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|  | Executive 6th March 2019 | Agenda Item No. |
| | | 14 |
| Title | Decision made under delegated authority CE (4) | |
| For further information about this report please contact | Bill Hunt Deputy Chief Executive Tel (01926) 456014 Email: bill.hunt@warwickdc.gov.uk | |
| Wards of the District directly affected | Leamington Milverton | |
| Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?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 | Not applicable | |
| Background Papers | Correspondence from Western Power Distribution | |

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| 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 1003 |
| Equality Impact Assessment Undertaken | Not applicable |
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| Officer/Councillor Approval | | |
| Officer Approval | Date | Name |
| Chief Executive | 11/2/19 | Chris Elliott |
| Head of Service | | Not applicable |
| CMT | 12/2/19 | |
| Section 151 Officer | 12/2/19 | Mike Snow |
| Monitoring Officer | 12/2/19 | Andrew Jones |
| Finance | 12/2/19 | Mike Snow |
| Portfolio Holder(s) | 18/2/19 | Cllr. Mobbs |
| Consultation & Community Engagement | | |
| Not applicable | | |
| Final Decision? | Yes | |
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1. **Summary**

- 1.1 In January 2019 a consultation was held with the Group Leaders on an urgent decision that required the exercise of delegated authority under CE (4) of the Constitution. Their approval was received to use these powers to place an order with Western Power Distribution. This report retrospectively reports the use of the delegated authority, as required by the Constitution.

2. **Recommendation**

- 2.1 That the Executive notes the decision made under the delegated authority under CE (4) of our Constitution, in consultation with the Group Leaders, in respect of the placing of an order with Western Power Distribution (East Midlands) plc (WPD).

3. **Reasons for the Recommendation**

- 3.1 Members will be aware that an announcement was made at Full Council on Wednesday 23 January that the final decision on the HQ relocation project will be deferred until July 2019 at the earliest. Prior to that decision being announced a confidential briefing was held with the Group Leaders on Monday 21 January (3 were able to attend, the other was briefed separately prior to the Council meeting). At that meeting the issue of an electricity supply reconnection offer letter, provided by WPD was discussed.
- 3.2 WPD had issued this offer letter to PSP, the Council's partners in the PSP Warwick LLP, through which the relocation project has been developed for delivery. The offer letter covers the costs associated with the connection of a new electricity supply for the various elements of the proposed Covent Garden development by WPD. This will involve the provision of two new electricity sub-stations, associated High Voltage and Low Voltage infrastructure and connections to the proposed new multi-storey car park, offices and residential apartments.
- 3.3 WPD hold their offers for a limited period and if the offer is not accepted the process starts from the beginning again, potentially resulting in a higher offer price. More importantly, acceptance of an offer guarantees a 'slot' in WPD's future works programme. Without this provisional allocation any future offer may not be able to offer the same guarantee of a future place in the programme, depending on what other offers had been accepted in the meantime. In simple terms this means that acceptance of the current offer guarantees a place on the programme, while seeking a new offer at a later date might not.
- 3.4 The offer received by the LLP was due to expire on 23 January. The risk of the offer not being accepted was, therefore, discussed. It was recommended to the Group Leaders that the offer should be accepted and the order placed by the Council, rather than the LLP given the Council's current and future ownership of the site.
- 3.5 Regardless of any future decision on the proposed developments envisaged for the site under the current HQ relocation project, it is clear that any future re-provision of the current multi-storey car park will require replacement of the current sub-station and connection of a new supply, so it was considered critical

to this Council's interests to secure a provisional 'slot' on WPD's future works programme.

3.6 The decision required was urgent and could not wait for the next Executive meeting as it was necessary to contact WPD, verbally accept the offer, pending formal placing of the order after a re-issue of the offer letter in the Council's name. The Group Leaders agreed to the recommended approach which involved the exercise of the delegated authority set out in CE(4) of the Scheme of Delegation within the Council's Constitution.

3.7 CE(4) states:
The Chief Executive (or in their absence their Deputies) be authorised Deal with urgent items that occur between meetings, in consultation with the relevant Deputy Chief Executive, Head(s) of Service (if available) and Group Leaders (or in their absence Deputy Group Leaders) subject to the matter being reported to the Executive at its next meeting.

3.8 This meeting is the first available opportunity to report the matter as required by the delegated authority.

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> 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 | | |
| Acceptance of the offer enables the relocation project to proceed without any delays due to WPD programming, | Acceptance of the offer enables the relocation project to proceed without any delays due to WPD programming, subject to | Acceptance of the offer enables the relocation project to proceed without any delays due to WPD programming, subject to |

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| subject to the final decision by Full Council. If the decision were to progress this will enable the delivery of 44 new town centre apartments. | the final decision by Full Council. If the decision were to progress this will enable the delivery of new town centre offices with greater accessibility to the public wishing to access Council services. | the final decision by Full Council. If the decision were to be to progress the project it is critical that the connection works are not delayed to avoid the car parks being closed over two Christmas trading periods. |
| 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 | | |
| Acceptance of the offer enables the relocation project to proceed without any delays due to WPD programming, subject to the final decision by Full Council. If the decision were to progress this will enable the delivery of new HQ offices where staff can operate more efficiently and effectively | Acceptance of the offer enables the relocation project to proceed without any delays due to WPD programming, subject to the final decision by Full Council. If the decision were to progress this will enable the delivery of new HQ offices where front facing services can be delivered to the public more efficiently and effectively | Acceptance of the offer ensured that the Council has avoided potentially higher costs of a revised offer from WPD and the potentially higher indirect costs that would accrue if a provisional 'slot' of WPD's works programme had not been secured. |

4.2 **Supporting Strategies**

The CIL Regulation 123 list aligns with the Infrastructure Delivery Plan which formed a key part of the Local Plan evidence base. The CIL scheme ensures the delivery of appropriate infrastructure to enable the growth required through the plan period. It therefore directly supports the Local Plan.

5. **Budgetary Framework**

- 5.1 Two offer letters were subsequently received, re-issued in the Council's name, one for the supply to the proposed new multi-storey car park and offices and one for domestic supply to the proposed apartments. The costs are £73,379.09 (exc. VAT) and £24,433.80 (VAT exempt) respectively.

- 5.2 The budget requirement of £97,812.89 is available through draw down from the Corporate Asset Reserve, which had an unallocated balance of £925,000 at 31 January 2019.
- 5.2 If, for any reason, the ordered work is not undertaken the Council will receive the up-front costs back, minus an administration fee retained by WPD. The balance received, likely to be c£70,000, would be returned to the Corporate Asset Reserve in such a scenario.

6. Risks

- 6.1 As the decision has been made and implemented there are no risks to report.

7. Alternative Option(s) considered

- 7.1 As the decision has been made and implemented there are no alternatives to report. However, as noted above, alternatives were considered as part of the decision-making process.