the company, Membership support and communications to members.

Shakespeare's England prepared a Destination Management Plan to manage and develop tourism articulating the roles of the different stakeholders and identifying clear actions that they would take and the apportionment of resources. Its specific focus was around the South of the county but also included the important tourism businesses in the surrounding areas too.

Although a membership organisation, it was primarily funded by Stratford-on-Avon District Council and Warwick District Council who had each provided £75k funding per annum. Funding had been provided on a three-year basis with the latest funding period ending in 2022. Warwickshire County Council contributed £25k per annum.

Shakespeare's England was run by a Chief Executive (supported by a small team of staff) who reported to a board comprising of a range of members. Stratford-on-Avon District Council and Warwick District Council

were both represented on the board by their respective Cabinet Members responsible for Tourism.

When it was established, the expectation was that by moving to a membership organisation, Shakespeare's England would over time, become self-funded and as such, the obligation for public sector funding would diminish. For information, officers were not aware of any DMO that was self-funded.

The COVID-19 pandemic had a devastating impact on the hospitality and tourism sector across South Warwickshire, resulting in a significant impact on the local economy. Both Stratford-on-Avon District Council and Warwick District Council had worked hard to support the industry through the effective distribution of Government and voluntary COVID grant payments.

However, both Councils acknowledged that more needs to be done to rebuild the hospitality sector and strengthen the South Warwickshire local economy. To this end, through their respective budget setting processes, as well as confirming the continuation of the £75,000 funding, the Councils had each earmarked an additional £25,000 per annum.

Confirmation of this funding was subject to confirmation at a subsequent meeting of the Cabinet, hence the report outlining the proposed approach.

It should have been noted that the proposed funding arrangements were for a two-year period. The rationale for this was threefold in that it acknowledged, firstly, that the future DMO landscape was uncertain in light of the Government's De Bois Review; secondly, that a long-term tourism solution was required that better benefitted all of South Warwickshire; and thirdly, that the two-year period dovetailed neatly with the proposed date of the merger between Stratford-on-Avon District Council and Warwick District Council.

Although the merger between the two Councils was not proceeding, an interim funding arrangement for Shakespeare's England was required prior to resolving its future in the long-term.

The report outlining the proposed funding arrangements was presented to Shakespeare's England Board on 5 May 2022 and was attached at Appendix 1 to the report for information.

In summary, in return for the additional funding, it proposed changes to membership structure and set a number of grant conditions to effectively monitor the continued success of Shakespeare's England and ensure that Council priorities were met, with a focus being on widening the benefits of tourism across South Warwickshire. Importantly, the conditions sought to link tourism with other economic sectors (e.g., the creative industries in Leamington) and build on other tourism markets (e.g., business tourism and green tourism) as well as to help contribute to addressing the climate change emergencies declared by both Councils. Such approaches dovetailed neatly with the emerging South Warwickshire economic strategy. The conditions were applicable to Stratford-on-Avon District as well as Warwick District.

Whilst the Board were happy with the general tenor of the grant conditions, certain amendments were proposed to strengthen the monitoring components of the conditions. The revised proposed grant conditions were set out in Appendix 2 to the report. A key change was the distinction between general conditions and specific targets that Shakespeare's England's performance would be monitored and measured against.

The Board did, however, raise two areas of significant concern. The first was in relation to the length of the funding period and queries as to why this was set at two years, especially now in light of the fact that Stratford-on-Avon District Council and Warwick District Council were no longer merging. The Board was reminded that the merger proposal was only part of the rationale for the two-year period and this was very much an interim solution whilst discussions and decisions were made regarding the long-term future of Shakespeare's England. It also reflected the very challenging financial climate that both Councils currently face.

However, despite those challenges, both Councils had not only agreed to continue to fund Shakespeare's England but had also in principle, agreed to increase the funding of the DMO for the next two years to help rebuild the tourism and hospitality sectors. Moving forwards, it was accepted that any future funding package should be set over a minimum five-year period to enable Shakespeare's England to take a strategic and longer-term perspective in respect of destination management.

The second concern related to the proposal to replace the current three-tier paid membership structure (bronze, silver, and gold) with two tiers of paid membership and a free 'website listing'.

The rationale for this change was twofold; firstly, to help spread the Shakespeare's England brand across South Warwickshire, in particular, attracting smaller businesses in less touristy areas through the introduction of a free website listing and communications from Shakespeare's England. Secondly, it was hoped that by doing so, a greater number of businesses were encouraged to become fully paid members of Shakespeare's England. This had a dual benefit to both the business in terms of benefitting from the experience and brand power of Shakespeare's England as well as benefitting Shakespeare's England by increasing the membership income it received. In turn, this money could then be reinvested in improved member services.

By minimising the benefits of the free listing, it was hoped to encourage businesses to purchase paid membership. All additional benefits including social media support, free access to the Quarterly Forums, attendance at Trade Shows, inclusion in Press or Trade Familiarisation trips, would only be available at paid member level.

One further benefit was that by automating the registration process it significantly reduced the administrative burden of servicing what were previously a high number of low-value (in membership income terms) members. This would allow Shakespeare's England to deploy its limited staffing resources more effectively to not only drive forward the marketing

of South Warwickshire but also to more expeditiously and expediently exercise its destination management functions.

The particular area of concern related to the possible conflation of the free web listing with free membership. It was felt that free membership would devalue the organisation and also make it very challenging to reinstate paid membership should it be necessary at a future date. However, it was stressed that the proposal was not for free membership but rather for a free listing; the benefits of which would be to broaden the reach of Shakespeare's England not only to smaller businesses but also to those businesses in less 'touristy' areas of South Warwickshire.

Whilst the Board accepted this rationale it was noted that the proposal for a free listing was a separate issue from the membership structure which was a decision for the Board itself.

To provide certainty to Shakespeare's England, the Board sought confirmation that decisions about the long-term future of Shakespeare's England be made as soon as possible to provide clarity and certainty regarding the way forward.

The Board also sought confirmation that the agreed conditions (see Appendix 2 to the report) were the only targets that Shakespeare's England would be monitored against and held accountable for by the two Councils.

As such, the Board recommended the following:

That the 2-year additional funding package be approved on the basis that:

- a) The free website listing was an additional category separate to the tiers of membership.
- b) Incorporating amendments to the wording of the proposed conditions as set out in Appendix 2 to the report.
- c) Confirmation that the agreed conditions as set out in Appendix 2 to the report were the targets that Shakespeare's England would be monitored against and held accountable for by the two Councils within this funding period.
- d) A decision regarding the long-term future arrangements of Shakespeare's England was made by March 2023.

In respect of the Board's recommendations, it was advised that these could be accepted noting the following:

- In respect of (b), Appendix 2 to the report also incorporated some further amendments to the conditions to assist with clarification and confirm monitoring periods and completion dates.
- In respect of (d), it was proposed that the date for this decision was by December 2023. This was to allow one full year of monitoring data for the new funding period to have been collated given that Shakespeare's England's financial year runs to 31 August. This

should also allow adequate time for a clearer picture to emerge regarding the wider DMO review. Although later than wished for by Shakespeare's England Board, it still provided for clarity at least eight months in advance of the end of the funding period.

In terms of alternative options, the following three options were available:

- (1) To approve the recommendations of this report;
- (2) To amend the recommendations of this report; or
- (3) Not to approve the recommendations of this report.

It should have been noted that if option 3 was supported, the additional funding would not be paid and Shakespeare's England and the future operation of the Destination Management Organisation for South Warwickshire would therefore be in jeopardy.

It should be noted that the recommendations were subject to approval of the concurrent report being taken by Stratford District Council at their meeting of the Cabinet on 16 June 2022.

In response to questions from the Group Observers, Councillor Bartlett noted that throughout the pandemic, Shakespeare's England had been a great organisation to pass information to tourists and support local businesses in complying with guidance. He recognised that some Members might not see the immediate benefits of the relationship with Shakespeare's England, especially now the merger with Stratford-on-Avon District Council was not going ahead and resolved to take responsibility to ensure that any benefits would be fed back to Members. He explained that this was an independent organisation that set its own prices, and that the Council's contribution of £100,000 was actually a relatively small contribution so Members had to be realistic about value for money. He stated that this report set out a clear decision point for long-term funding arrangements and he then proposed the report as laid out.

Resolved that the two-year additional funding package for Shakespeare's England be approved for the period 1 September 2022 to 31 August 2024 on the basis that:

- (1) the conditions set out in Appendix 2 to the report be agreed, implemented and monitored;
- (2) a free website listing be established as an additional category separate to the tiers of membership;
- (3) a decision regarding the long-term future arrangements of Shakespeare's England be made by Warwick and Stratford-on-Avon District Councils no later than December 2023; and

- (4) the agreed conditions as set out in Appendix 2 to the report are the only targets that Shakespeare's England will be monitored against and held accountable for by the two Councils within this funding period

(The Portfolio Holder for this item was Councillor Bartlett)
Forward Plan Reference 1,291

17. **Supporting Our Communities**

The Cabinet considered a report from the Deputy Chief Executive which reviewed the support the Council had provided to its communities over the past two years of the pandemic; recognised the work that both Councillors and Council employees had undertaken; and provided details of the work programme for the final year of the current administration.

At Appendix A to the report, officers sought to capture as many of the initiatives and activities as possible that were undertaken by this Council during the pandemic. Members noted that reams of prose could be provided for their consumption, along with facts, figures and detailed graphs and charts as so much work was produced. However, it was felt that the most accessible way to capture all the work was through an infographic summary paper. This would give Portfolio Holders and all other Councillors, an opportunity for reflection and might encourage observation, comment and query at this and other meetings.

Members should have noted, however, that while this work was being undertaken, day-to-day activities such as dealing with benefit or planning applications; addressing tenancy management issues; and responding to noise nuisance disputes, continued. Whilst many of these services were provided by officers from a remote environment, it was remarkable that residents were largely unaware of this as they had continued to receive, by-and-large, the standard of service that was available in pre-pandemic days.

The perceived success of the Council's response had been in no small measure to the teamwork displayed between officers and Councillors. Very early in the pandemic, the Council Leader established the Leadership Co-ordinating Group (LCG), consisting of the Cabinet and all the other Group Leaders. On a weekly basis, the Chief Executive would brief the Group on the latest pandemic position, its effects locally and more broadly, and from this the LCG would, through a collaborative approach and putting aside Party positions, set a clear policy direction for officer implementation. Furthermore, the rapid introduction of remote meetings for the various Committees and Councillor liaison enabled that essential Councillor-officer relationship to continue.

No sooner had the major impact of the pandemic started to relent than the Country seemed to move into what has become known as the "cost of living crisis". With surging inflation made up of energy, fuel, food, and clothing costs to mention just a few, many residents were finding it difficult to meet their day-to-day needs. Whilst Government responded

with its own package of measures, the Council continued with its mission of supporting local communities through the likes of a freezing of council tax, a hardship fund, a large grant to local foodbanks and promotion of various benefit and assistance schemes. At Appendix C to this report, details of the Council's response and signposting to relevant bodies and organisations was provided.

The work detailed at Appendix A to the report hopefully demonstrated the commitment of officers and Councillors to support our communities. This work had been delivered in a period of major uncertainty compounded locally by the now aborted attempt at a merger with Stratford-on-Avon District Council. Whilst a majority of Councillors agreed with the business case for a merger, it would not be accurate to say that the direction of travel had not had a significant impact on the collective morale of the organisation's officers as many feared for their employment and/or their future employment terms and conditions. Despite this, officers continued to deliver essential public services, although it was undeniable that the Senior Leadership Team had work to do in rebuilding trust and morale and explicitly recognising that all staff were appreciated for their work.

The uncertainty caused by the potential merger saw a record number of staff leave the organisation and this situation was compounded by the difficulty many managers were experiencing in recruiting new staff with the necessary skills and competencies. This was particularly problematic in the technical professions such as planning and accountancy.

Therefore, to recognise the work of staff over the last two years, to help rebuild the morale of the organisation and to revitalise what had always been a successful organisation, the Council Leader and Chief Executive were proposing the Applause initiative which was summarised in the paper at Appendix B to the report. Whilst the headline of this initiative would be the monetary element, Members should have noted that there was more than that with investment in the likes of staff career development; health and wellbeing; and team building.

Were Members to support this initiative then it was proposed that the Leader and Chief Executive agree the final details. Ordinarily, Cabinet would agree its programme of work for each municipal year through the endorsement of the Service Area Plans (SAP). Due to the impact of the pandemic and then the initial steps towards merger, SAPs had not been produced for the last two municipal years and Service Heads had been delivering their respective programmes of work through dialogue with their Portfolio Holders. Officers were now able to present SAPs for Cabinet consideration for the new Municipal Year and these could be viewed at Appendices D-L to the report.

The Scrutiny Committees might wish to consider how they monitored the performance of the Service Areas. Officers now provided accessible performance information through a business intelligence portal and Members who wished to use this facility should contact the Democratic Services Manager.

In terms of alternative options, the report asked in effect for two decisions to be made. Firstly, it sought support for the Applause initiative. Members

could decide not to support this or recommend variations to the set of proposals. Secondly, approval of the various SAPs was sought. Again, Members could not support these in full or in part or make recommendations for change(s).

The Overview & Scrutiny Committee supported the recommendations in the report. Members wished to reinforce its appreciation of the outstanding effort of officers and Members, recognising the work that has been put in to keep services going to residents throughout the last two years.

The Committee also recommended that Members take part of a public round of applause for staff at the next full Council meeting on 28 July 2022.

The Overview & Scrutiny Committee welcomed the service area plans. Members recognised the amount of that work that had gone into them and expressed a desire to see these in the context of historical data.

Members also recognised the high amount of information received and requested that attention be paid to how best to communicate changes to key performance indicators.

The Overview & Scrutiny Committee recommended to Cabinet that:

- (1) officers could look at other ways to distribute the information in the Energy Price Rise Leaflet (appendix 3 to the report) via Parish/Town Councils / District Councillors;
- (2) the Committee asked officers to produce a definition of the RAG status to be used across the Council for consistency; and
- (3) the Committee asked that the performance measures are reviewed by the PAB's so ensure they measure things of importance and are clear in what they're measuring.

In response to concerns from the Group Observers about how difficult the Service Area Plans were to read, the Deputy Chief Executive explained that this was purely a technical challenge that was being dealt with. Currently, all management information was available to Members via the Business Intelligence Portal. However, this portal would have to be changed in order to make the information from the new database more digestible.

Councillor Day proposed the report as laid out, subject to the additional recommendations from the Overview & Scrutiny Committee.

Resolved that

- (1) the various interventions and initiatives that the Council has delivered following the declaration of a national lockdown in March 2020, and which continue in many aspects to

this day, be noted. (Summarised at Appendix A to the report);

- (2) the Council's response could not have been achieved without Councillors and Officers operating as a team and regarding the Council's officers supports the Applause initiative (Appendix B to the report), be noted and authority be delegated to the Chief Executive in consultation with the Council Leader to agree the final details; and
- (3) the Council's programme of work for the municipal year 2022/2023 as detailed in the Service Area Plans at Appendices D-L to the report, be agreed, with any minor amendments agreed by the respective Portfolio Holders;
- (4) officers to look at other ways to distribute the information in the Energy Price Rise Leaflet (appendix 3 to the report) via Parish/Town Councils / District Councillors;
- (5) a definition of the RAG status be produced by officers to be used across the Council for consistency; and
- (6) the performance measures be reviewed by the PABs to ensure that they measure things of importance and are clear in what they are meaning.

(The Portfolio Holder for this item was Councillor Day)
Forward Plan Reference 1,292

18. HMO Licensing & Planning Permission Policy

The Cabinet considered a report from Housing Services which sought to enable a minor amendment of the HMO Licensing & Planning Permission Policy approved in April 2021.

This was required to enable well established houses in multiple occupation with sufficient evidence of historic use to continue to receive HMO licences upon receipt of duly made licence applications.

Making a small change to the wording in the Council's policy would provide officers with the discretion they needed to ensure that the policy could be used effectively.

It was proposed that the policy wording was amended from that shown in Appendix 1 to that shown in Appendix 2 to the report.

An alternative option would be to leave the policy wording as existed. Officers would then have no choice other than to attempt to take enforcement action against all HMO landlords who were not in possession of planning permission or a Certificate of lawful development. This would create the difficulties discussed in 1.2.8 in the report.

The policy could be revoked, but its overall aim of ensuring HMO licencing and planning permission were considered together was credible and evidence to date suggests there was acknowledgment and compliance by landlords who had submitted licence applications since the policy came into effect.

The Labour Group Observer was pleased to see that the feedback comments from local residents' groups had been listened to. These groups supported the report.

Councillor Matecki explained that this report was just "tidying up" the new policy that was introduced last year and ensured that the Council were obeying the law. He then proposed the report as laid out.

Resolved that the amended HMO Licensing & Planning Permission Policy, which appears in Appendix 2 to the report, be approved.

(The Portfolio Holder for this item was Councillor Matecki)

19. **Public and Press**

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

Minutes Numbers	Paragraph Numbers	Reason
20, 21, 22	3	Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Councillor Tracey left the meeting.

Part 2

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

20. **Progress on the provision of the Community Stadium Scheme, Fusiliers Way, Warwick**

The Cabinet considered a confidential report from Culture, Tourism & Leisure.

The recommendations in the report were approved.

21. **Confidential Appendix to Item 6 – Continuation of Hydrogen Hub Project**

The Cabinet noted a confidential appendix from the Chief Executive.

22. **Minutes**

The confidential minutes of the meeting held on 25 May 2022 were taken as read and signed by the Chairman as a correct record.

(The meeting ended at 7.06pm)

CHAIRMAN
10 August 2022